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MONETIZING AND LOCALIZING FOREIGN AID

EVOLVING PATHS AND THE PROFESSIONALS TREADING THEM

Molly Sundberg

Monetizing and Localizing Foreign Aid

This book investigates the uneasy coexistence of two current policy pathways within international development: to monetize aid and simultaneously to localize it. It explores these paths through the experiences of the development experts who are treading them, notably those who hail from aid recipient countries, and those who engage with for-profit instruments and institutions. In focus in focus are the institutional realms of consulting firms, development finance institutions and foreign state aid agencies involved in both for-and non-profit work. Based on over 100 interviews with development practitioners from Kenya, Tanzania and Sweden, as well as a range of other OECD-DAC countries, the book inquires into these professionals' everyday work, voice and authority, employment terms, career trajectories, moral convictions and professional drivers. It synthesizes these empirical findings with a rich collection of internal aid documentation that rarely reaches the public eye. Together, these inquiries offer a multi-layered exploration of capitalism, poverty alleviation and global North–South inequalities within contemporary foreign aid. Addressing fundamental shifts within global development, this book will be an important read for researchers and students within qualitative social scientific studies of global development and international aid.

Written accessibly and to the point, the book also highlights possibilities for change which would be relevant for public and private sector development practitioners and policymakers.

Molly Sundberg is an associate professor and senior lecturer in social anthropology at the Department of Social Anthropology, Stockholm University (SU), Sweden. She is also the director of studies for a multidisciplinary bachelor's program in global development at SU. During 2007–2010, she worked for the Swedish state aid agency, Sida, in Stockholm and Kigali, Rwanda.

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To Juno, Ellis and Jonas

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1 Introduction

This book is about the roles, labor and everyday professional realities of experts engaged in international development work. Readers expecting to learn mainly about white NGO workers from North America or Western Europe will be disappointed. Though such individuals typically represent aid workers in scholarly research and public debate, I am interested in two other, partly overlapping groups of development experts: those involved in profit-making aid and those hailing from aid recipient countries. The first group is growing in number and influence and the second has long constituted the vast majority of aid workers. Specifically, most protagonists of this book are Kenyan, Swedish and Tanzanian practitioners who work in three institutional realms: commercial consulting firms, development finance institutions (DFIs) and foreign state aid agencies involved in both non- and for-profit assistance. In total, I have interviewed roughly 100 persons mainly representing Tanzanian grants managers working for foreign state aid agencies in Tanzania; Swedish staff managing private sector instruments at Sweden's public aid agency, Sida, in Sweden;[1] Kenyan and Swedish consultants based in Kenya and Europe; and Kenyan and donor-country finance experts working for DFIs at headquarters and in field offices in Kenya.

These persons form part of a greater collective of practitioners who are involved in international development work. Scholars interested in the cultural constitution of this world have come to refer to it as 'Aidland' (Apthorpe 2011). Often by way of ethnographic inquiry, they have unpacked how policy formulation, the planning and implementation of projects, development partnerships, intermediary actors and constructions of development expertise, are shaped at the juncture of norms, technology, politics and social relations (see e.g. Atlani-Dualt 2007; Bierschenk, Chauveau and Olivier de Sardan 2002; Crewe and Harrison 1998; Fresia and Lavigne Delville 2018; Li 2007; Mosse 2005; Mosse and Lewis 2005; Olivier de Sardan 2005; Rottenburg 2009; Swidler and Watkins 2017). Within this broader field of 'aidnography' (Gould 2004), this book seeks to add specifically to a sub-set of studies spotlighting the professionals in charge of development work. These have probed aid workers' personal relationships, motivations and life histories; their collective cultural and socioeconomic attributes; the technocratic logics and practices marking their everyday work; and how all of these aspects articulate with current

1 Sida stands for Swedish International Development Cooperation Agency.

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development paradigms (Baaz 2005; Eyben 2012; Fechter 2012, 2014; Fechter and Hindman 2011; Kothari 2005; Mosse 2011a; Roth 2015; Stirrat 2008).

However, Aidland studies tend to focus on staff hailing from donor countries, or they do not differentiate these in any systematic way from practitioners based in aid recipient countries (see e.g. Baaz 2005; Fechter and Hindman, 2011; Fechter 2007, 2012; Mosse 2011a). A small but growing number of researchers, meanwhile, foreground this latter group, who are in fact estimated to make up 90% of persons involved in aid work (Roth 2015; see e.g. Kamruzzaman 2017; Peters 2016, 2020; Shevchenko and Fox 2008; Ward 2021). As an analytical concept and object of empirical research, however, practitioners from aid recipient countries tend to be either very specific or highly composite. A majority of studies address those who work for one or two particular organizations, usually in the world of NGOs (e.g. Peters 2020; Shevchenko and Fox 2008; Ward 2021). A more limited number lump together a wide spectrum of local development practitioners, ranging from unemployed youth doing odd jobs, to university academics, UN staff and civil servants in domestic government ministries (Bierschenk, Chauveau and Olivier de Sardan 2002; Carr et al. 2010; Kamruzzaman 2017; Kumi and Kamruzzaman 2021; Lewis and Mosse 2006; Swidler and Watkins 2017). How do these practitioners' employment terms, career prospects, and professional voice and authority in their workplaces, possibly vary depending on the type of organization they work for? This is a question that interests me. The following pages attempt to tease out some of the differences and similarities between development practitioners from aid recipient countries (and how they compare with their colleagues from donor countries) who operate in a few of today's major institutional realms of development work. It relates existing research, mainly on NGOs, with my own findings from state aid agencies, consulting firms and DFIs.

This brings me to another area of Aidland research I wish to expand. Institutional focus in current scholarship tends to be on non-governmental organizations and associations, and, to a lesser extent, public sector actors like state aid agencies—both predominantly involved in grant-based assistance. A big part of this book visits instead the vicinities of Aidland where its inhabitants, as organizational entities, turn a profit from their work. It joins a growing body of qualitative social scientific studies examining private sector regimes, actors and instruments in international development (Hart, Russon and Sklair 2021). They include research on blended finance and development's financialization (Chiapello, Engels and Gresse 2023; Cohen et al. 2021), consulting (Roberts 2014; Stanger 2009; White 2020; White and Haapala 2019), privatization and public–private partnerships (Bayliss and Van Waeyenberge 2018; Harrison and Mdee 2018; Languille 2017), impact investment, microcredit schemes and corporate philanthropy (Banerjee 2021; Elyachar 2005; Kar 2018; Kilby 2021; Kumar and Brooks 2021; Mader 2015; Schuster and Kar 2022), and corporate social responsibility, corporate community development and fair trade (Banks et al. 2016; De Neve et al. 2008; Dolan and Rajak 2016; Luetchford 2008; Rajak 2011). These studies cast valuable light on, for example, the diverse representations of the private sector, and the

various mechanisms and effects of neoliberal market expansion and the growth of finance capital. My intended addition to this scholarship entails spotlighting some of the practitioners operating in this world—their professional convictions and drivers; their job tasks, backgrounds and expertise; and their employment terms and collegial relationships.

A first purpose of this book can hence be summarized as bringing attention to Aidland's development professionals who work with profit-making aid and/or who hail from aid recipient countries.

A second purpose of the book is to approach these practitioners as an entry point to exploring two ongoing trends in international development work within the OECD-DAC.[2] They concern efforts to, on one hand, monetize aid, and, on the other, localize it. Aid's monetization entails the use of profit-making instruments and organizations in aid work, where my focus is on development finance, or the mobilization of primarily commercial capital (and actors and expertise) for development purposes, on one hand, and sourcing aid labor by way of contracting for-profit consulting businesses, on the other. Localization involves investing in the contribution to development work by organizations and practitioners in aid recipient countries, by transferring to them resources, opportunities, power and authority traditionally retained in donor countries.

DFI investment managers, consultants, state aid agencies' private sector experts, and their representatives hailing from Kenya and Tanzania, operate at the frontiers of either or both of these two institutional changes in aid. While not all of them actively champion (or, for that matter, oppose) efforts to localize and/or capitalize on development work, they are unavoidably part of them. I am particularly concerned with how aid's localization and monetization interact and affect each other and what this means for international development as a field of practice and the persons it engages. Do strategies to draw profit from aid work help or hinder efforts to localize that work? This is a question that interests me. In Chapter 2, I unpack how Kenyan professionals working in development finance and consultancy do not face some of the inequalities commonly experienced by local staff working in foreign state aid agencies and NGOs. These inequalities pertain to their formal rank and authority, job security, and the meaning, scope and use of 'local knowledge'. It suggests that some profit-making regimes and actors in development are doing away with colonially imbued hierarchies otherwise entrenched in the aid industry, thereby aligning with localization tenets. In Chapters 3 and 4, meanwhile, I describe how consulting firms and DFIs reproduce other types of local-deployed staff inequalities, pertaining to practitioners' voice, authority and remuneration levels, as well as access to the global, organizational centers of their professional sub-fields. These highlight alternative meanings of

2 OECD-DAC stands for Organisation for Economic Cooperation and Development's Development Assistance Committee. It is the OECD's forum for addressing issues concerning aid, poverty reduction and development including policy agendas pertaining to aid effectiveness and aid localization. All major donor countries in the Western hemisphere are members.

localization found not in OECD-DAC donor circles but in studies of international human resource management within multinational businesses and foreign investors in developing countries. In Chapters 5 through 8, I investigate how development finance and contracting in aid are also bringing about dynamics in aid work that, in part, display new ways of hierarchizing experts and expertise from donor- and recipient countries. These are found in the strengthened role of 'developers"[3] institutional goals that practitioners pursue in their work; in moral economic approaches to profit, risk and reciprocity in development partnerships; and in the reconfiguration of the competition for contracted consultancy work procured in an international market. These, too, I suggest, compel us to revisit the meanings of development work's localization.

The experts highlighted in this book bring into conversation studies of private sector aid, on one hand, and local(ized) aid work, on the other, which have so far had little interaction. Scholars and industry insiders have separately discussed each field in relation to both 'value-neutral' concerns about economic growth and aid effectiveness, and moral imperatives about social justice and global redistribution of power and resources. For example, localizing aid is mainly promoted among OECD-DAC donors as a means to make tax-funded aid more efficient or, put more crassly, cheaper. But it also embodies a critique (by scholars and donors alike) of how the competence, skills and resources of developers from aid recipient countries have been categorically devalued and overlooked by virtue of their belonging to the global South, facing modernist preconceptions about underdevelopment that hark back to colonialism and structural racism. Private sector aid, on its end, is commonly championed on the grounds of market actors' believed proficiency in advancing inclusive growth through cost efficiency, specialist expertise and technical innovation, and of private capital's potential to fill huge funding gaps. But it is also morally condemned as a means for capitalistic actors to exploit humanitarian efforts for their own economic gain. Commercially based investment managers and consultants from aid recipient countries, who are hired or contracted by foreign development organizations, offer interesting cases for exploring how the use of profit-making instruments and organizations in aid's customarily value-driven, publicly funded field of practice, intersects with efforts in that field to raise efficiency but also redress historical, racial inequalities between practitioners from donor- and recipient countries.

Importantly, aid's monetization and localization encourage us to revisit fundamental questions about resource entitlement, professional authority and trust in international development work. They ask who aid's legitimate beneficiaries are, who its experts are and who can be trusted as a reliable partner. Profit-generating aid, I posit, is partly about reconstituting development's *agents* as also legitimate *beneficiaries*. It is about sanctioning aid providers to capitalize economically on their assistance by engaging commercial instruments and actors. Conversely,

3 In this the book, I use the term 'developer' to denote an organization (and in a few cases, a country) involved in development work in or targeting aid recipient countries.

localization involves reconstituting development's *beneficiaries* as also *agents*, by recognizing and promoting the contribution to development by actors hailing from aid receiving countries, transferring to them authority, power, resources and opportunities otherwise concentrated in donor countries. Kenyan DFI employees and consultants I interviewed represent both the local and the private, thus they hold the potential for claiming positions as both agent and beneficiary. But they also compete against identical claims made by experts from donor countries. Those draw on a parallel tenet advanced not least within development finance circles, arguing that aid should also benefit donor-country businesses and economies, and also on the more deeply rooted conception that donor countries are the main source of development expertise. Moreover, as representatives of both aid recipient countries and private sector aid, some of my Tanzanian and Kenyan interlocutors undertake a double form of brokerage in development partnerships—between the local and the foreign, *and* the non- and for-profit. As state aid agencies' contracted consultants or in-house staff with a past in consulting, they exploit their ties to their employer's partners on the recipient- and private sector side, to help their patrons 'see through' the assumed facades of these partners, gain their trust and enforce partnership conditions. But in doing so, they simultaneously tie themselves to two partner collectives that their public employers in donor countries tend to distrust: those from the world of underdevelopment and those turning a profit from aid. As such, they point to the shaky ground under the feet of practitioners operating at the intersection of aid's localization and monetization.

Aid's Localization … and the Question of Who/What is 'Local'

Localization efforts and the growth of profit-making instruments and actors in development work involve a range of concepts whose meanings and underlying theories differ both within and between communities of researchers and industry professionals. In this section and the next, I unpack the notions of 'local' and 'profit-making', particularly.

Aid localization, or locally led development as it is also often called, has garnered increasing scholarly and policy interest in recent years. Roughly, it is a discursive framework for efforts to change the flow of resources, power, opportunities and professional authority and expertise from donor- to recipient-country actors. Similar pursuits have been part of OECD-DAC's development and humanitarian aid since the 1960s. Over the years, it has been conceptualized as for example 'participatory development' and, later, 'ownership' of aid (Koch and Rooden 2024). In 2016, aid localization gained renewed political momentum through that year's World Humanitarian Summit. The summit formalized the 'Grand Bargain: Agenda for Humanity', which committed humanitarian agencies and donors to earmark a quarter of their funding directly to local actors by 2020 (Grand Bargain 2016; Robillard, Atim and Maxwell 2021; Roepstorff 2020). So far, meanwhile, these targets have been far from met. In 2020, the total share of humanitarian aid spent on local actors constituted merely 3.1–4.7% (Robillard,

Atim and Maxwell 2021[4]). Up until its dismantling in early 2025, USAID was a front figure in localization efforts. In 2021, it stipulated that 25% of its funds to both humanitarian and development work would be allocated to local organizations by 2025. In 2024, meanwhile, this figure stood at 12.1% (Forster and Paxton 2025). Their meagre results notwithstanding, USAID's pledges exemplify how this most recent drive for aid localization emerged primarily in the realm of humanitarian aid but has since gained traction also in more long-term development work. Eighteen major donor countries and 15 foundations have signed the 'Donor Statement on Supporting Locally Led Development' (formalized at the 'Effective Development Cooperation Summit' in Geneva in 2022), thereby committing to 'prioritise and enhance local leadership in development processes' (Lewis 2025).[5]

As indicated earlier, localization can be said to serve two, intertwining objectives, broadly speaking. One, emphasized in donor discourse, concerns making aid more effective, sustainable and cost-efficient. The other pertains to principles of equity and redressing post-colonial inequalities and hierarchies between developers from donor- and recipient countries, recognized as still influencing whose voice and conceptions of development counts (Baguios et al. 2021; Robillard, Atim, and Maxwell 2021).[6] Besides channelling donated resources and responsibilities directly to local NGOs (instead of through, for example, UN agencies and international NGOs), localization today has come to entail a number of things. One involves supporting ownership by aid recipient institutions that belong to the state rather than civil society. In this regard, OECD-DAC donors show a negative trend as preferred aid modalities in recent decades have shifted from budget- and program-based support to project-specific assistance, often targeting non-state actors (Dissanayake 2024). (Non-DAC donors like China and India, meanwhile, have been noted as positive 'localizers' in this respect; see e.g. Paczyńska 2023.) Another dimension of localization concerns transferring the headquarters of international organizations from donor to recipient countries. Prominent examples are Oxfam's move from Oxford to Nairobi in 2019, and Action Aid's relocation of its international secretariat from London to Johannesburg already in 2004 (K4D 2018). Other forms of localization entail increasing diversity in staff recruitment, growing the share of host-country personnel in international organizations, and addressing differences in employment terms between posted and local staff (Barbelet et al. 2021; Wall 2016). Basically, some studies highlight, localization can refer to any kind of work that supports local initiatives or originates with local

4 This estimate excludes subcontractors.

5 These follow from prior localization commitments by donors, formalized in e.g. the Paris Declaration (2005), the Busan Partnership for Effective Development Cooperation (2011), the 2030 Agenda for Sustainable Development (2015), the Grand Bargain (2016), the Grand Bargain 2.0 (2021), the OECD-DAC Recommendation on Enabling Civil Society in Development Co-operation and Humanitarian Assistance (2021), and the Locally Led Adaptation Principles (2021; see Lewis 2025).

6 There are also a number of grassroots movements pushing for localization, see e.g. https://shiftthepower.org/about-us/

groups (Wall 2016). Certain global societal phenomena and changes in recent years have been expected to buttress localization. The Covid-19 pandemic, for example, brought to the fore the need for better crisis response preparedness and prevention where local organizations and workers proved central. When field offices closed and staff deployed from headquarters returned to donor countries, local staff took on more responsibilities (Bonis-Charancle and Vielajus 2020). The global economic recession that followed has also been estimated to accelerate the growth in numbers of local recruits, given the lower cost of local staff (this is believed to also have occurred following the global economic crisis in 2008; see Roth 2015). How the last two years' cuts in aid budgets among numerous OECD-DAC donors will affect localization efforts, remains to be seen (Davis 2025).

This book is primarily interested in aid localization in as far as it entails the balance and transfer of power, recognition, resources and economic opportunities between donor- and recipient-country experts and organizational entities. These aspects, I believe, are put in sharp relief in contexts where practitioners and organizations hailing from aid recipient countries work closely with those representing donor countries. This is why the book studies local development practitioners and local–international staff differences and relations in the institutional realms of donor-country organizations located in aid recipient countries, and in local consulting firms based in aid recipient countries but contracted by, partnering with and competing against, donor-country organizations and firms.

However, (even) in these institutional contexts, as elsewhere in the development industry, the nature and boundaries of 'local' as opposed to 'expat', or 'national' as opposed to 'international' are contingent rather than stable (Mac Ginty 2015; Peters 2020; Roepstorff 2020). Aid workers from OECD-DAC countries have diversified in terms of, for example, ethnicity and class (Hindman and Fechter 2011[7]). In public aid agencies and DFIs, as well as in many NGOs and consulting firms, the distinction between local and international staff follows from administrative and legal classifications, rather than being tied to staff's nationality. Expatriates residing in the host country may also be employed on local contracts. It is not uncommon for the embassies of some bilateral aid agencies, for example, to hire the spouses of deployed staff on local contracts.

In this book, meanwhile, local practitioners refer to those who were born and raised in the aid recipient country or region in which their office is located. During the time of my fieldwork, practically all investment managers working in DFI offices in Nairobi who had not been deployed from headquarters were Kenyan (or, in some cases, from neighboring countries). Likewise, a vast majority of locally recruited grants managers working for public foreign aid agencies in Dar es Salaam were Tanzanian. Most other empirical inquiries into development practitioners on

7 As Fechter and Hindman (2011) further point out, the rise of non-DAC actors from, for example, China, India, Brazil and Saudi Arabia, have also added significantly to this diversification, meaning that development practitioners deployed from donor headquarters no longer represent a homogeneous group of predominantly white Europeans and North Americans.

local contracts, as opposed to practitioners employed by and dispatched from donor countries, center nationals of aid recipient countries. The latter has been found to represent the large majority of professionals working in international development worldwide in this group (Apthorpe 2011; Roth 2015). A key insight permeating scholarship on this group concerns the structural inequalities experienced by development experts associated with the world of 'underdevelopment' and how these are, in part, shaped by colonial and racialized constructions (Crewe and Fernando 2006; Kothari 2006; Pailey 2019; White 2002).

By virtue of being born and raised in the country receiving aid, most local aid workers share certain features that distinguish them from their colleagues deployed from headquarters in donor countries. They include, perhaps most obviously, being citizens of the aid recipient society. They also entail having more of some or all of the following resources: in-country social, professional and kin-based networks; knowledge of vernacular language(s), cultural codes and social norms; and an acquaintance with the domestic development landscape and its major actors and 'rules of the game', at least within the specific sector in which they specialize (such as infrastructure or health).

Of course, the book's East African experts working as investment managers in DFIs, as grants managers in foreign state aid agencies and as consultants contracted by foreign aid organizations, represent a diverse group of local development practitioners. Besides their separate nationalities as either Tanzanian or Kenyan (more on that toward the end of this chapter), my interlocutors have different formal credentials; work in different places of the stratified architecture of the 'aid chain' (Swidler and Watkins 2017: 79); represent organizations with different 'business models' and legal–institutional natures; and form part of work environments that vary in size and proximity to the centers of decision-making and policy in their organization. Moreover, when comparing them to local aid workers portrayed in existing scholarship (drawn mostly from the world of NGOs), I include practitioners involved in both development and humanitarian assistance. Unlike the local protagonists of many other studies, meanwhile, the East African experts centered in this book all operate in the top layers of their 'local Aidlands' (or domestic industries of international development work). They share a mutual belonging to their respective country's urban, intellectual class of university-educated, white-collar professionals who work in or for international organizations. All Kenyan DFI staff, and 90% of all Kenyan consultants and Tanzanian state agency employees I interviewed, had a master's degree. Two thirds of Kenyan DFI staff, and about half of Kenyan consultants and Tanzanian state agency staff, had obtained a university degree abroad, in either Europe, North America, Asia or South Africa.

On an organizational level, the category of 'local' is (even) trickier. Consulting firms are a telling example of this. The global development media platform Devex[8]

8 See www.devex.com. Devex is formally a news organization focused on global development issues. In practice, it is a media platform for, primarily, news journalism, career- and networking, and the organization of on-line events.

and its database of organizations involved in development consulting, lists over 100 entities registered as 'Kenyan'. A closer look discloses that many of these are subsidiaries or branch offices belonging to companies headquartered in donor countries. Similarly, Sweden's two major development consulting firms both have foreign owners, though their offices in Stockholm were originally founded by Swedish consultants without any formal international connections. Others among the companies listed by Devex as Kenyan actively brand themselves as 'indigenous' or offering uniquely Kenyan expertise. When searching for Kenyan consulting firms (partly using Devex), I was mainly interested in those founded in Kenya by Kenyans. Four of the firms in my sample, meanwhile, turned out to be created and run by white Europeans born and raised in Europe. Lucas, one of these directors, retold how his parents had been missionaries to Kenya, so he had spent the greater part of his childhood in the country. Following some years in his birthplace in Europe, he had moved back to Kenya for work, which meant his own children had also grown up in the country. Neither he nor his children, however, were Kenyan citizens and none of them spoke Swahili. They had all gone to international schools in Kenya, and once they had graduated, they had left the country for university studies in Europe. In procurements limited or giving preference to 'national' contractors, Lucas recounted, it was not always clear whether or not his firm qualified as such. His company was legally incorporated in Kenya, and Lucas had local residence status and a work permit in the country. For those reasons, he and his firm were often considered local. In other cases, it was not. In Kenyan government procurements with 'local content' provisions, for example, contractors, as organizations, need to demonstrate majority ownership by Kenyan citizens. In such cases Lucas's company was rather deemed to belong to the many 'international' (or foreign) firms hailing from, not least, North America and Western Europe. Partly to strengthen his firm's identity as local, Lucas had recently applied for Kenyan citizenship. Sometimes, meanwhile, localness had less to do with formal credentials or legal statuses but rather came down to a matter of skin color. As another white European owner of a Kenya-registered firm put it, it was hard to come off as local when one's company was represented by a '*mzungu*[9] face'.

Two others in my sample of Kenyan consulting firms belonged to multinational franchises headquartered in Europe. One had been founded in Nairobi as a single, independent entity and had later been incorporated into the multinational franchise. Stella, a representative of the company, defined it as local because it did not own shares in the multinational franchise and nobody in the office belonged to the franchise's group of lead directors. Moreover, Stella added, one of its foreign clients had labelled the firm local (which had been a requirement in the client's procurement) because two of its three directors had been Kenyan citizens. The second firm in my sample had been established by its mother company in Europe and was headed by Harry, a person who had originally worked for the company's European headquarters. Harry asserted that his firm in Nairobi was nevertheless local because it was registered as an independent Kenyan company and was not legally a branch office of the mother company.

9 *Mzungu* in Swahili (and other East African languages) means roughly 'white person'.

Several Kenyan consulting businesses in my study profiled themselves online as local while simultaneously claiming to serve the whole African or East African market. Most of them, in fact, carried out assignments and/or bid for contracts with clients based in other, mostly African, countries. In projects undertaken outside Kenya, they often engaged in joint ventures with, or subcontracted, firms or individual consultants based in the mission country (and sometimes in a third country). One Kenyan firm, for example, had recently undertaken a joint venture with an Indian firm for a World Bank-sponsored project procured by the government of a country in southern Africa. Moreover, many Kenyan firms had also opened, or planned to open, offices in other African countries, in order to be eligible to bid for local contracts in those countries, but also to give them the status of a multinational company. Meanwhile, development organizations from donor countries, several Kenyan consultants ascertained, tended to label all firms with headquarters or shareholders in ('only') Africa as local, no matter how many different African nationalities they represented. An 'international' firm, in turn, was a firm with offices and/or shareholders outside Africa. The Kenyan government's interpretation of an 'international', as opposed to 'local', contractor was less clear-cut, though. Though legally, it was determined by the citizenship of the company's majority owners, from the experience of Kenyan consultants tendering for state contracts, procurement provisions and preferences in favor of either local or foreign contractors could in practice be interpreted by government staff as a line drawn around either Kenya, East Africa or Africa. 'Outside Africa', meanwhile, was largely understood by both Kenyan civil servants and OECD-DAC donors as equivalent to the OECD-DAC community. Tellingly, the identity of Indian companies was ambiguous, oscillating between local and international.

Aid's Monetization … and the Question of Who/What is 'Profit-Making'

One could group international development work's engagement with the private sector into three types (EURODAD 2015), two of which are the focus of this book. One entails involving businesses as contracted suppliers of goods and services. In this context, my interest is in for-profit consulting firms selling expert labor to development organizations. A second concerns engaging with corporations as 'development agents' (Blowfield and Dolan 2014) which are expected to actively advance development goals by mobilizing private capital, resources and expertise. Here, I spotlight bilateral DFIs (development finance institutions) as a key category of donor state organizations engaged in this work, and the use of development guarantees, a type of investment risk insurance and a popular instrument used by OECD-DAC donors to leverage private capital for development purposes.

The third way in which the private sector enters the world of international development is by way of being an aid recipient. Here, development actors seek to build markets in target countries by, for example, investing in local businesses and supporting legal reforms and regulations that improve recipient countries' business environments. Many guarantees and, in particular, bilateral DFIs, invest in

commercial businesses in low-and middle-income countries. However, as *targets* of aid grants or development finance, businesses in aid recipient countries are not one of the empirical focus areas in this book.

Of course, there are intersections between these three 'entrypoints' of the private sector into the realm of development. The financialization of international development efforts and the delegation of various types of aid work to commercial companies forms part of a wider ideological shift that upholds the market—its logics, actors, systems and practices—as key to development. The Agenda 2030, launched in 2015, consolidated the role of the private sector as at once a service provider, beneficiary and, not least, co-constitutive partner in development efforts. In positioning commercial businesses alongside state institutions and civil society organizations as critical for achieving the Sustainable Development Goals (SDGs), it infuses contemporary development paradigms with a broader neoliberal rationality that advocates for marketization, liberalization, privatization, as well as an enhanced audit culture and managerialist rationales in aid work (McEwan et al. 2017; Scheyvens, Banks and Hughes 2016; Whitty et al. 2023). An observed consequence of this has been the increasing difficulty to separate 'big D' development, as 'a post-second world war project of intervention in the "third world"', from 'little d' development, as 'the development of capitalism' (Hart 2001; see also Lewis 2019).

Within this broader paradigm shift in development work, this book is especially interested in how it has engendered a *monetization* of aid—that is, ways in which development work generates profits for developers, such as private corporations but also donor governments. The monetization of aid, in other words, is concerned with the private sector's role in development as a particular *model of assistance*, notably that which is for-profit. It does not delineate the private sector as (mainly) a source of capital (which could include e.g. private philanthropy), form of institutional ownership (also encompassing e.g. private foundations) or organization with a particular economic model or legal status (which could also include the CSR activities of for-profit businesses). Rather, it centers aid *work* (services and capital) that is provided and meant to be returned with a financial surplus.

International development cooperation has long been entangled with donor actors' promotion of commercial modes of assistance and economic self-interests (Bernards 2023). Historical patterns among OECD-DAC countries illustrate the persistent intertwining of aid and trade through mechanisms such as tied aid (more on that below), concessional lending and export credit arrangements (Mawdsley 2015). The past two decades, however, show an intensified embrace by development actors of means to capitalize on their aid efforts. True, only about 2% of OECD-DAC's bilateral official development assistance (ODA) are allocated to so called 'private sector instruments' (PSIs; OECD-DAC 2025). PSIs are equity investments, loans, guarantees and mezzanine finance,[10] mainly managed by DFIs, and intended to support private sector growth in target countries. At the same time, the growth rate of PSIs far exceeds that of conventional ODA. Since

10 Mezzanine finance combines debt and equity in various hybrid forms.

2005, average ODA expenditure has been stuck at around 0.3% (Caio and Craviotto 2021: 9[11]). In 2024 and 2025, USA, EU and eight European countries enforced or announced plans to cut ODA, giving rise to narratives about OECD-DAC aid as having reached its peak and entering an era of general decline (Davis 2025; Gulrajani and Pudussery 2025). While global ODA may fall by more than a quarter in the coming couple of years (Davis 2025), Europe's 15 DFIs recently increased their investment commitments by almost a third in a single year (of 2023, see EDFI 2025). Thirteen major donors have reported plans to scale up aid to the private sector (Meeks, Gouett and Attridge 2020: 9). During 2018–2021, aid channelled through private sector instruments grew by 55% in Sweden, and over 400% in Japan (Craviotto 2023: 26).

The growth in private sector instruments and the institutions managing them (such as DFIs), form part of what some scholars describe as the latest turn in the financialization of aid. 'Financing development', that is, internationally coordinated strategies to mobilize private capital for development purposes, took off in the early 2000s and has become more central in development during the past decade (Chiapello, Engels and Gresse 2023).[12] It builds on earlier decades' focus on 'development as finance', that is, improving access to finance through micro-finance and, later, broader financial inclusion initiatives. Since both types of financialization entail the provision of capital and services meant to generate a financial surplus, they both exemplify monetized development work. Moreover, they are interconnected in the sense that private capital has been part of funding microfinance initiatives for decades (Aitken 2013), and today's DFIs (and PSI instruments managed by e.g. state aid agencies) are often involved in interventions purposed to broaden access to finance, by investing in, for example, local banks and financial institutions (EDFI 2024; Sida 2024). However, financial services are but one of many 'sectors' which development finance targets. The book's focus on DFI staff and guarantee experts as examples of professionals involved in aid's monetization, is restricted to these professionals' work with neither financial inclusion nor development finance. The conviction many of them share with consultants is less one of 'development as, or through, finance', and more 'development as and through the pursuit of profit'. However, as I will unpack in Chapter 6, that conviction is much (though not only) based on a belief in the reciprocal and equalizing force of development partnerships that expose donors/investors to the risk of financial loss. This exposure is a more tangible feature of development finance than, for example, consulting.

In any case, contracting commercial consulting firms to design, coordinate, implement, evaluate or advise on aid interventions, indeed forms part of the monetization of development work. Though the reasons vary for why development organizations source from, or outsource to, private businesses (and may not explicitly reflect a preference for the private sector or support of marketization),

11 0.37% in 2022–2023; see Flourish (2024).

12 One example of the historical trajectory of 'development finance' is the series of international conferences on development financing, starting in Monterrey in 2002, and followed by Doha in 2008, Addis-Ababa in 2015 and Sevilla in 2025.

the development labor undertaken by contractors generates profits for these companies. More importantly, many consultants I spoke with viewed themselves as active agents in development and shared convictions with DFI investment managers and guarantee experts about the value of profit-making in aid. (And among those who worked in financial services, some also uplifted the value of development's financialization.) The significant volumes of ODA spent on consulting services have been noted in several areas of the aid industry, including among the world's largest humanitarian organizations (Pearson 2022), the World Bank (McLean 2023), international NGOs (Stubbs 2003) and within major bilateral aid donors like the UK (Whitty et al. 2023) and USA (Roberts 2014; Tilley 2023). In the UK, bilateral aid funds spent on contracts increased from 12% (540 million GBP) to 22% (1.34 billion GBP) between 2010/11 and 2015/16, and many of those winning UK aid contracts are for-profit consulting firms (IDC 2017: 1, quoted in Whitty et al. 2023). Moreover, a significant share of public aid flows continues to be 'tied', that is, conditional on the procurement of goods and services from suppliers based in the aid providing country (EURODAD 2025). In 2018, a fifth of ODA was formally tied, and in practice, more than half of all contracts went to suppliers sharing the nationality of the donor (Meeks and Craviotto 2021). This indicates how consulting in aid often benefits developers as not only individual companies but also national economies, where contracting is used by donor governments to monetize aid for the benefit of domestic markets.

The chapters in this book use the terms 'profit-making', 'for-profit', 'market-', 'commercial' and 'private sector', intermittingly, to denote instruments, interventions and models of development assistance that are formally mandated to generate a financial surplus. They contrast with those not authorized to turn a profit, such as in the case of issuing grants, offering technical assistance 'for free', or delegating work to organizations that in turn assume those responsibilities on a non-profit basis—all of which together constitute the bulk of OECD-DAC aid activities undertaken within development's public and third sectors. Meanwhile, like local–international differences, the distinction between non- and for-profit aid is not clear-cut. ODA, for example, is largely understood as non-profit. But besides grants, OECD-DAC also includes as ODA so called 'soft loans' which need to be repaid with interest. How much a donor is allowed to charge in interest and still count it as ODA varies, much depending on the loan-taker. For example, since 2018, a loan to a state actor in a country belonging to the UN category 'Least Developed Countries', can be labelled 'concessional' and thereby count as ODA if 45% of the loan represents a grant element. The grant element equals 'the difference between the face value of the loan and the present value of the repayments the borrower will make over the lifetime of the loan, as a percentage of the face value'. It is determined by several factors:

> the interest rate; grace period (i.e. the time from the commitment to the first repayment date of the loan); maturity (the time from the commitment to the last date the loan is expected to be repaid); and discount rate (which is used to determine the present value of future repayments).
>
> (Government of the United Kingdom n.d.: 1–2)

In 2016, OECD-DAC decided on a new international statistical framework to make more visible donors' investment of ODA in private sector entities. Total Official Support for Sustainable Development (TOSSD) measures all public and private resources spent on achieving the SDGs.[13] A large share of such aid takes the form of grants, mainly to DFIs (Caio and Craviotto 2021: 18). Before, such grants to DFIs did not qualify as ODA because most operations of DFIs were not considered concessional—had they been, they would have been regarded as distorting market competition. As I will describe in Chapter 6, TOSSD has been criticized for discarding the concessionality criterion as a condition for international aid, thereby blurring the boundary between development and commercial objectives.

On a project level, moreover, many aid interventions today constitute varieties of public–private partnerships, where state actors and civil society organizations collaborate with commercial businesses as financers, technical experts, goods suppliers, mediators and implementing partners (Hart, Russon and Sklair 2021).

Moreover, for- and non-profit models of assistance can mix within individual organizations. DFIs as well as state aid agencies can combine grants and/or technical assistance with instruments that generate revenues for the organization. Sweden's public aid agency, Sida, for example, has historically issued loans at an interest rate. For the past two decades, it has also managed development guarantees (more on that below), and a few years ago it was under consideration by the central government for undertaking equity investments (Statskontoret 2016).

Consulting firms, likewise, can simultaneously operate on a non- and for-profit basis. Several of the Kenyan firms in my sample were partly involved in non-profit work. In those cases, all revenues from the client were spent on executing the assignment, rather than, in part, on running the firm. Reasons for engaging in non-profit work were sometimes ethical or ideological, grounded in an interest in corporate social responsibility or projects purposed for public welfare or vulnerable groups. At other times they were a business strategy, aimed at gaining entry to the market of foreign development clients. An example of the latter was given by Stella, mentioned above. Like many other Kenyan consulting firms, Stella's business had started out serving mainly Kenyan private sector companies, where contracts were easier to come by but smaller in size. Development projects funded by foreign donors, meanwhile, were usually more profitable, and they were also more reliable than contracts signed with the Kenyan government, where delays in payment were common. However, jobs with development clients were competitive, Stella asserted. To get a foot in the door, her firm had accepted to take on an assignment for a foreign donor on a non-profit basis. That was a long-term investment. Hopefully, the multi-year contract would give her firm enough relevant experience and connections in the development industry to make it competitive in bidding for other, future contracts on a for-profit basis. A third incentive for doing non-profit work resided in the fact that individual consultants could earn more from such assignments. Since all money went to the project, tendering firms

13 See https://www.tossd.org/

could afford pricing the daily rates of their consultants higher. Besides benefitting individual consultants, this could make the tender more competitive since the higher salary rates enabled the firm to attract better qualified experts to subcontract. More than half of the Kenyan and Swedish consultants I interviewed had a past in non-profit or public development work. Several of them insisted that salaries were often higher in NGOs than in consulting firms and that their colleagues in their previous NGO workplaces had been just as concerned with pay levels and career advancement as their fellow consultants in their current office. A non-profit employer, in other words, could be all the more profitable for its individual employees.

Methods and Empirical Focus

The book is built on anthropological studies I have undertaken over the past ten years within the frame of two research projects. In the first project (2016–2020), I interviewed Tanzanian technical specialists, as well as some of their managers deployed from headquarters, all of whom were working in the field offices of foreign state aid agencies in Dar es Salaam. The aim was to explore these local recruits' professional roles, expertise and employment terms and thereby also whether and how they transgressed a common binary construction in development research and industry discourse, which equates 'local' (expertise, work and workers) with the recipient realm of aid, and 'international' with aid's donors. The second project (2020–2025) has focused on practitioners from Kenya and various donor countries working in DFIs, with guarantees at Sida, and in consulting firms. The purpose has been to study the professionals in charge of two growing spaces of profit-making aid (development finance and consultancy), and, also, how they intersect with local–international differentiations in staff and expertise. Findings from both projects have been presented in eight journal articles (Sundberg 2019a, 2019b, 2020, 2023, 2024a, 2024b, 2024c and forthcoming) and a chapter in an edited volume (Sundberg 2021), most of which I will draw on at various lengths throughout the book. Other findings have not been published before, including, for example, everything to do with Kenyan consultants and firms. Overall, the following chapters are a combination of new material and analyses, and reworked and updated versions of empirical results and theoretical discussions I have published earlier.

Collectively, the book is based on interviews with 103 practitioners in and from donor and recipient countries working as DFI investment managers, consultants, and civil servants employed by state aid agencies involved with both grant-based assistance and private sector instruments. My conversations with them constitute the book's main source of data. Many interviews were undertaken at my interlocutors' workplaces, allowing their testimonies to be further informed by observations of these office spaces. However, owing mainly to the Covid-19 pandemic, interviews undertaken during 2020 and 2021, in particular with Swedish consultants and Sida staff, were carried out online. Most interviews were open-ended and centered on the following themes: my interlocutors' everyday work, roles and

responsibilities; their qualifications, backgrounds and employment terms; their professional motivations, convictions and career aspirations; and their employer's organizational goals and 'business model'. Interviews undertaken in Tanzania and Kenya also addressed comparisons and relationships between local and posted staff. Interviews with practitioners working with profit-making aid also addressed interlocutors' perspectives on economic gains, financial risk-taking and capitalism in aid. Most interviews were undertaken once and with one interlocutor at a time, and lasted between approximately one and three hours. A majority was audio recorded.

Interview testimonies were processed and coded using qualitative content analysis whereby I progressively deciphered patterns in the data which oriented my continued paths of inquiry (Schensul and LeCompte 2013). Most interlocutors were recruited through cold-call outreach to the heads of each office, firm or department, or, if contact information was unavailable, via centrally instituted contact information. All bilateral DFI offices in Nairobi were approached. Some participants were also reached via snowball sampling. The names of all individuals have been changed. To further protect the anonymity of research participants, additional alterations have been made in a few cases, regarding, for example, certain persons' sector expertise or gender, and organizations' specializations.

Participants and their Employers

During the spring of 2017, I interviewed 40 development professionals working for 18 foreign aid agencies in Dar es Salaam. Most were full members of the OECD-DAC and represented bilateral agencies from 11 countries, several multilateral state aid agencies and one development bank. Government aid agencies play key roles not only as donors but as coordinators and steering agents in development interventions as well as procurers of contracted work. As part of sovereign states' diplomatic relations, bilateral agencies, especially, also pursue or at least abide by their governments' national and international security agendas and economic interests (Lancaster 2008). Meanwhile, their organizational structure varies. In some donor countries, public foreign aid is managed by one or several agencies separate from any government ministry, and may have their own offices apart from the country's embassies in aid recipient countries. In other donor countries, foreign aid is managed by a government ministry and is an integrated part of the country's embassies overseas.

Thirty-four of the professionals interviewed were Tanzanian citizens employed on local contracts. All but one[14] occupied technical, desk-office positions, as opposed to administrative or diplomatic ones, meaning they were in charge of the daily management of (mainly grants-funded) interventions within particular sectors, such as health, education, infrastructure or rural development. Their specific

14 This person worked with internal financial management and auditing. Though such responsibilities formally sorted under the administrative realm of the agency, they involved considerable engagement with technical aspects of aid operations.

titles varied between, for example, program officer, project manager, analyst, advisor and specialist. In this book I call all of them grants managers, for the sake of simplicity and participants' anonymity, and to distinguish them from my interlocutors also working in state agencies but with private sector instruments. Eighteen were male, and 16 were female. The remaining six interviewees were foreign staff members holding management positions in their respective office (five male and one female). These individuals shared the nationality of their agency and had been deployed from headquarters to manage and represent their country's development cooperation with Tanzania at its mission in Dar es Salaam.

During 2021–2024 I undertook interviews with 64 practitioners working in development finance and consulting. Thirteen of these (six male, seven female) were or had recently been employed by five bilateral DFIs. DFIs are banks or subsidiaries that provide risk capital (and, often, technical assistance) in the form of debt, equity, guarantees or mezzanine finance (or variations or combinations of these) to fund managers, project developers or entrepreneurs in low- and middle-income countries, primarily in the private sector[15] (Kapoor 2019). They have a dual overarching mandate: to promote development (of various forms) and create a financial surplus. While they can be fully state owned (like state aid agencies), most have a mixed public–private ownership where governments hold a majority of shares. Some sustain their operations solely through internally generated revenues (sometimes in addition to raising funds in the market), but an expanding cohort also obtain public aid grants (that is, ODA; Caio and Craviotto 2021). Combining DFIs' own resources with other such capital flows is a structuring approach called 'blended finance'. It is increasingly employed to leverage private finance for development projects. The goal is to remedy 'market failures' that inhibit private sector investments, particularly in initiatives where social, environmental or development impacts are estimated to surpass monetary returns (Attridge and Engen 2019: 26–27). Blended finance rests on a theory of change that sees the recalibrating of market conditions as key for catalyzing economic growth and enhancing employment, fiscal revenues, and people's access to basic public goods and services. In recent years, it has gained considerable traction among donor governments as a conduit for unlocking private capital toward the realization of the SDGs, not least in relation to climate change mitigation and adaptation. Its popularity is set against a backdrop where OECD-DAC's ODA allocations fall short by 4 trillion USD annually of funding the SDG agenda—a number that foregoes the substantive aid budget cuts in USA and a number of European countries in 2024 and 2025 (Caio and Craviotto 2021: 9; UNCTAD 2023). And yet, this funding gap corresponds to merely 1% or so of the total value of global capital markets. Blended finance strategies purposed to harness these private funds have rallied around the so called 'Billions to Trillions' agenda, coined by the World Bank a decade ago, which expects billions of dollars of aid to

15 DFIs can also invest in public sector projects, but this is done primarily by multilateral development banks, like the World Bank's International Bank for Reconstruction and Development (IBRD) or the European Investment Bank (EIB).

generate trillions of dollars of private capital (World Bank Group 2015). Though this agenda has failed to materialize (Attridge and Novak 2022; Bernards 2023), the political momentum of blended finance continues and has catalyzed a noteworthy increase in the number and scale of DFIs. Today there are 17 major bilateral DFIs; 15 European, one in the USA and another in Canada. There are also seven large multilateral DFIs, serving as the private sector branch of international finance institutions. While some DFIs are roughly 80 years old, they are presently heralded as the chief engines of 'innovative' finance (Kapoor 2019). Between 2006 and 2016, the total portfolio size of European bilateral DFIs tripled, and between 2016 and 2023 it grew by another 40% (Donor Tracker 2025a; EDFI 2016). In 2023 alone, they increased their investments by 10%, to a total portfolio level of €53 billion (EDFI 2024). The book centers bilateral DFIs rather than multilateral ones. The former facilitates comparison with the institutional contexts in which local aid workers have mostly been studied, notably NGOs and public agencies rooted in a particular donor country. All but two of my interlocutors employed by DFIs worked with investment management, the core operational task of DFIs. Their titles were investment manager, -officer or -director, though a few were also called analysts, advisors or project leaders. In this book, I refer to all of them as investment managers or directors. They were either from donor countries or Kenyan, and based either at headquarters or in regional offices in Nairobi.

Another sixteen[16] (12 male, four female) of the 64 private sector experts I interviewed were advisors or portfolio managers engaged in private sector collaborations and instruments, mostly guarantees, at Sida. Development guarantees are a risk-sharing tool in blended finance. The guarantor agrees to reimburse the lender parts or the whole amount due on a loan, equity investment or other instrument in the event the borrower defaults or the investment implies a value loss (Andersen et al. 2019). The volume of private finance leveraged through guarantees has grown steadily over the past 15 years, with multilateral development banks spearheading their use for development and climate investments (Garbacz, Vilalta, and Moller 2021; Sial and Chandrasekhar 2024). Since 2023, the grant equivalent of guarantees and similar private sector instruments can be counted as ODA within the TOSSD framework. In 2023, guarantees (and similar insurance instruments) formed part of 43% of all concessional funding used in blended finance (Convergence 2024: 9). Together with the USA, Sweden has spearheaded bilateral OECD-DAC members' use of guarantees. In contrast to most donor states, guarantees in Sweden are managed by Sida rather than by Sweden's DFI, Swedfund (Sial and Chandrasekhar 2024).

The remaining 37 private sector development experts (21 male, 16 female) were consultants working for 27 different companies. Thirteen of them (six male, seven female) represented eight firms headquartered in four European countries.

16 Three interviewees working for Sida or a consulting firm had recently worked for a DFI (therefore, they are categorized both as former DFI staff and public agency staff or consultants).

All of them had offices in Stockholm and most interlocutors were Swedish. All but one of the European firms specialized in international development work, either wholly or partly, through designated offices or sub-divisions (the other focused on business development but had offices in major aid recipient countries). The largest company employed over 2,000 persons across some 50 offices, while in two others my interlocutor was the sole proprietor. The other 24 consultants (15 male, nine female) were mostly Kenyan, working for 19 firms headquartered in Kenya (though there were exceptions to this rule, as I described earlier in this chapter). While all of these firms took on assignments funded by foreign donors, only four had a client base more or less restricted to aid organizations. The vast majority also took on non-development related assignments with, for example, Kenyan businesses and public institutions. As with the firms headquartered in Europe, they varied in size. The largest staffed approximately 50 in-house employees across offices in several countries, while the smallest consisted of my interlocutor and another part-time colleague.

All consulting firms operated mainly on a for-profit basis, reflecting a broader structural trend in countries such as the UK, USA and Sweden, where development consultancy is increasingly dominated by commercial actors (Provost 2016; Roberts 2014). Between 2018 and 2020, such firms represented 15 out of the 18 lead or sole entities with which Sida headquarters signed contracts for consultancy services, accounting for 98% of Sida's budget allocated to consulting in core operational areas during that period (Sundberg 2024a).

Far from all consulting firms specialized in financial services. Many, meanwhile, had worked on projects involving private capital and businesses (for example, in the form of public–private partnerships and blended finance schemes). Also, many positioned their companies not as neutral, technical contractors or intermediaries but as development partners or agents. They expressed personal convictions about the value of profit-driven aid work and capitalism's contribution to societal development. In addition, some also specifically raised the importance of financial inclusion and development as contingent on consumers' and businesses' access to finance.

Of the 13 Swedish and 20 Kenyan consultants whose professional trajectories I traced, a majority (eight and eleven, respectively) had prior experience of working for public or non-profit actors like NGOs, state institutions or in academia. These career paths echo findings from studies of Aidland that have observed the fluid and often non-linear work histories of development practitioners (Roth 2015; Stirrat 2008). Moreover, they speak to the permeability of boundaries between the public, private and third sector (Nagaraj 2015). My interlocutors engaged in development finance at Sida or in DFIs, however, diverged from this pattern. Whether from donor countries or Kenyan, they typically originated from the professional and academic realms of banking or other areas of finance, with limited or no prior experience in NGOs or grant-based aid work. That said, staff mobility and the resulting exchange of expertise and norms between the sphere of finance and that of public and third sector aid organizations will likely increase. At least as long as private sector instruments and partnerships keep growing in 'conventional' aid bureaucracies like Sida; more ODA is routed through DFIs; and DFIs are

mandated to align with evolving environmental, social and governance (ESG) standards and broader sustainable development goals (Spratt, O'Flynn and Flynn 2018). As I describe below, Sida is an example of this trend.

Three Geographical Contexts: Sweden, Tanzania and Kenya

The bulk of material presented in the following chapters has been collected in Tanzania, Kenya and Sweden. These three countries belong to the world's major stakeholders in international development cooperation. In 2023, Sweden was the second largest ODA donor relative to its economy (Donor Tracker 2025b; Statista 2023) and Kenya and Tanzania belonged to the top ten ODA recipients in Africa (Galal 2024). Accompanying these three 'front figures' is a broad range of other countries also featured in the book. They comprise the 11 plus nationalities of the public agencies for which my Tanzanian interlocutors worked, the five countries represented in my sample of DFIs, and the three nationalities of the non-Swedish consulting firms employing some of the Swedish consultants I interviewed. This broad geographical spread makes findings presented more likely to mirror larger dynamics in the international aid industry rather than unique exceptions. Interview testimonies and grey literature on DFIs indicate that the human resource management of field office staff and headquarter–field office relations are comparable across the global organization of each DFI (more on that in Chapters 2 and 3). Similarly, my own and other studies of public sector aid suggest that the relationships and differentiations made between local and deployed staff in technical positions who work in the field offices of state aid agencies do not vary substantially across host countries or, even, between aid agencies (Sundberg 2019b).

At the same time, Sweden, Kenya and Tanzania— as objects of empirical research—help expand the geographical scope of existing studies on state aid agencies and development consulting firms, which often center on the UK and the USA (see e.g. Mosse 2011a; Roberts 2014; Whitty et al. 2023). Moreover, these three countries offer in their own ways interesting case studies for studying the monetization and localization of aid. Let me briefly explain how.

Sweden exemplifies in several respects the deepening, though far from straightforward, imprint of business and finance logics and norms in development aid. I personally worked for Sida during four years in 2007–2010, starting as a placement student (or intern), and transitioning into the roles of analyst and junior advisor. Back then, during the height of the 'partnership era' of the Millennium Development Goals (2000–2015), Sida, like many OECD-DAC members, oriented its work around poverty alleviation, human rights and good governance, as well as partner country ownership of aid, by channelling the equivalent of millions of dollars directly to several recipient governments' sector-specific or general budgets (Mawdsley 2012; Whitfield 2009). Sida's engagement with private sector actors typically manifested in two ways: first, through support to 'business-friendly' institutional reforms in aid recipient countries; and second, via the sourcing of external expertise through consultancy contracting. The idea of aid as partly purposed to enrich donor-country businesses and markets had limited support,

especially among Sida's older generation of staff, many of whom had joined the agency during its nascent years in the late 1960s and early 1970s. At that time, SIDA (as it was called until 1995[17]) was heavily involved in support to anticolonial, African liberation struggles and many staff were ideologically influenced by dependency theory (Berg, Lundberg and Tydén 2021; Odén 2006). Mindful of the entanglements between Europe's history of colonial extraction and contemporary poverty in the global South, these colleagues viewed aid as an entitlement rather than charity and championed grants and debt cancellation partly as forms of global redistribution and reparative justice.

Over the course of the recent decade, however, aid policy in Sweden has progressively shifted toward one that sees aid more as a vehicle for generating 'win-win' deals that also benefit Sweden. In 2022, this shift became especially noteworthy. The newly elected conservative government formally abandoned its longstanding commitment to allocate 1% of GNI to ODA, and since then it has shrunk the aid budget considerably. Its current budget plan for aid means that by 2028 Sweden will likely fail to attain the UN goal of spending 0.7% of GNI on aid (Concord Sverige 2024). Private sector instruments, meanwhile, have been less affected. In 2024, Sweden's budget for guarantees was roughly 2.7 billion USD (26 billion SEK/Swedish krona), which was only slightly less than Sida's total ODA budget (26.1 billion SEK). The same year, ODA funds allocated to Sweden's state-owned DFI, Swedfund, amounted to 153 million USD (1.46 billion SEK), which was almost 50% more than was allocated to Swedfund three years earlier (1 billion SEK in 2021) (Government of Sweden 2023b). In 2022, the Swedish government replaced the minister for international development cooperation with one also in charge of foreign trade. Importantly, it has linked aid expenditure more explicitly to strategic business and migration interests through a major reform of public development assistance (Government of Sweden 2023a).

By 2020, Sida had deployed guarantee experts to four out of five operative departments with the aim to improve in-house interest and skills in using guarantees (Swedish National Audit Office 2020: 38–39). As I detail in Chapter 5, some of these guarantee specialists find themselves to be unpopular outliers in the organization, whose higher salaries and capitalist aid models clash with the standards, ethics and ways of working of many of their colleagues working with grant-based assistance. At the same time, the profile of Sida staff as a collective is changing. A growing share of new recruits bring with them professional experience from consulting, development finance, and international trade with aid recipient countries. Between 2019 and 2022, 52% of Sida personnel working with core operations (e.g. portfolio management or advisory services) held degrees in finance or business, up from 35% in the period 1996–1999 (Sundberg 2024b). This indicates, as hinted above, the potentially increasing influence of private sector logics and norms even in state agencies like Sida, which came about in a substantially more left-leaning political environment.

17 SIDA (Swedish International Development Authority) operated during 1965–1995, after which it acquired its present form and name, Sida (Swedish International Development Cooperation Agency).

Sweden has also been an early adherent to New Public Management (NPM) ideals of privatization and outsourcing state responsibilities to market actors. Sida has gone through a number of institutional changes in both alignment with and opposition to NPM paradigms, which mirror developments in other OECD-DAC countries. As I describe in Chapter 7, these reforms have affected procurement practices and, consequently, consulting markets and firms. Finally, Sweden serves as a good case study for examining public contracting in aid thanks to its extensive paper trail. While the lack of access to adequate and reliable data is a major reason behind the limited research on public procurement (Fazekas and Blum 2021; Roberts 2014), most documentation on state purchases in Sweden is public. This has allowed me to undertake a content analysis of almost all consulting services procured by Sida headquarters during 2018–2020, including Sida's terms of reference, bidders' individual tenders, Sida's evaluations of tenders and contracts awarded.

Kenya and Tanzania are two of Sweden's largest and oldest partners in development cooperation. When SIDA was established in 1965, Tanzania and Kenya were identified as two of its five priority countries (Berg, Lundberg and Tydén 2021: 338). Though these three countries lack formal colonial ties, quite a few of my older Sida colleagues (whom I worked with in 2007–2010) had grown up in Tanzania and Kenya as children of Swedish missionaries deployed to the then British colonies. While both countries sort under the World Bank definition of a 'lower-middle income country',[18] and Kenya plans to become an 'upper-middle-income country' by 2030, both remain major aid beneficiaries (ranking 11 and 12 in the world's largest ODA recipients in 2022; Statista 2025a). More importantly, Kenya and Tanzania have played, and continue to play, key and distinct roles in relation to aid's localization and monetization.

Historically, Tanzania has been an important influence in international aid discourses on local ownership of aid. President Julius K. Nyerere's policies of self-reliance, nationalization and communal agriculture raised considerable enthusiasm within the OECD-DAC in the 1960s. However, donor support waned in the 1970s, making Tanzania a reluctant target of structural adjustment programs by the International Monetary Fund (IMF) and the World Bank (Koch and Weingart 2016). As in many African countries, these programs pushed through macro-economic reforms in Tanzania that cut public expenditure and enabled considerable foreign interference in domestic policymaking. Relations between donors and the Tanzanian government became increasingly tense and climaxed in a major corruption scandal and the consequent freezing of aid flows in the mid-1990s. The group of Tanzanian and foreign experts tasked with evaluating the roots of the breakdown attributed responsibility both to the invasiveness and micromanagement of donors and the weakness of the Tanzanian government (Helleiner et al. 1995). A set of basic principles was agreed on to steer future cooperation, centering national ownership, development partnership, transparency, mutual accountability and efficiency in aid delivery. These came to effect the establishment of joint policy dialogue forums and the promotion of un-earmarked financial

18 Kenya in 2014; Tanzania in 2020.

support to Tanzania's state budget (Government of Tanzania 2002). Through these reforms, instituted in the wake of the partnership breakdown, Tanzania became a major source of inspiration for the Paris Declaration on Aid Effectiveness and its emphasis on national ownership (OECD 2005).

During the past decade, meanwhile, relations between OECD-DAC donors and the Tanzanian government have grown colder once again. Donor support decreased substantially in response to President Magufuli's (2015–2021) authoritarian mode of governance, involving crackdowns on LGBT rights, teenage pregnancy and civil liberties more generally. Other 'cooling' factors have been the growing influence of China and other foreign actors willing to invest in Tanzania without political or 'governance' conditionalities, as well as the Tanzanian government's predictions of significant incomes from planned hydrocarbon extractions (Ayuk 2025; Tilley 2014). Additional, contributing dynamics involve broader changes within the OECD-DAC community. Aside the most recent cuts in aid budgets by, for example, the USA and the UK (both major donors to Tanzania), many OECD-DAC actors have during past years undergone a general shift in preferred aid modalities from larger and more long-term program-based support to shorter and smaller project-based assistance, often to non-state actors (Nyanje 2025; TICGL 2025).

Tanzania's current leadership under President Samia Suluhu Hassan (elected in 2021) initially committed to reverse many of Magufuli's anti-democratic reforms. However, as of writing, massive civil unrest and deadly violence have marked the general elections in October 2025, where government forces killed, jailed and charged with treason hundreds of those protesting Hassan's declared win by 98%. With the major opposition parties barred from running and some of their representatives arrested, Hassan's administration has been widely condemned as mimicking, rather than renouncing, Magufuli's authoritarian rule (Lasteck 2025; Mwai and Irvine-Brown 2025; Tamat 2025).

Recent years' 'uncertain' policy environment in Tanzania has been seen to impede localization efforts within humanitarian aid (Erdilmen and Sosthenes 2020). During the administration of Magufuli, foreign aid organizations made few and modest efforts to transfer resources and power to local counterparts. At the same time, important laws were introduced by the Tanzanian state that favored Tanzanian workers and companies over foreign ones. Businesses hiring non-citizens, for example, are now required to present a 'succession plan' detailing how the international recruit's skills will eventually be assumed by a Tanzanian national (Parliament of Tanzania 2015). A number of 'local content' provisions have been made in Tanzania's extractive industries, which give priority, for example, to Tanzanian suppliers in public procurements (Ellis and McMillan 2020). The latest version of Tanzania's national procurement act similarly strengthens the preference for buying local in state purchases writ large (United Republic of Tanzania 2023).

In parallel, the Tanzanian state has brought about a number of business-friendly policies and infrastructure investments in recent years, which have attracted considerable private capital, including from overseas (Trademark Africa 2023). Since a few years ago, foreign direct investment to Tanzania surpasses that of Kenya.

Projections by the IMF state that if Tanzania's current economic growth continues, it will outdo Kenya as the EAC's largest economy in less than ten years (Njiraini 2024). Development finance, meanwhile, remains limited in Tanzania. The country receives a mere quarter of the DFI investments going to Kenya (Bright Africa n.d.).

Kenya is indeed one of Africa's biggest targets of DFI capital, and by far the largest in East Africa, much owing to substantial investments in renewable energy (Bright Africa n.d.). Kenya is also the world's largest hub of DFI field offices. As of 2025, almost all bilateral DFIs that operate field offices anywhere in the world are represented in Nairobi. Up until a few years ago, foreign direct investment in Kenya also outranked that of Tanzania, and it still exceeds the African average (UNCTAD 2023). Almost two decades ago, Kenya became a front figure in fintech inclusion initiatives, with the launch of the mobile money service, M-pesa. The Nairobi International Financial Centre, established in 2021 as part of Kenya's Vision 2030 goal of attracting foreign business and investment, seeks to make Nairobi a 'premier financial hub in Africa' (Nairobi International Financial Centre n.d.). During the past decade, Kenya has climbed faster than most countries on the World Bank's index of 'Ease of Doing Business' (Republic of Kenya 2020). Having moved up from place 136 in 2014 to 56 in 2019, it far outranks Tanzania (rated number 141; World Bank Group 2020).

A summary comparison of the post-independence trajectories of Kenyan and Tanzanian economic policy could describe Kenya as having pursued a more market-oriented approach centered on private sector growth, innovation and foreign investment, while Tanzania has been more concerned with state leadership and control and the protection of national interests. As in Tanzania, meanwhile, state efforts to grow Kenya's private sector and the foreign capital backing it, have in some ways been strategically aimed at benefiting local actors. Kenya has legal requirements on 'local content' in, for example, the extractive industries, construction, private security and insurance sectors, as well as with regards to agricultural land ownership (US Department of State 2024). Currently, a new 'Local Content Bill' is under legislative process, which will strengthen the position of local business in a broad range of industries (Parliament of Kenya 2025). Its law on Public Procurement and Asset Disposal gives preference to Kenyan contractors (Republic of Kenya 2016). Current labor laws only issue work permits to non-Kenyan citizens on the condition that the latter can confirm, prior to entering the country, that their skills are unavailable in Kenya. Given the country's 'large pool of highly qualified professionals', as the US Department of State (2024: 32) describes Kenya's investment climate, these regulations favor in some respects Kenyan development experts over foreign ones.

Even before the major aid cuts by OECD-DAC donors in 2024 and 2025, however, ODA levels to Kenya have been in decline (Kennedy McDade et al. 2021). The Netherlands, for example, is phasing out all its bilateral aid and intends to replace it with trade relations (Savelli, Schwartz and Ahlers 2019). Apart from being a 'highly interesting trade partner' (Savelli, Schwartz and Ahlers 2019), Kenya is seen as a strategic security ally, not least for USA and NATO,

given the recent series of military coups and terrorism threats facing other parts of the continent (Nyakora 2024). Meanwhile, Kenya is struggling with mounting debt incurred by foreign loans from, primarily, the World Bank, the IMF and China. In 2024, Kenya's public debt amounted to 73% of GDP, which is considerably higher than in Tanzania (48%) and the rest of East Africa, and it is also to a greater extent based on commercial, rather than concessional loans (Nyakora 2024; Institute of Public Finance 2023; Statista 2025b). Kenya's high debt level has brought on tax increases that, combined with high inflation and the economic hits caused by the Covid-19 pandemic and the war in Ukraine, have made life increasingly hard for Kenyan citizens, a third of whom are deemed 'multidimensionally poor' (UNDP 2023). Economic austerity policies enforced to tackle the national deficit, coupled with popular perceptions of endemic government corruption, have led to widespread public protests. These have been met with deadly violence by the government of President William Ruto, who came to power in 2022 based on a populist campaign appealing to Kenya's economically disadvantaged (Nyakora 2024). While civil unrest is deterring foreign investment, the relative silence about government crackdowns among major donors/investors such as the USA have been condemned by Kenyan human rights activists for showing how Kenya's international partnerships exclusively benefit the country's political elites at the expense of ordinary citizens (Nyakora 2024).

Outline of Chapters

The following chapters present a number of voices drawn from my interviews with consultants, public grants managers and finance specialists. Their testimonies are meant to illustrate commonly held perspectives, and also, sometimes, the diversity of views and experiences among these practitioners. Moreover, they are meant to give the book's findings a human face. Besides Lucas, Harry and Stella mentioned above, 28 persons will be introduced across the next eight chapters. To avoid getting lost in this chorus of voices, no more than seven new persons will appear in each chapter.

Chapter 2 depicts key differences between local development practitioners working in the institutional spheres of consulting and DFIs, on one hand, and NGOs and state aid agencies, on the other. These differences pertain to professionals' formal rank; job security; and the meaning, scope and use of 'local knowledge'. They indicate how DFIs and contracting in aid are in some ways diversifying the roles, profiles and employment conditions of development experts recruited in aid recipient countries. More precisely, they seem to relinquish some colonially rooted staff inequities that permeate the international development industry in its conventional, public and third sector, vicinities.

The following two chapters (3 and 4) highlight the limits to these changes. Each one foregrounds commonalities among locally recruited development professionals found across the book's three institutional realms—state aid agencies, DFIs and consulting firms—and which also resonate with scholarly descriptions of host-country experts working for international NGOs and in a range of other

organizational settings in foreign aid. These commonalities simultaneously bring out how practitioners from aid recipient countries are systematically distinguished from their colleagues recruited by donor-country headquarters. In Chapter 3, I describe how Kenyan consultants and, to some extent, DFI staff, share with Tanzanian foreign grants managers an exposure to the mutually reinforcing factors of inferior employment terms and professional voice in their workplaces. In Chapter 4, I unpack how they are also excluded from the global centers of power and opportunity in their organizations and industries. Moreover, they are tasked with brokering relations with the local partners of their foreign employers and clients. While this mediating work serves to build stable and trustful inter-organizational partnerships, it also exposes them, as individuals, to risks of personally losing the trust of their foreign patrons. Together, these challenges exemplify the enduring inequalities facing practitioners from aid recipient countries, which extend to DFIs and contracted consultancy work, thus exemplifying ways in which aid's profit-making realms do little to advance donor localization tenets.

Chapters 5, 6 and 7 each highlight dimensions of profit-making development work and workers that have so far attracted little attention in research. Centered either on development finance or consultancy, or both, I consider whether and how each of these dimensions materialize in or have different effects among practitioners and institutions from donor- and recipient countries.

In Chapter 5, I show how profit-making instruments and actors bring to the fore developers' institutional self-interests in aid work. They pertain to corporate interests, national donor interests and the interests of professional sub-fields (consulting and finance). These fit uneasily with existing scholarly descriptions of drivers in aid work, whose repertoire tends to be limited to individual practitioners' sense of altruism, at one end, and personal self-interests, at the other. At the same time, institutional self-interests are advanced, in practice, by individuals, and they affect and interact in different ways with practitioners' personal pursuits and convictions.

In Chapter 6, I describe how development finance, primarily, may be changing moral economic understandings of aid. DFI staff and guarantee experts understand profit-making aid as at once amoral, immoral and moral. Their conceptions focus on the connection between economic gain and self-interest (at once individual and institutional). This connection is variously discarded, commended or deemed less important than the ability of market approaches to foster equality and reciprocity in development partnerships in comparison to traditional, grant-based aid. The latter perspective attributes development investments with a relational character, and sees risk-taking and profit-seeking as serving other purposes than those conventionally understood within capitalist frameworks. It presents a belief that capitalist exchange, like charity, can produce social relationships but in ways that empower rather than disempower recipient partners. Notwithstanding their (questionable) empirical basis, these arguments encourage revisiting anthropological discussions of economic morality under neoliberal capitalism and of aid viewed through the lens of Marcel Mauss's gift theory. Moreover, it raises questions about the existence and nature of colonialism in the historical memory of development finance.

Chapter 7 surveys the sociality of consultancy contracting in aid. Taking Sida as a case example, it explores how recent years' institutional changes in public aid and procurement have affected the organization of consulting firms, the everyday work of tendering and the factors influencing firms' success in winning contracts. An enduring focus on measurability, transparency and free and fair competition in procurement, I show, has been gradually accompanied by strategies emphasizing trust-based management and attempts to ease administrative workloads by bundling contracts into fewer, larger agreements. As a consequence, three types of strengths have become increasingly important for winning contracts: social, organizational and individual.

In Chapter 8, I reflect on my field studies underlying this book. Exploring Aidland's local and for-profit realms, I argue, raises ethical, epistemological and methodological questions particularly for the many 'aidnographers' like myself—a white, former 'expat' with a background in grant-based aid. These concern access to the field and organizational transparency, as well as how racial identification, power and ideological convictions affect the researcher–interlocutor relationship in interviews.

The ninth and final chapter seeks to pinpoint what the book's findings may say about the intersection of aid's monetization and localization. It asks particularly how the growing use of profit-making instruments and institutions in aid articulates with efforts to redress global hierarchies and inequities in development work.

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2 The 'Local Aid Worker 2.0'

Monetizing Aid as in Diversifying Aid's Experts and Expertise?

Are profit-making institutions and instruments in aid reshaping common divides and flattening hierarchies between development practitioners from donor- and recipient countries? There are indications of this. This chapter describes how Kenyan experts in DFIs and consulting firms present alternatives to key attributes of local aid workers found among those employed by NGOs and state aid agencies, which are the two institutional realms in which local development practitioners are usually studied. They illustrate how development finance and contracting in aid are diversifying the roles, expertise and labor conditions of local development practitioners. The chapter highlights three examples of this, pertaining to local professionals' formal rank and career advancement, job security, and the meaning, scope and use of 'local knowledge'.

Formal Rank and Career Advancement

In their field missions in aid recipient countries, international NGOs and public aid agencies display a common pattern in the distribution of positions across staff deployed from headquarters and those recruited in-country. Management, representative and advisory positions are commonly held by persons from the donor country, while local recruits grow in number as one descends the office hierarchy. Support staff positions, such as receptionists, administrators and drivers, are usually held by host-country employees (Koch and Weingart 2016; Oelberger, Fechter and McWha-Hermann 2017; Peters 2020; Roth 2015)

Bilateral state aid agencies, especially, present a human resource structure that strongly correlates rank and privilege, on one hand, with nationality, on the other (Sundberg 2019). The nearest superiors of almost all Tanzanian grants managers I interviewed were posted staff holding positions such as team leader or councillor. Few local recruits attain positions beyond the technical level regardless of their job resumés or academic degrees. Bilateral state agencies' highest-ranking positions are those with specialist, advisory and representative functions, such as first and second secretaries and sector team leaders. These often require citizenship or permission to work in the donor country, or at least skills in the language(s) of the donor country. Therefore, they are rarely occupied by individuals from aid recipient countries and are often only advertised in the language(s) of the donor country. The language requirement is justified by the need for high-level staff to be able to communicate with and report to

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donor headquarters and, by extension, to the citizens in the donor country whose taxes fund agency budgets (see also Koch and Weingart 2016).

The absence of proper career tracks was brought up in almost all interviews with Tanzanian grants managers (Sundberg 2019). It was in fact the only source of grievance that all Tanzanian interlocutors shared. Many had worked in the same position for years but had few hopes of climbing higher in the organization. That realization was described as a motivational drain and source of frustration. Importantly, what many wished for was not more power, greater privileges or a higher salary as local employees. Rather, it was to access international positions within their agency or in a comparable organization. To grow professionally was to work 'internationally', several asserted.

Some understood Tanzanian employees' lack of promotion opportunities as a precondition for their deployed colleagues' access to the same opportunities. Local staff were meant to preserve the institutional memory of their agencies' field offices. Deployments from headquarters were often fixed-term, creating a high turnover of donor-country nationals. The latter were more or less expected to move across countries and positions in order to broaden their expertise, gain 'international experience' and climb the corporate ladder. Conversely, it was expected of local staff that they should remain in the same place and work position in order to provide the solid rock and institutional memory that could keep the agency together. The mobility of the agency's deployed staff, in other words, hinged on the immobility of its local recruits (see also Redfield 2012).

In the world of DFIs, meanwhile, the same two-tier system structuring local and headquarter employees is less pronounced. Few DFI field offices impose ceilings on local employees' access to their highest organizational ranks (Sundberg 2023). In 2022, four out of nine field offices operated by bilateral DIFs in Nairobi, about which I accessed information, were managed by Kenyans. Among the rest, one was run by an individual from another African country, and in two of those presently headed by persons deployed from headquarters, provisions had been made to transfer management responsibilities onto a Kenyan staff member within a few years. On a global organizational level, the majority of these demonstrated an ongoing or anticipated institutional shift toward staffing field offices with locally recruited personnel. In two DFIs, no field office was under the leadership of staff deployed from headquarters, while a third DFI had committed to replacing all sent-out heads with local hires, particularly in newly established offices. An additional two DFIs had local staff overseeing nearly all field offices; three had a majority of field offices led by locals; and one maintained only a single, recently opened field office, which remained under the direction of a donor country representative (future staffing plans not yet disclosed). Among the majority of DFIs where information was available, none had a policy requiring the heads of field offices to be citizens of the donor country.[1]

In one of the DFI field offices planning to transfer management responsibilities to a Kenyan national, the incumbent director, Thea, acknowledged how these changes did not enjoy wholehearted support in-house. Thea had spent the past

1 These data derive from interview testimonies and information about field office heads presented on DFI websites, online CVs and Linkedin pages

decade in 'the field'. Though the DFI's policy was to limit overseas deployments to a maximum of five consecutive years, special circumstances had offered an opportunity for her to move from a field office in another continent to the one in Nairobi a few years ago. Coming to Nairobi, Thea had been surprised by the high number of expats. Why were Kenyans so welcoming and friendly to all these thousands of foreigners in the city, not questioning more what they were all doing there? Could foreign institutions like hers really not hand over more to Kenyan nationals? Going forward, Thea asserted, those were important questions her organization had to address. Meanwhile, some of her colleagues in Europe insisted that DFI field offices should be headed exclusively by donor-country nationals. The justification was that management positions necessitated a thorough familiarity with the political landscape 'back home'. She, however, contested this argument. Navigating domestic political dynamics and possessing insider knowledge of internal affairs were advantageous attributes for a director, no doubt. But they should not serve as grounds to exclude 'non-nationals', she insisted. Thea's perspective was influenced by the institutional character of the office itself. Unlike her country's public aid agency or diplomatic mission in Nairobi, the DFI functioned in practice as a private bank. Its field directors were not endowed with ambassadorial roles or diplomatic privileges. From her vantage point, this distinction weakened the rationale for privileging national citizenship over professional qualifications in recruitment. Career pathways for Kenyan staff should be as transparent and fair as those for her compatriot colleagues, Thea maintained. Reserving senior posts exclusively for personnel dispatched from headquarters undermined the institution's legitimacy both outwards and from the perspective of its staff. Her office sought to 'develop' not only its clients, as she put it, but its employees, too.

Some years prior, another DFI had undertaken a structural reorganization that eliminated a managerial tier in its field offices that had been reserved for personnel dispatched from headquarters. In its present-day Nairobi office, leadership positions were entirely held by Kenyan staff. One such manager, Jane, viewed the reorganization as a constructive shift in the institution's machinery. Although she joined the organization post-reform, she saw the change as having dismantled a redundant bureaucratic layer monopolized by expatriates who may not necessarily match the contextual knowledge or technical expertise held by Kenyan finance specialists. While Jane did not explicitly define herself as an example of this new recruitment philosophy, her position reflected the DFI's prioritizing of senior-level local hires with substantive credentials. Jane had spent the past 15 years in investment banking, in Kenya as well as in neighboring countries. Her employers had been both purely commercial and 'impact'-oriented, and she had progressively risen in rank from work in analysis, through investment management, to being the regional director responsible for company operations in several countries. She had degrees in finance and business management from several universities abroad. The DFI's ticket sizes of up to 50 million USD, she explained, demanded a lot from its field office staff in their role as business developers. To be able to identify opportunities at that scale, investment managers needed to have the right networks, and those networks took years to grow. The large volume of individual investments meant that DFI field staff interacted with elite actors in the financial world, like CEOs of multinational corporations, executives of national banks, and representatives from global

investment funds. Earning credibility and securing influence in these circles, Jane asserted, depended on more than institutional affiliation. It required that DFI representatives possess a certain degree of personal professional recognition.

Like Jane, all Kenyan investment managers I interviewed were highly credentialed by industry standards, typically holding master's degrees, professional or academic experience from overseas (primarily Europe and North America) and, on average, 11 years of work experience at entry level. That said, such profiles are far from exceptional. Many development practitioners in and from aid recipient countries display similar qualifications and transnational trajectories. In Sub-Saharan Africa, Swidler and Watkins (2017) write, recent decades have given rise to sizable groups of 'cosmopolitan' and 'national' elites. They refer to urban-based, white-collar professionals with high academic credentials (often master's or PhDs) who work in UN agencies, bilateral aid institutions, and international and national NGOs, and who are fluent in European colonial languages and regularly interact with international experts. What distinguishes local DFI staff from many of their peers operating in these other types of development organizations, is less competence or experience, and more which doors their qualifications open to formal positions in their workplaces.

The senior titles of most Kenyan DFI staff meant they were high in rank not only in their field office but also in their DFI's global organization. Especially those local employees in charge of their field office could be tasked with managing lower-ranking, donor-country staff at headquarters, when inter-office teams were put together to work on a particular transaction. The job of such headquarters staff was to support the team leader and work under their guidance. One Kenyan director referred to those investment managers at headquarters as 'foot soldiers' whose job was to assist the director by doing the financial modelling and necessary assessments, and providing whatever technical material the director needed.

Similar staff structures can be found among consulting firms in and from aid recipient countries. Almost all firms represented by Kenyan nationals I interviewed, were also run by persons of Kenyan descent. As in DFIs, some Kenyan consultants recounted experiences of managing experts from donor countries. For example, several firms occasionally subcontracted individual North American consultants for specific tenders. In those cases, the American consultants answered to Kenyan team leaders. In cases where consultants from donor countries were recruited as team leaders, they were still accountable to the firm hiring them and thus its Kenyan managers. One firm, specializing in business management, had recently opened an office in southern USA. Its US affiliation joined the firm's other three offices in two African countries as well as in Nairobi, where the firm had originally been founded 15 years ago. Though all offices, including the one in America, were registered locally and run largely by local recruits, 'the decision to hire and fire', as the company's HR manager explained to me, was made at headquarters in Nairobi. The US office was run by a Kenyan-born US citizen, and competed with other American consulting firms for assignments with American clients. Business over there was slow right now, however, my interlocutor complained, so the director was travelling to the office the next day to 'check up on things'.

In sum, practitioners from aid recipient countries working in DFIs and consulting do not face the same restrictions on career mobility as their compatriots

employed by, for example, bilateral public aid agencies and many international NGOs. Their seniority in competence and work experience often translates into seniority in titles and rank, which may, for example, make them managers over staff and organizational entities in donor countries.

Job Security

Another way in which DFIs and consulting firms 'level' inequalities between donor- and recipient-country experts, concerns job security or structural vulnerabilities to unemployment. Research has found that locally recruited staff are often hired on short-term contracts in a range of areas of the development industry, such as in humanitarian aid (Pascucci 2019), among various types of development brokers (Swidler and Watkins 2017) as well as in foreign state aid agencies (Sundberg 2021). More than half of the 18 organizations in Dar es Salaam for which my Tanzanian interlocutors worked employed local grants managers on a temporary basis (Sundberg 2021). Across several agencies, positions that had once been secured through permanent contracts had increasingly been replaced by time-bound ones, typically subject to renewal on an annual or biennial basis. This shift reflects a broader trend in international aid toward precarious and temporary employment, undermining organizations' institutional memory (see e.g. Hindman 2011; Oelberger, Fechter and McWha-Hermann 2017; Ong and Combinido 2018; Roth 2015; Ward 2021). Its application among locally recruited staff strikes a particularly false note with simultaneous expectations of these employees to serve as anchor points in field office environments marked by high turnover among deployed personnel, as recounted above.

In my interviews with staff in state aid agencies, the most commonly cited rationale behind employing local practitioners on a temporary rather than permanent basis was that aid priorities changed regularly. Local grants managers were thematic specialists, hired to manage the agency's cooperation in a specific sector or program. Hence, echoing a general argument in favor of 'labor flexibility', their sector expertise became obsolete if or when the agency phased out its engagement in that sector. However, several Tanzanians challenged this rationale with reference to the fact that donor commitments to sector-wide programs often spanned three to five years, while many of them were employed on contracts lasting only one to three years (in some cases, merely one or two months). This discrepancy imposed a significant emotional and financial toll. Among those hired on fixed-term contracts, many expressed anxiety over job insecurity and virtually all aspired to permanent employment (Sundberg 2021).

Some managers deployed from headquarters voiced discontent over what they perceived as complacent attitudes or a lack of professional 'drive' among their Tanzanian employees. Oscar was one of them. He headed a bilateral agency and had worked in the civil service for nearly four decades. The bulk of these years had been spent in management positions in the central government back home, but also in senior diplomatic positions in several aid recipient countries. Oscar explained that his office had previously had a problem with local staff becoming 'too laid back'. The manager before him was much to blame for this. He had been

out travelling a lot and had let the staff do as they pleased, Oscar lamented. The result had been that his employees showed up at 10 a.m. and left at 2 p.m. 'There was no morale'. When Oscar had taken over, he had told them to 'get their stuff together or leave'. Three persons, 'who just didn't understand' were let go. The rest had 'shaped up'. According to central regulation, the office was allowed to hire local staff on a permanent basis. Oscar had, however, chosen to replace all permanent contracts with fixed-term ones. In his view, temporary employment kept his local staff 'on their toes'. He never addressed the fact that his staff deployed from headquarters enjoyed permanent contracts. In fact, on this topic, no mention was made of his compatriot coworkers, indicating that, in his view, the problem of employees becoming 'too laid back' applied chiefly to the Tanzanian staff.

In the world of DFIs, staff turnover among local recruits was also discussed as a concern, though less as a consequence of fixed-term job contracts. Here, the challenge was to keep local recruits from leaving. While Kenyan DFI employees were hired on a permanent basis, they were subject to poaching attempts by other banks, funds, consulting companies and large enterprises (Sundberg 2023). The brazenness of headhunters was sometimes astonishing, one Kenyan investment manager recounted. They could phone them on their office lines during work hours when their supervisors were within earshot. Unsurprisingly, office managers were acutely aware of such overtures. Thea explained, for example, that part of her role was to remain attuned to her employees' motivations and aspirations, and this was a task that had become increasingly fraught amid the growing demand for investment professionals in Nairobi's expanding development finance sector. Her current team, she emphasized, had been difficult to assemble and was the result of a deliberate and selective hiring process.

At entry level, locally hired DFI personnel in operational roles were typically expected to bring five to ten years of prior experience in finance. The profiles of Kenyan staff often included degrees from elite universities and prior employment with major investment banks in Europe. Several Kenyan interlocutors noted that their previous positions in the commercial finance sector, whether abroad or in Kenya, had offered better compensation and more generous benefits. Their choice to transition into DFIs, meanwhile, was motivated by factors beyond material remuneration. One set of incentives was ideological. For some, joining a DFI was a form of social contribution or ethical reorientation, using one's expertise to create 'impact' in Kenya or Africa more broadly. One investment manager characterized the role as a 'calling', and another as a form of reciprocity—a way of giving back in thanks for individual privileges such as prestigious education, international travel and financially lucrative corporate jobs. Another reason was the pursuit of work–life balance. Unlike the punishing hours in commercial banking or private equity firms, DFIs gave time for personal life. Excessive overtime was neither valorized nor institutionally enforced. In contrast to high-pressure corporate environments where private life was sacrificed at the altar of performance, DFIs were described as spaces where one's identity outside of work was acknowledged and could be maintained. A third rationale related to institutional ethics. Jane described this as the decisive factor in her employment

choices. She deliberately sought out organizations whose internal policies and practices concerning, for example, gender equality and anti-corruption, reflected the standards they expected from their investees. Jane also reversed the conventional script of the job interview: she evaluated potential employers as rigorously as they assessed her. What had ultimately convinced her about her current workplace was the assurance that dissent and critical engagement among staff were tolerated and even welcomed.

Despite the variation in personal trajectories, in other words, these investment managers collectively embody a set of classed and professional privileges: high employability, the autonomy to pursue values-driven career choices and confidence that contract endings would reflect their own volition rather than systemic job precarity. While their tenure in DFIs might not be longer than that of their compatriots working for foreign embassies or NGOs, it was more likely to conclude with upward mobility rather than unemployment.

The world of consulting similarly lacks the same pronounced difference in job security between practitioners from donor- and recipient countries. However, this owes more to the fact that temporary work is endemic in consultancy regardless of nationality. The project-based nature of consulting, sustained by revenues from individual assignments, creates job insecurity for consultants from East Africa and Western Europe alike. 'Body shopping' in consultancy, where most consultants working on an assignment are subcontracted rather than employed in-house, was evident among both Swedish and Kenyan consultants I interviewed. In tenders, consulting companies often present their human resource base using three categories of which in-house staff is but one. The other two, substantially larger, categories are 'associated experts' (persons with a history of being subcontracted by the firm) and external or freelancing experts (who may simply have uploaded their CVs in the firm's online database). As I will detail in Chapter 7, a majority of both Swedish and Kenyan firms had a larger network of associated consultants than in-house employees, and almost all Swedish and Kenyan consultants said most of their assignments involved subcontracting individual consultants.

The Scope, Meaning and Use of 'Local Knowledge'

As described in Chapter 1, donor imperatives to localize aid press for the transfer of power and resources from foreign to host-country actors, partly as a means to invest in and recognize the contribution of local knowledge, skills and capacities (Barbelet et al. 2021; Grand Bargain 2016). Though not unreflectingly, it tends to reiterate a binary division equating actors from donor countries with 'international' expertise and those from aid recipient countries as experts on 'the local'. Several studies of local and posted staff relations similarly describe the former employee category as more knowledgeable of local contexts than their expatriate colleagues (Koch and Weingart 2016; Roth 2015, 2019; Shevchenko and Fox 2008). One of the things these local skills have in common is their upper limit in geographical scope. Local knowledge typically encompasses context-specific expertise (often tied to a specific development sector or industry) that concerns a

set of villages, a district, a region or the country as a whole. However, it is generally confined to the boundaries of the nation-state where the aid organization's field office operates. This is reflected in institutional nomenclature, such as the labels 'national development expert' (Kamruzzaman 2017) or 'national program officer' which local staff in technical positions are often called by donor country organizations (see e.g. Sweden Abroad 2022). Such organizations include public foreign aid agencies. Most Tanzanian grants managers I interviewed, who were technical sector specialists, were often called by colleagues or carried formal titles as 'national' staff (Sundberg 2019). They, as well as their colleagues deployed from donor countries, framed local knowledge, skills and resources as connected to Tanzania or a specific region or sector therein.

Within DFI field offices, meanwhile, local knowledge is an expansive notion. For investment managers based in Kenya, portfolios often extend far beyond national borders—encompassing the East African region, the African continent more broadly and, at times, other parts of the world entirely (Sundberg 2023). All DFI offices in Nairobi are regional in scope. Some cover East Africa specifically, while others serve as the institution's sole presence on the continent. Among the ten bilateral DFIs having field missions anywhere in 2025, seven maintained exclusively regional offices, while the remainder operated through a hybrid structure combining regional, national and/or sub-national offices.

Kenyan investment managers are typically expected to demonstrate international exposure—having lived, worked or travelled abroad—and to maintain transnational professional networks. Familiarity with cross-border investment dynamics is not merely an asset but often a formal prerequisite. As reflected in job announcements, regional experience is frequently listed as a core qualification (see e.g. BII 2022). Jane recalled being explicitly recruited for her ability to facilitate regional connectivity, drawing on her prior experience working in multiple East African countries in order to build investment and partnership networks for the DFI. At the time of our conversation, she was making regular trips—at least three times annually—to countries across and beyond East Africa. When Jane and other Kenyan DFI staff referenced the value of 'local knowledge', they invoked not a narrow, place-bound expertise limited to Kenya but inter- and transnational knowledge encompassing, at least, the East African market and neighboring countries' domestic, national markets. Similarly, a large majority of Kenyan consulting firms in my sample took on assignments in other countries. To be internationally competitive in regional and foreign markets, the firm depended heavily on having staff in charge of business development who had knowledge of and networks in those markets. As mentioned in Chapter 1, several firms profiling themselves as offering uniquely local expertise, simultaneously claimed to serve clients operating in, for example, Uganda and Tanzania. Hence, in the world of consulting also, having local knowledge included being *au courant* with settings beyond Kenya.

These understandings of local knowledge among DFIs and consulting firms resonate with scholarship that takes to task constructions in development research and professional practice that uncritically assume a correlation between country of

birth and development expertise, and which confines knowledge of the local to familiarity with contexts within the boundaries of one's birth country (see e.g. Eyben 2011; Swidler and Watkins 2017). Critical studies have also highlighted how this correlation may construe the possession of local knowledge as premised on a lack of international expertise and, simultaneously, as primarily useful for lower-status work. In her study of international NGOs involved in a good governance program in Angola, Rebecca Peters observed how Angolan aid workers strategically positioned themselves as 'local' by downplaying characteristics that expatriates believed were incompatible with having local expertise, such as being fluent in European languages and having lived or studied abroad (Peters 2016, 2020; see also Eyben 2011). Their attempts to hide these attributes were a means to maintain their professional legitimacy as 'local experts' and secure continued employment. At the same time, doing so kept them in inferior positions in the organization because local and international knowledge were seen as intended for different types of work. International knowledge was deemed necessary for higher-status and supposedly more intellectually demanding work like policymaking and project design. Local knowledge, on the other hand, served lower status implementation work, presumed to imply merely 'doing' what those higher in rank had decided, through a straightforward selection among a predetermined number of alternatives. The binary 'local knowledge' versus 'global knowledge' hence overlapped with a hierarchical division between 'doing' and 'thinking'. This misrecognition and devaluation of what implementation staff do (rather than what they know), Peters writes, buttresses entrenched, intersecting hierarchies in race and citizenship (see also van Voorst 2019; Ward 2021).

In DFI field offices and Kenyan consulting firms, we can recall, what is deemed local knowledge does not preclude, but rather overlaps with, international knowledge, owing to the cross-border nature of the work of DFIs and consulting firms. This does not mean, however, that their expertise on neighboring countries necessarily counts as international in the eyes of their counterparts hailing from donor countries. As I described in Chapter 1, Kenyan consultants recounted how foreign development clients tended to label all firms with offices or shareholders in 'only' Africa as local, no matter how many different African nationalities their businesses represented. To count as international, the firm had to have offices and/or owners *outside* Africa, though commonly meaning in OECD-DAC countries. This resonates with findings made in numerous studies of how international development knowledge (deemed 'universal' and cutting edge) is largely synonymous with technical expertise derived from Western Europe, North America and other places belonging to the 'Western hemisphere' (Crewe and Harrison 1998; Kothari 2005; Roth 2015).

The equivalence of international expertise with technical, presumably universal and donor-country derived knowledge transpired, for example, in my interviews with Kenyan engineering firms. While the logics of engineering were the same in Kenya as elsewhere in the world, I was told, it seemed preferably sourced from abroad. When talking about recent years' growth in Kenya's domestic consulting market, some explained this as a result of the fact that a larger share of Kenyan

consultants was now studying overseas. Overseas in these cases often translated into the OECD-DAC community. An example of sought-after, 'universal' expertise given by several Kenyan consultants was skills in World Bank systems and standards for writing reports. But overseas could also mean China, as an increasingly influential non-DAC donor/investor in Kenya. Another Kenyan engineer recounted the long-term benefits for domestic expertise that followed from the Kenyan government's contracting of a Chinese company for a large project in road construction. The procurement had raised criticism for countering localization efforts, he recounted, given that Kenyan firms were among the losing tenderers. Still, the project had offered valuable knowledge transfers to Kenyan engineers. As the Chinese company built the roads, he asserted, Kenyan companies had watched and learned.

Acquiring and demonstrating such international expertise in no way threatened Kenyan consultants' or DFI staff's position as local recruits or undermined the credibility of their locally specific knowledge. Their work experience and academic degrees from Europe and North America, fluency in English and sector-specific technical skills, paralleled and often trumped their geographically emplaced expertise. The same applied to Tanzanian grants managers in public foreign aid agencies, and it is likely the case for university-educated, white-collar local staff in many other types of donor-country organizations (Sundberg 2019; Swidler and Watkins 2017).

Kenyan DFI staff represent perhaps one of the clearest examples of how local aid workers' international expertise is expected to accompany, and often surpass, their possession of locally contextual knowledge. Jane, for instance, recounted how she had recently been asked to join a team preparing an investment in central Asia. Though she had no experience of the country or region, the team had chosen her based on their appreciation of her sector expertise and organizational experience. In her DFI, the geographic location of an investment was not a primary organizing principle, not even in or across field offices. Teams were put together for each potential investment based, primarily, on team members' sector expertise, technical skills, management experience and availability. While regional or national knowledge could also constitute selection criteria, it may be overshadowed by technical credentials, bringing locally recruited field staff to work on projects far outside their 'local' realm.

Moreover, Kenyan consultants and DFI investment managers are difficult to place exclusively in the organizational category of implementation work, especially if construed, in the eyes of foreign managers, as a matter of 'doing' rather than 'thinking'. True, they often serve as frontline workers. In DFIs, local staff are commonly the institution's primary contact with investees and other partners, and local consultants often serve as intermediaries between their foreign client and aid beneficiaries. However, their responsibilities hardly entail a mere execution of orders in line with Peters's (2016) description. They occupy roles that are creative and intellectually demanding, encompassing tasks such as project development and management, supervision and monitoring, advisory functions, networking, and (in the case of DFI staff) financial modelling and investment plan design.

A key responsibility recounted by Kenyan interviewees working in DFIs and consulting firms was the identification of new business opportunities, a set of tasks usually falling under the rubric 'business development'. DFI investment managers emphasized that sourcing viable projects and investees required them to be hooked up to a broader professional ecosystem, by regularly interacting with other DFIs, collaborating with external consultants, and participating in conferences and networking spaces and events. Similarly, many Kenyan consultants working in-house were charged with scouting the terrain for new assignment opportunities, both online and by way of networking with clients and other firms, in order to establish and maintain relationships that may in the future produce work for the firm.

Another domain of activity undertaken by some DFI field offices is that of 'business processing'. This work involves shepherding prospective investment projects through a series of internal evaluative procedures designed to assess, for example, financial feasibility, ESG standards, anticipated development outcomes, market positioning, corporate integrity and legal frameworks. Locally recruited field staff may thereby be tasked with assembling and leading multidisciplinary internal teams, and navigating intra-organizational politics and bureaucracy among departments and review committees that partake in assessing and approving the risks, merits and structural conditions of the proposed deal. Business processing also demands that field staff negotiate with clients and partners the terms, structure and scope of the investment, thereby teasing out a tailored funding and partnership strategy. These processes often necessitate engagement with external consultants and senior executives of the client organization, as well as coordinating with other institutional stakeholders. In a similar vein, many Kenyan consultants employed in-house said they spent considerable time on preparing tenders, which entailed tasks of drafting comprehensive project plans and putting together bespoke teams of members who were sourced both externally and from within the firm.

A third set of responsibilities concerns project monitoring. For Kenyan DFI staff, this involves continuously overseeing portfolio companies after investment deals have been finalized. It often includes site visits and meetings with client company management. In the context of private equity investments, it can also involve sitting on company boards, providing advice and participating in decision-making regarding the businesses' governance, staffing and strategic goals. Several Kenyan investment managers characterized this form of engagement as a means of supporting investees in articulating long-term growth trajectories while simultaneously ensuring their accountability to pre-agreed benchmarks and deliverables. Similarly, many assignments taken on by Kenyan consulting firms involve *ex-post* evaluations and continuous progress monitoring of interventions that are implemented or funded by clients.

Not all consultants or DFI staff I interviewed did all of these tasks. Especially larger DFIs may have teams that work either with business development, processing or monitoring (where field staff are often assigned the development part). In some DFIs, staff are attached to specialist teams that work only with certain instruments (e.g. equity), sectors (e.g. renewable energy) or geographical regions. Similarly, larger Kenyan consulting firms may have in-house personnel solely in charge of tender writing and/or team recruitment, who do not implement assignments.

However, even those local recruits who worked 'only' with, for example, business development in a certain sector or with a specific instrument, carried out tasks oriented more toward strategic design and the coordination of work and staff, rather than straightforward implementation in Peters' (2020) sense of the term. A job posting by the German Investment Corporation (Germany's DFI) for an investment manager position in Istanbul exemplifies this. The role is described as involving tasks such as 'originating leads in corporate and project finance', 'pre-structuring of debt facilities' and 'networking with clients, banks, financial advisers, and international finance institutions'. The ideal candidate is expected to demonstrate an 'independent work style, strong analytical skills, and interest in dealing with complex issues' (German Investment Corporation 2022).

Kenyan DFI staff and consultants, in other words, do not serve as passive executors of mundane tasks, but as active agents who shape partnerships and investments. Their work is recognized as intellectually intricate and often accompanied by a measure of individual autonomy and creative freedom. Just as their 'local' expertise is not deemed useful only for implementation work, it is not restricted to national boundaries or predicated on the lack of international expertise. As such, it differs from how local knowledge is construed by managements in some international NGOs and other types of international development organizations.

All in all, DFIs and consulting firms demonstrate a more expansive understanding of the nature, scope and use of local knowledge, where the latter is deemed to overlap with skills shared by experts from donor countries. As such, it is less likely to devalue its carriers, as 'local expert' labels have been observed to do in other types of foreign aid organizations. Coupled with the fact that Kenyan DFI staff and consultants neither face restrictions particular to local staff with regards to career mobility and job security (also observed in NGOs and state agencies) suggests that these profit-making institutions challenge common divides and hierarchies between practitioners from donor- and recipient countries. At the very least, they indicate ways in which contracting and development finance are diversifying the roles and labor conditions of local development experts.

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3 Lesser Pay as in Less to Say? Aid Localization Revisited

The previous chapter highlighted examples of how consulting firms and DFIs, as part of the growing realm of profit-oriented development work, are doing away with some of the hierarchies between donor- and recipient-country staff that have been observed within public and third sector aid predominantly involved in grant-based aid. This chapter and the next bring to the fore the limits to these changes. The following pages describe how Kenyan consultants and DFI staff share with Tanzanian grants managers in foreign state agencies experiences of two types of marginalization. Both resonate with findings in research on local NGO workers and broader sets of development experts from aid recipient countries. As such, they point to for-profit aid's emulation, rather than abandonment, of colonially imbued inequalities. The first concerns local practitioners' lesser professional voice and authority in their workplaces, and the second, their inferior compensation and benefits packages. These two types of inequality are mutually reinforcing. They also have bearing on the meaning of aid localization. They show, first, that localization as described in aid discourse conflicts with how it is actually practiced, and, second, that the reality of localization embodies a contradiction between the work local staff is assigned and the terms on which they are employed.

In Chapter 1, I described how the localization of aid includes efforts by donor-country organizations to recruit a larger proportion of staff based in aid recipient countries, partly as a way to invest in and empower local expertise. In Chapter 2, I explained how localization thus tends to reproduce a binary construction that equates international actors with international expertise and distinguishes these from local actors as assumed experts on the local. However, in studies of international human resource management concerned with multinational businesses and foreign investment in developing countries, localization has another meaning. It basically refers to filling international positions with local hires (Hailey and Harry 2008; Hickey 2017). One purpose of this is to save costs by tapping cheaper labor in host countries. Another is to transfer the corporate competences of enterprises (most often originating in high-income countries) onto host-country sectors and businesses and the professionals operating therein, enabling the latter to reach international standards and become 'globally employable' (Hickey 2017: 169, 171). Localization as knowledge diffusion further resonates with certain sociological theorization on aid. In their anthology *Localization in Development Aid*, Bonacker, von Heusinger and Zimmer (2017: 2) use the term to describe how

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normative concepts that have become mainstream in globally adopted rules and standards spread in non-Western societies through development policies and programming.

Anthropological and broader social scientific critiques of foreign aid have long challenged the universalist pretentions underpinning such dynamics, not least within the OECD-DAC. They interrogate how many aid organizations are heavily reliant on a narrow pool of donors that sanction an increasingly homogenized vision of development's goals, methods and metrics while delegitimizing alternatives as 'cultural' (Rajak and Stirrat 2011). Uma Kothari (2005) traces this to the professionalization and technicalization of development practice. It began as newly independent states sought to distance themselves from colonial epistemologies, which had validated local, historical and ethnographic knowledges rooted in specific geographies and cultural contexts. The 1980s marked a pivotal boost in this direction, as neoliberal ideologies began to dominate development discourse. This ushered in a preference for depoliticized, technocratic interventions emphasizing standardized solutions to complex (and, often, locally contingent) problems. Development experts came to be understood as bearers of 'technical know-how' (Kothari 2005: 430) valued not for cultural fluency or contextual insight, but for mastery of technically specialized tools and techniques, ranging from gender audits to environmental impact assessments, that were deemed applicable across different sociocultural terrains.

Tanzanian staff in foreign state aid agencies and Kenyan consultants and DFI investment managers represent such technical experts described by Kothari (Sundberg 2019, 2023). Though local knowledge in state aid agencies may be deemed narrower in scope, restricted to national boundaries rather than the whole of Africa as in some DFIs, it does not orient its carriers' everyday work as a source of expertise distinct from that held by posted staff. Contrarily, local staff in state aid agencies, together with other university-educated practitioners from aid recipient countries who work in-house for or as contractors to OECD-DAC development organizations, share with their colleagues deployed from donor countries an everyday work reality of bureaucratic tasks and social interactions in *international*, rather than local, realms (see also Eyben 2006, 2011; Irvine, Chambers and Eyben 2006). Their labor and expertise mirror the absorption of locally sourced *persons* into positions designed by donors, rather than the elevation of local *epistemologies or skills* within international (or donor-driven) institutions. As such, they contradict a key rationale in donors' localization agenda, representing instead OECD-DAC developers' universalizing imperatives. In Chapter 2, I detailed the everyday work of Kenyan investment managers in DFIs and, to a lesser extent, Kenyan consultants, and in Chapter 7, I will return to the core tasks of Kenyan consultants. Let me therefore devote the next paragraph to outlining the average jobs of Tanzanian grants managers working for foreign state aid agencies.

As technically specialized desk officers, their job typically involves administering a portfolio of various kinds of support (grants, technical assistance, loans) to projects and programs within a specific sector, such as health or infrastructure. My interlocutors indexed a number of routine tasks tied to portfolio management: reviewing funding proposals from foreign and local partners; contributing to and advising on the design of interventions; monitoring the rollout and progress of interventions; and coordinating audits, evaluations and other kinds of contracted work (Sundberg 2019). Other duties

entailed leading or partaking in dialogue and negotiations with partners through email, phone, occasional field visits, workshops and, not least, physical and online meetings. Those partners were other donor representatives, host-country government officials, NGO managers or high-ranking representatives of the private sector, research institutions and think-tanks. Additional responsibilities included coordinating and negotiating budgets, activities and policy priorities with office leadership; liaising with thematic experts at headquarters; and contributing to short- and long-term planning and reporting cycles that connected field offices with headquarters. Undertaking these tasks required a fair grasp of international (e.g. OECD-DAC) policy frameworks, scientific expertise and recommendations on best practice tailored to specific sectors. Equally important was familiarity with regional (such as EU-level) and host-country regulations, policies and standards for funding, planning, implementing and evaluating development initiatives. Perhaps most critically, these roles demanded deep institutional literacy: an ability to navigate one's own agency's policy environment, organizational hierarchies, operational protocols and administrative systems. In short, it required the same expertise expected from their posted colleagues in technical positions.

Job advertisements for local grants managers in foreign state aid agencies center on such international and technical skills. They are usually only advertised in English, and they often require a university degree, excellent English skills and several years of work experience in the development sector to which the position is devoted (DfID 2018; Peters 2016; USAID 2018). As described in Chapter 2, the same applies to job advertisements for DFI field office positions (many of which also ask for regional African expertise). Among Kenyan consulting firms, job advertisements I found published on company websites were also written in English, and often asked for specific technical and computer software skills, higher education degrees and a minimum number of years of relevant work experience. Professional training programs for grants managers in public aid agencies and investment managers in DFIs tend to prioritize technical competencies over geographically context-specific knowledge. Tanzanian interlocutors described a variety of subjects in which they had received or expected to receive training during their tenure, including accountancy, monitoring and evaluation, and sexual and reproductive health rights. Several Kenyan DFI staff travelled to headquarters regularly for such training.

Professional Voice and Authority in Everyday Work

If local experts have the same qualifications and do the same work as their counterparts from donor countries, then, logically, their respective contribution to their shared workplaces should be regarded as equal. Several Tanzanian grants managers and Kenyan consultants, meanwhile, experienced being seen as less competent and believed that their opinions carried less weight.

In Dar es Salaam, two thirds of Tanzanians working for foreign state aid agencies had a past in domestic, development-oriented work in either NGOs or local public institutions (Sundberg 2021). Many of these said they had chosen to leave for jobs in foreign state agencies based on a desire to work closer to international aid policy. They had expected that operating on the inside of large OECD-DAC aid agencies would

provide them with opportunities to influence decision-making. A few years into their new jobs, however, several of them expressed disillusionment about their voice or leverage. Agency managers, they insisted, considered their compatriot desk officers more competent than the locally recruited ones, and as an effect, these expats' professional opinions carried more weight than their own. Partly owing to such experiences of 'epistemic injustice' (Fricker 2007), several Tanzanian staff envisaged their long-term careers elsewhere. One career option that attracted considerable interest was consultancy. True, as consultants they were even less likely to influence policy or change ill-targeted aid programs, but at least they could choose not to sell their services to them. Consultancy, they reckoned, could potentially offer greater individual autonomy and influence over their daily work (if not also higher incomes).

The consultants I interviewed in Kenya, meanwhile, highlighted how consultancy brought with it other forms of epistemic injustice (see also Koch 2020). Several interlocutors argued that there was a general devaluing of local firms' management and organizational capacity among foreign development clients. In international competitive bidding processes, Kenyan firms were sometimes assessed as less able to handle larger, more complex assignments, compared to firms from Europe or North America. This was so even in cases where the Kenyan firm could show evidence of successfully carrying out projects of similar size and complexity. The same applied to Kenyan and donor-country firms' ability to 'localize' operations in assignments carried out in other African countries. Localization in this context referred to the contractor's partnering with a local firm in the country where the assignment was meant to be implemented (which may be a requirement by the procuring client). Tom was the founder of a consulting firm which had for the past decade grown to become a leading actor in its area of technical expertise and the specific region in Africa in which it specialized. It currently staffed some 20 full-time permanent employees who provided services in a range of areas such as project management, monitoring and evaluation, 'big data' analysis and organizational capacity building. The firm's corporate philosophy and most common model of execution, Tom explained, was to partner with local companies, research institutions and civil society organizations in the designated project country. Most of its clients were foreign development organizations. Tom had created the firm after having worked with several of the major donors in the sector as a freelance consultant, noting how the demand for his services eventually outgrew his individual capacity. The relationships he had built with these foreign clients had been a key factor behind the company's success. Still, Tom insisted, his firm had to work harder to prove it could localize its work abroad compared to firms from donor countries. This was so, he explained, because European and North American firms were by default assumed to more easily and speedily be able to attract a partner, not least an African one, than a Kenyan firm. Therefore, in their tender, it sufficed for them to merely state *that* they planned to partner with a local firm. His firm's tender, meanwhile, needed to be more specific. It had to provide evidence of already having a local partner, presenting that partner's company profile and the individual staff members with which his firm would collaborate. If they did not, Tom asserted, his company would be four times less likely to win the bid compared to a company from a donor country.

A vast majority of Kenyan consultants argued that firms able to claim status as international were more competitive in tendering processes, especially in the field of development. This also applied to procurements made by the Kenyan government. One of the guiding principles of Kenya's Public Procurement and Asset Disposal Act is to promote local industry, and the law gives preference to purchases made from Kenyan actors (Republic of Kenya 2016). Though many consultants I interviewed made reference to the procurement act and this stipulation, several shared experiences of how such localization regulations had limited bearing in practice. Charles and Fredrick were both managers of engineering firms that mainly took on assignments with the Kenyan government. Prior to founding his consulting firm, Charles had spent 15 years working for several government ministries. While the government insisted it sought to promote the Kenyan private sector, Charles recounted, in reality it was hard to see that. Part of the reason was that most procurements for which his firm tendered were partly or wholly funded by foreign donors. The firm that won the contract usually shared the nationality of that international funder, Charles explained matter-of-factly. Fredrick had similar experiences, drawing on three decades of consultancy work within a sub-field of engineering in Kenya. It was not uncommon for government tenders to include 'local participation' or ensuring 'knowledge transfer' to local actors as evaluation criteria, Fredrick acknowledged. However, these criteria rarely had any impact on contract awards. In the government procurements in which his company was involved, few competitors, short-listed companies and contract winners were wholly and solely Kenyan. In some procurements, he added, the Kenyan government even had as a requirement that the lead consultant should be 'international'. To become more competitive in biddings for government contracts, Charles wished for his firm to eventually be able to open an office in another country. As entirely, or rather, 'only', Kenyan, he explained, his company often had to join bids as subcontractor or become a partner in a joint venture led by a foreign firm.

Kenyan private enterprises also preferred to contract international companies for services within, for example, audit, tax advice or accountancy. At least that was the experience of Stella, mentioned in Chapter 1, and her two colleagues. They worked for a Kenyan firm specializing in accounting and business development. It was not about the expertise as such, they insisted. Local firms and multinational firms with local offices in Kigali hired Kenyans with the same background and qualifications. Indeed, several Kenyan interviewees who worked in accounting, including at Stella's firm, had previously been employed by one or several of the big international accounting firms with offices in Kenya, such as KPMG, Deloitte, Price Waterhouse Cooper, and Ernst & Young. Although these latter were generally more expensive, Stella noted, what you paid for was image. Contracting an 'international' firm to service your company was a marker of corporate success. International companies always used one of the 'big ones', she added. A few years ago, Stella's firm had forged a long-term partnership with a larger, European firm. As part of the arrangement, her firm had added the foreign firm's name to their own name. Since her company already had two names, it had been compelled to drop one of them. The European partner had insisted that the firm kept the name that sounded less African and more international. Sadly, Stella continued, that African name was a 'very good name'.

Anyone familiar with the market in Kenya, she asserted, had heard of that name and respected it. Still, the foreign partner had insisted the firm drop it. The reason for their insistence, she hypothesized, was that the European company's clients were mainly international. In that market, she deduced, their European partners believed the international name would make the firm more competitive.

Compensation and Benefits

Many studies have presented evidence of preconceptions in the international aid industry about practitioners from aid recipient countries as less competent or knowledgeable than their counterparts from donor countries. Two normative explanations are often invoked. One centers on donor organizations' undervaluing of 'local' expertise, treating it as less relevant or authoritative than 'international' expertise typically associated with donor countries (Baaz 2005; Shevchenko and Fox 2008; Ward 2021). On the surface, this explanation appears ill-suited to the context of Kenyan consultants and DFI staff as well as Tanzanian grants managers. As I described in Chapter 2, these practitioners primarily carry out work presumed to require the same knowledge and skills as that of their colleagues recruited from OECD-DAC countries. Evidently, their work is localized only in the sense that it is executed by nationals of aid recipient countries. As such, it contradicts the localization definition underpinning this explanation (though reproduced in donor discourse), notably as an investment in local knowledge, implicitly presuming that the latter differs from the expertise of donor-country experts.

Another explanation points to racialized hierarchies structuring dominant conceptions of development experts. It proposes that aid organizations perceive local staff as less competent because of the latter's association with the domain of 'underdevelopment'—a world deemed racially distinct and inferior to that of donor countries (Crewe and Fernando 2006; Crewe and Harrison 1998; see also White 2002). Some of my Tanzanian interlocutors echoed this analysis in their reflections on self-censorship. Tanzanian staff working for donor agencies, they observed, often refrained from challenging foreign managers about inequalities between local and expatriate staff. Similarly, Tanzanian partner organizations seldom openly questioned donor-imposed conditions. Without explicitly talking about racism in their own workplaces, my interlocutors described these silences as reflecting the internalization of a broader logic that cast Europeans as intellectually and professionally superior to Africans.

Similar experiences were voiced among representatives of Kenyan consulting firms, primarily the minority of firms headed by white Europeans. One of them was Emily. Among the first things she told me during our interview was that she was not an 'expat'. 'Nobody sent me to Africa', she exclaimed. Rather, she had gone on her own account, without any support system or expat salary. In Kenya, she had always been employed locally and had never paid taxes to anyone but the Kenyan state. Through her marriage to a Kenyan man, Emily had a Swahili surname, and in her work, she preferred introducing herself with that one rather than her European first name. Emily had founded her consulting company about a decade ago. Until recently, most of its clients had been Kenyan businesses. All her staff were Kenyan, she pointed out,

and her corporate ethos was 'by Africa, for Africa, in Africa'. At the same time, she acknowledged, she as a person would always be an outsider, never African. Sometimes her firm capitalized on this. In recent years, they had started targeting foreign development clients. In that market, it happened that her company used her white skin color to gain the trust of clients. While that was 'ridiculous', Emily asserted, she played along for pragmatic reasons. It would take longer still for the development space to realize Africans were not per definition backwards, less skilled or lacking relevant expertise, she insisted. 'You see it all the time'. Organizations from donor countries, she took as an example, flew in 20-year-old Americans to give orders to senior staff in African government ministries. That clearly showed how understandings of development expertise were still racially influenced, Emily concluded.

There is also, I believe, a third explanation for the inferior professional authority experienced by many development experts from aid recipient countries. It concerns the management of local staff as a category of human resources. Numerous studies have brought to light how the distinction between local and headquarters recruits constitutes a major line of division between staff in the field offices of various types of foreign development organizations (see e.g. Peters 2016). Personnel dispatched from donor countries are consistently employed on superior terms and accorded greater privileges compared to those recruited in-country, no matter their qualifications and even when doing comparable work. A primary example of this pertains to salaries. Development organizations hailing from donor countries generally apply different salary scales for staff deployed from headquarters and staff recruited by field offices. The latter are paid according to the salary scale of the donor country, while the former receive what the organization estimates as commensurate with the labor economic context of the aid recipient country. This dual standard has its root in colonial government (Carr 2013; Ila'ava 1999). It was rationalized as a response to the shortage of skilled labor in the colonies and the need to attract and reward colonial personnel. Carr et al.'s (2010) survey of 1,290 posted and local staff in a range of sectors and countries found that posted practitioners earned on average four times what is paid to locals in similar positions (Carr et al. 2010: 330; see also Koch and Weingart 2016).

Moreover, while staff sent out from headquarters are employed under the labor laws and protections of their donor countries, locally hired staff fall under the legal frameworks of host countries, which often provide weaker labor protections and fewer entitlements. In bilateral state aid agencies in particular, local employees are typically excluded from many of the benefits afforded to staff from headquarters. These include subsidies for housing and school fees for children, paid travels home, spousal allowances, hardship compensation for work in 'difficult' locations and permission to use office vehicles beyond official hours (Foreign and Commonwealth Office 2015; Peters 2016). Posted staff also tend to receive more generous paid leave and health insurance. At some donor agencies in Dar es Salaam, health insurance for local staff was only recently introduced and still required individuals to pay out of pocket and later seek reimbursement (Sundberg 2019) In emergency situations, aid agencies are generally obligated to evacuate international staff and their families, but these protections rarely extend to local personnel (Fassin 2012; Peters 2016).

Consulting firms display the same kind of two-tier salary structure integral to foreign state aid agencies and NGOs. Tom recounted how individual consultants from the UK or the USA could generally charge more in hourly fees than African consultants, even if they were not better qualified. If an African consultant could demonstrate some sort of connection to the US or the UK, it could help them raise their fee claims, he added. This could involve, for example, being affiliated with a university department or having previously worked as a guest professor at a university in those countries.

Josephine, now in her early 80s, had originally come to Kenya in the late 1980s as a lecturer seconded to a Kenyan university. Eventually, she had co-founded her current firm, specializing in the scientific discipline she had taught at university. During the past four decades it had taken on numerous assignments with foreign development organizations, often partnering with other firms based in Europe. In her experience, development clients from donor countries found it natural to pay African consultants less than consultants from their own part of the world, regardless of the set-up of the tender. Though her firm was registered in Kenya and profiled online as Kenyan, her personal fee rate was on a par with that of international consultants. Her Kenyan colleagues in the firm, on the other hand, could never charge as much. The firm's clients, Josephine asserted, insisted on paying her colleagues according to what they estimated to be a 'fair local rate'. To challenge what she perceived as a grave injustice, Josephine continued, her firm had explicitly requested in a tender that all consultants should be paid the same since their work in the assignment would be identical. Even then, however, the foreign client had refused to give the Kenyan consultants equal hourly salaries.

In the world of DFIs, local-posted employment inequalities are less streamlined. As mentioned, DFI field offices are small in number and size and most are or plan to be staffed and managed entirely without deployments from headquarters. Hence, differences in salaries and other privileges between local and dispatched personnel are not necessarily an issue. Some Kenyan DFI staff rather compared their wages to those of local investment managers in other DFI offices in Nairobi. Others, meanwhile, did raise complaints about local-posted employment inequalities. One of them was Ben, a middle-aged investment manager working for a bilateral DFI. He had been employed by the office for six years. Today, he was formally the second in command, answering only to the director, who was a donor-country national. In *bilateral* DFIs especially, Ben pointed out, employment contracts were usually 'the tricky thing'. The difference between local and headquarters contracts was 'night and day', he asserted. The latter were 'of course more protective but very expensive'. Ben added that his DFI lacked a central human resource policy for local staff. Their contracts were entirely at the discretion of each office's country director. Host-country staff's employment terms hence depended on the attitude of the director and how vocal the local personnel were in advocating for themselves. Effectively, salaries, pensions, insurances and so on differed significantly from one country office to another. Ben described these inequalities on one hand as widely accepted, and, on the other, as 'almost like a taboo'. It was, above all, a 'mess' that the DFI would sooner or later be forced to 'clean up'. Sometimes, Ben added, he joked that in two decades from now, senior directors would need to apologize for how they had discriminated against local staff.

Voice and Pay as Mutually Reinforcing

Employment inequalities between local and deployed staff have been observed to generate a number of adverse effects, especially on local recruits. They include psychological distress, job dissatisfaction, lack of motivation, interpersonal tensions among colleagues, and a decline in both individual performance and overall office productivity (see e.g. Carr, MacLachlan and Chipande 1998; Carr et al. 2010; Ila'ava 1999; McWha 2011; Oelberger, Fechter and McWha-Hermann 2017). To this list, my research suggests adding the devaluation of local staff's expertise and the silencing of their professional voices. Prior research has demonstrated that salaries and benefits are widely perceived by aid workers as markers of professional worth and expertise (see also Baaz 2005; Carr et al. 2010; Koch and Weingart 2016; MacLachlan, Carr and McAuliffe 2010; Roth 2015). For instance, volunteers from donor countries have been noted to find their professional status diminished due to their limited or non-existent remuneration, despite often having equal or greater experience than their colleagues on the regular payroll (Watts 2002). Some local staff in foreign aid organizations earn less than such donor-country volunteers (McWha 2011: 34). This, I suggest, affects local practitioners' authority and credibility as experts. More precisely, unequal employment terms and professional authority seem to be mutually reinforcing (Sundberg 2019). Grace, a Tanzanian grants manager in her fifties, had been working for a Scandinavian aid agency since the 1990s, following a master's degree in North America and earlier service in a Tanzanian government ministry. During a conversation about the young Scandinavian interns in her office, she casually mentioned that she doubted they received a proper salary from the agency, but rather just 'a little something'. This 'little something' she then likened to a 'local salary' like her own. When describing the office hierarchy, Grace positioned the interns, whom she referred to as 'trainees', between Tanzanian grants managers and the foreign counsellors who oversaw them. Despite her 30 years of tenure in the office, in other words, she found these Scandinavian interns to have a higher status than herself.

At another European agency, a senior manager candidly explained that the decision to expand the number of local hires was primarily driven by cost: local staff were simply cheaper. At the same time, he added, it was uncertain whether this cost-saving measure truly benefited the agency, given the doubts he had about the efficiency of local hires compared to international staff. 'You get what you pay for' was the underlying logic.

Josephine, whose Kenyan colleagues were often paid less in contracts with foreign development clients, described how some years back, her company had forged a partnership with a larger firm headquartered in Europe. During those years of collaboration, the European company had regularly invited her to join assignments it was carrying out in different parts of the world. However, it had rarely extended the same offer to any of her Kenyan colleagues. This was the case even when that European firm was working in Kenya and Josephine had insisted it would benefit from her Kenyan colleagues' expertise. For some reason, Josephine made out, the potential contribution of her Kenyan colleagues was almost never deemed significant enough for this firm to justify bringing them onboard.

A similar association between remuneration and expertise was expressed by Lucas, another white European owner of a Kenyan consulting firm, whom I briefly introduced in Chapter 1. Lucas had founded his company some 15 years ago. It specialized in a particular field of digital services. The idea to start an independent business followed from his prior work for a large multinational company where he had noticed a considerable demand for this type of service. Currently, the company staffed ten people, all of whom, aside from himself, were African. Lucas acknowledged that his consultancy fee level was higher than that of everyone else in the company. He never accepted daily rates below 500 USD, he told me, while his Kenyan staff were paid 250–300 USD. Lucas maintained that although he earned more than his Kenyan colleagues, his salary was not on a par with that of consultants based in Europe, who could claim 800 USD a day. The reason why he was unable to ask as much, he reasoned, was that his firm was incorporated in Kenya. The company's Kenyan label, in other words, limited his salary claims.

Among the few Kenyan DFI managers who complained about their employment terms, most compared themselves to staff at other DFIs, rather than to colleagues deployed from headquarters. In one such comparison, meanwhile, another critique surfaced which situated inequalities between local and posted staff at the interface of employment conditions and expertise. Jane, whom we met in Chapter 2, was a Kenyan investment manager working for a bilateral DFI. She recounted how Kenyan staff in larger DFI offices in Nairobi enjoyed higher salaries. Though her job was not about the money, she insisted, salary levels were not unimportant. Plainly, she would like to have more, she acknowledged with a laugh. As she got older and more experienced, Jane continued, she had gained a fair sense of what other people in Kenya's finance sector earned, including at other DFIs. One of the DFIs where she knew salaries were higher, had undergone some structural changes in recent years. Because she had a friend working there, she knew the story behind it. The managers at that DFI office had grown tired of their posted staff's attitudes, Jane recounted. Headquarters staff, managers believed, took jobs in Kenya partly or mainly for the sake of the better salaries and benefits that came with these overseas postings, enabling them to 'live the expat life'. In response, the office management had replaced several deployed staff with local recruits. The reorganization was based on the assumption that Kenyan staff were less self-interested and more concerned with 'impact'. Jane believed the managers had made the right choice. She herself was primarily incentivized by seeing Kenyan businesses and markets grow, and she believed most Kenyan DFI staff shared that work ethos. Her friend and the other Kenyans recruited in the reorganization had been given the same salaries as their deployed counterparts in similar positions, Jane continued. However, their managers had told them that they expected local staff to work harder than their colleagues sent down from headquarters. Paraphrasing the DFI managers, Jane exclaimed 'We want to see the same results—if not better. So you're going to work for the money!' Implicit in Jane's story was the assumption that replacing deployed staff with locals came with a price: the latter would have to put in more labor and/or deliver better results for the same

pay. Whether this was because managers believed local staff were not actually entitled to the same compensation (thus should produce more for the same pay), or because they assumed local staff would have to put in more effort to do the same work or reach the same results as their posted colleagues, Jane did not elaborate. Regardless, her story suggests how a DFI's move toward more equal employment terms can simultaneously insinuate a devaluing of local staff's professional contribution, as also found in the world of consulting and public foreign aid.

Part of the equation of the mutually reinforcing factors of professional authority and employment terms may well be the types of work local experts are usually assigned. As I described in Chapter 2, research on development NGOs in Angola has shown that the devaluing of local expertise is tied to the confinement of local practitioners to low-status jobs regarded as relatively 'simple' or intellectually undemanding (Peters 2020). I also described how Kenyan consultants rarely fit this profile since many (especially those working in-house) are in charge of senior tasks of tender writing (often involving project design and team recruitment) as well as business development (such as networking with clients and partners, and project design). That said, when Kenyan firms and individual consultants work with companies managed by donor-country nationals, they are more likely to take on tasks deemed less advanced and more oriented toward implementation. Lucas rationalized his higher consultancy fee on the grounds that he was more senior than his Kenyan colleagues and shouldered management responsibilities that his Kenyan colleagues did not. Similarly, Josephine recounted that in the rare cases when her firm's European partner had invited one of her African colleagues to join an assignment, it had been in more 'assisting' roles, as she put it. Those assisting roles, Josephine added, had been used to justify giving her Kenyan colleague a lower wage.

A common way in which Kenyan consultants are relegated work in the 'implementariat' (Peters 2020) is through subcontracting (see van Voorst 2019 for similar observations in humanitarian aid). Several interlocutors insisted that taking on work as a subcontractor was the only or most frequent way in which their firm was able to access work with foreign clients in the development industry. Being subcontracted generally meant being hired to carry out parts of the assignment considered less complex, such as data collection, language translation and logistics, rather than more senior-level work of project design, data analysis or report writing. Working as a subcontractor also meant less money and influence. The same could apply in joint ventures if another firm was the lead. In such structures, the lead firm was usually a firm from an OECD-DAC country. As lead, that firm was the first contact point with the client. Moreover, it was usually the one in control of bank account transfers and reimbursables, and the one making decisions on how resources would be distributed among the tendering partners. Kenyan consultants' lack of influence as subcontractors and members of joint ventures led by foreign firms, applied not least to project design. Once a Kenyan firm was invited to join a partnership, I was told, the lead firm had often already developed most of the tender, sometimes in dialogue with the client. And when Kenyan firms worked as

subcontractors to foreign firms, they were commonly hired after the contract had been signed with the client. In both cases, the details about the assignment had been hammered out and agreed upon before the Kenyan firm entered the collaboration.

Being subcontracted also often meant less formal recognition. In subcontractual arrangements, Tom explained, consultants were often hired as individuals rather than as a company. This could mean that their personal name and the name of their company were omitted in the reports or other products that the consulting team generated. Consequently, it prevented the local consultant from using those products as references when bidding for future assignments. Tom also had experiences of a foreign development client actively attempting to steal his company's intellectual property. Once, he narrated, his company had taken on an assignment with a client based on a written agreement that implementation would involve using a pre-existing model of operation that had been developed by his company. The client had agreed to this, Tom asserted, probably thinking that the model itself was not a significant part of the assignment. Toward the end of the project, however, it had become clear that the success of the intervention owed much to his company's model and that it held potential to be used in many other contexts. The client had then refused to pay Tom's firm for their work unless it agreed to remove its name from the product and deny ownership of the operational model. His firm had refused to do so. In the end, Tom concluded, they had cancelled the contract with the client. 'It was racist and totally against localization'.

A final drawback of subcontracting that came up in my interviews was that it generally required a lot of unpaid relational labor. In those arrangements, the subcontracted firm had to answer to two clients rather than one: the one procuring and the one subcontracting. As a consequence, much of the firm's time and energy was spent on relationship management and coordination.

Aid Localization Reversed?

The fact that local recruits in state aid agencies and consulting firms (as well as some DFIs), share work responsibilities and qualifications with donor-country counterparts but are simultaneously credited with less professional worth and hired on inferior terms, indicates how both non- and for-profit realms of aid work embody obvious contradictions with aid localization tenets as well as basic principles of fair employment. Specifically, they call upon analyses of aid localization to distinguish between employee *performance* and employee *management* (Sundberg 2019). As for employee *performance*, the East African experts highlighted in this book are primarily hired to do international work, hence they are localized in the sense presented in sociological and international business studies rather than in the sense formally implied by aid donors. They mirror the idealization of knowledge and norms emanating from OECD-DAC countries, rather than from any 'local' vicinity, and the practice of universalizing this knowledge by recruiting local staff to international positions. Evidently, this strengthens calls for equality in employee *management* regardless of staff's nationality. Public aid agencies and DFIs often

profess a commitment to equitable and merit-based employment (EDFI n.d.; Sida 2024). These ideals are promulgated in the labor markets of partner countries under the banner of, for example, the UN's eighth Sustainable Development Goal: 'Decent Work and Economic Growth' (see e.g. Equal Pay International Coalition[1]). They contradict the categorical employment and contracting of development experts from aid recipient countries on significantly inferior terms. A key argument in favor of the dual salary scales is that it avoids international brain drain—that is, foreign organizations stealing qualified workers from host-country public sectors where salaries are even lower. However, this argument has been challenged by local staff in international organizations on the grounds that public sector salaries are inadequate to cover basic needs, so 'if the state can't help me, why stop someone else from doing it?' (Lemay-Hébert et al. 2020: 632).

Moreover, local practitioners' inferior employment terms affect their professional authority in their workplaces (and vice versa). At the beginning of the chapter, I argued that Kenyan and Tanzanian experts' experiences of lacking the same credibility and influence as their counterparts from donor countries could not be explained by their foreign employers' and clients' devaluing of local expertise, since these East African professionals are basically hired to do the same work as many of their 'expat' counterparts. However, if one recognizes how local practitioners, as a category of labor rather than of expertise, are treated inferiorly, it is possible to see how such management practices could undermine their credibility as professionals and devalue their contribution to their workplaces or projects. Recall Peters' (2020) observation of local staff's inferior treatment and authority in the world of international NGOs, as caused not by preconceptions about local knowledge but by the fact that local practitioners are assigned lower-status work misinterpreted as intellectually 'simple'. It is not about what local experts *know*, Peters argues, but what they *do*. My research shows that even when Tanzanian grants managers, Kenyan consultants and (some) Kenyan DFI staff *do* the same work as their foreign co-workers, they are not compensated the same, and that signals how their work is still somehow 'simpler'.

The mutually reinforcing relationship between epistemic and employment-related injustices facing development practitioners from aid recipient countries hence illustrates how human resource management in international aid may buttress constructions of practitioners' unequal competence. A similar relationship has been depicted in studies of norms and employment inequalities tied to staff's gender (see e.g. Stamarski and Son Hing 2015). Its application to nationality unravels the lopsided character that aid localization assumes in both for- and non-profit aid realms. When local grants managers, consultants and investment managers serve mainly as substitutes for expats rather than sources of alternative epistemologies, and, simultaneously, are deemed worthy of less compensation, they mirror a perversion of aid localization's core objectives—notably to transfer resources, as well as authority and recognition, from donor- to recipient-country actors.

1 https://www.equalpayinternationalcoalition.org/epic-and-the-2030-agenda

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4 Working in the Peripheries

On Access, Brokerage and Trust

Kenyan consultants and DFI staff face two additional types of challenges which they share with Tanzanian public grants managers as well as various other local aid workers depicted in existing research. They add to the list of examples of the hierarchical relationship between experts from donor- and recipient countries which are reproduced, rather than mitigated, in the development industry's for-profit realms. The first pertains to local practitioners' confinement to the global peripheries in their fields of practice, despite the international nature of their qualifications and responsibilities. The second involves their responsibilities, in these peripheries, to broker relations with their foreign managers' and clients' local counterparts. While this work helps build stable inter-organizational partnerships, it subjects them, as individuals, to suspicions of being 'locally biased' in the eyes of their foreign employers and clients. Moreover, it puts them in a double-bind where they depend on maintaining good relations with sometimes opposing actors on donor- and recipient sides of development partnerships.

Access to the Global Centers of Opportunity and Power

Kenyan and Tanzanian interviewees brought to the fore two ways in which they, as development experts in and from aid recipient countries faced barriers to the global centers of power and opportunity in their fields of practice. In the world of consulting, this pertained to having restricted access to donor-country clients and markets. In the field offices of DFIs and state aid agencies, it concerned being distanced to headquarters.

In interviews with Kenyan consultants about their aspirations and future plans for their firm, a common desire expressed was to establish a permanent relationship with consultants from donor countries. This could take the form of having a well-connected individual consultant from a donor country on the firm's board, or forging a formal partnership with a company based in a donor country. The hope was that such arrangements would boost the firm's contracted work among foreign development clients. Importantly, the function of these partnerships was described not solely or even primarily in terms of increasing the company's in-house expertise, capacity or resources, or, possibly, changing the status of the firm from local to international. Rather, it was expected to facilitate the firm's entry to circles or channels that donor-country clients used for sourcing consultants and that were difficult to penetrate for

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Kenyan firms. Virtually all Kenyan consultants insisted that consulting firms with some form of presence in, or representation of, a donor country, enjoyed preferential access to clients in that country.

In several cases, these perceptions were based on prior experiences of working for firms headquartered in donor countries. This was the case for Stella, Gabriel and David. As mentioned, Stella's firm sold services in business management and accounting. In her former workplace, the company's directors had hailed from a range of OECD-DAC countries. They had represented, for example, Western Europe, North America, Australia and Japan. These directors played a key role in helping the company build global networks and relationships with major clients, Stella asserted. While working for the firm's field office in Nairobi, Stella had experienced repeatedly how those connections had helped her office win contracts. Now that she had her own business, she wanted to create something similar. That was why she had accepted to sit for an interview with me, she added. Could I advise her on how to find suitable partners that would be interested in teaming up with her firm? Besides the networks that such partners offered, Stella continued, being incorporated in a larger company structure headquartered in a donor country provided more advanced infrastructure and more resources. Foreign development clients sometimes required that the firm they contracted had certain certifications that could only be issued in the donor country. That immediately excluded a lot of local businesses without an office in that country, Stella concluded.

Gabriel brought up additional advantages to partnering with firms based in donor countries. His company had, for the past two decades, provided data collection services in certain development-related sectors. A few years ago, it had established a permanent partnership with an American enterprise. Echoing the experiences of Stella, Gabriel explained that the alliance had given his firm a more robust infrastructure in terms of legal and administrative support, marketing services and professional training, as well as a considerably larger pool of experts and expertise to draw from. More importantly, it had enabled his firm to exploit the American company's connections with American clients. Over the years, the latter 'had thrown a lot of projects' toward his office's end, Gabriel acknowledged. Partly thanks to these, his firm currently boasted 50 permanent staff spread across two African countries, and its client base included major bilateral and multilateral donors. Unfortunately, Gabriel continued, the partnership had recently ended. Though he was vague about the reasons why, it was clear that the decision had been the American firm's and not his own. Regardless of how the rupture had unfolded, he added that he hoped to find a similar partnership in the future.

A major benefit of alliances with donor-country firms, I was told, was that it afforded Kenyan companies a dual identity and position as both local and international. David had founded his current company a decade ago. It specialized in a health-related sub-field and had a permanent staff force of eight. Though most clients had originally been domestic private sector companies, David had progressively managed to enter the international development market. In that market, he told me, his firm faced stiff competition from foreign companies. Not just because development clients preferred contracting businesses from their own country, but because many of these consulting companies also had offices in Nairobi, some of which were locally incorporated in Kenya as legally independent members of international franchises.

Together, these hence constituted competition both as multinational, foreign firms and as domestic enterprises but with strong, international brand names. Large and well-known accounting and management firms such as KPMG and Deloitte, David had noticed, increasingly tendered for contracts in development. Though they often lacked development-specific expertise, they boasted widespread geographic competence, operating from both Kenya and numerous other countries around the world. Another, even tougher group of competitors were foreign companies with expertise in development that set up offices in Nairobi. Some of those offices were virtually empty, David insisted. They were merely registered on paper to allow them to claim a 'footprint' in Kenya. In reality, the Kenyan experts they purported to employ in their tenders were often subcontracted after they had won the bid. A third group of international competitors came from individual consultants immigrating from donor countries and establishing their own small firms in Kenya. They often did well, I was told, because they brought with them a network of contacts among foreign donors. At the same time, they registered their company locally and gave it a Swahili name to profile it as authentically Kenyan. Those who also applied for Kenyan citizenship could tender as 'national' with the Kenyan government.

It is worth comparing my Kenyan interlocutors' approach to partnering with or being bought by a larger, multinational firm, with similar experiences among Swedish consultants. As mentioned in Chapter 1, several Swedish consulting companies merged with or were acquired by foreign companies about a decade ago. My interlocutors who had experienced these ownership transitions described them as resulting from a domestic market downturn and foreign corporate takeovers. Several saw them as a necessary evil; a strategy employed to survive in the business. They lamented how these restructurings had implied a loss of their company's autonomy and identity as well as the 'softer' values it had promoted, for the sake of a stronger focus on the bottom line. For many Kenyan consultants, in contrast, joining a larger firm in a donor country was an aspiration—a long-term aim or a corporate goal actively worked toward. Some acknowledged the same possible drawbacks recounted by Swedish consultants. Meanwhile, losing one's brand name, corporate philosophy or autonomy was deemed a price worth paying for becoming more competitive in the international development market.

A second example of Kenyan consultants' restricted access to donor-country clients and markets concerns the global mobility of firms. This surfaced in my interlocutors' accounts of the drastic market recession caused by the Covid-19 pandemic. They indicated a significant difference in coping strategies available for firms headed by either Europeans or Kenyans. In 2020–2021, lockdowns and the consequent freezing of many development projects and other business activities put a serious strain on Kenyan consulting companies. Those with which I came in contact were among the lucky ones that had endured the crisis. However, almost all firms headed by Kenyan nationals had been forced to lay off staff, reduce or freeze salaries, move to cheaper office facilities, transition to a home-office workplace or enforce other types of cutbacks. Lucas's company, meanwhile, had coped with the market dip in a different way. As we may recall from Chapter 1, Lucas was born and raised in a Western European country. When the pandemic had caused a near standstill in the consultancy

market in Kenya, Lucas had repatriated to his home country in Europe. There, he had founded a second company that offered digital products and services to a broader, global market. The second company had become successful enough to generate revenues that compensated for the original firm's lack of such, and had thereby provided an income while Lucas waited for the Kenyan market to bounce back. Today, both his companies were profitable. Lucas's corporate 'coping strategy' fits a wider pattern of practices employed by OECD-DAC development actors during the pandemic. As during other types of societal crises, many deployed staff in the field offices of donor-country state agencies and organizations were temporarily sent home to ensure their safety (NBC News 2020; Sveriges radio 2020). Foreign consultants like Lucas similarly found refuge in their home country. Lucas kept his Kenyan-registered company alive thanks to his citizenship in a European country from where he could work remotely and start a new company.

In DFIs, as in foreign state aid agencies, local practitioners' unequal access to the centers of power and opportunity in the aid industry transpires in the hierarchical relationship between field offices and headquarters (Sundberg 2023). In Chapter 3, I described how DFIs' regional hubs are often run by local recruits, unlike virtually all embassies and state agency field offices, where most management positions are available exclusively to persons deployed from donor countries. An important difference between DFIs and many state aid agencies, however, involves the size and autonomy of field offices in relation to headquarters. Bilateral DFI field offices are generally small—much smaller than their headquarters. A handful of major bilateral DFIs do not have any institutional presence outside the donor country. In 2022, the majority of DFI offices in Nairobi only employed one to five investment managers. The German DFI in Nairobi housed six employees in total, while the neighboring field office of the German public aid agency had close to 400 staff. More importantly, final decisions on investments are usually made at DFI headquarters. This is not necessarily the case in foreign state aid agencies. A majority of OECD-DAC donors delegate parts of aid budgets and decision-making to their embassies or field offices (OECD 2009). For example, some Danish embassies in aid recipient countries can make funding decisions of approximately 4.5 million USD. Meanwhile, all decisions on funding at IFU, Denmark's DFI, are made in Copenhagen (Ministry of Foreign Affairs of Denmark 2013: 32). This center–periphery structure surfaced in my Kenyan interviewees' descriptions of their field office's working relationship with headquarters. While field offices of bilateral DFIs were described as 'listening' and 'responding' to their colleagues in the donor capital, the latter were 'driving', 'deciding', 'determining' and 'dictating' field mission work.

Similarly, in state aid agencies, though a bit more decentralized, responsibility for aid policy rests with donor-country ministries, far away from their field offices or embassies in aid recipient countries. While field delegations are usually involved in the formulation of multi-year bilateral aid strategies with the mission country or region, they are decided by and reported to the responsible ministries. This is also the case for Denmark, whose country strategy for Tanzania during 2014–2023 entailed an average annual budget of 28 million USD—six times more than the 4.5 million USD that could be decided on by Denmark's embassy in Dar es Salaam (Danida n.d.). My

Tanzanian interlocutors' testimonies about their lack of influence often involved this inter-office dynamic. Not being heard was partly due to the fact that major decisions on resource allocations and priorities were made by committees, departments and directors at headquarters. In this context, comparisons were sometimes made between bilateral and multilateral agencies. Working for the former, I was told, implied a more tangible experience of serving the political interests of a particular donor government and its voters and taxpayers. A telling example given was that development strategies or policies tended to change whenever a new minister or government came to power in the donor country.

A second field office–headquarter hierarchy in DFIs and foreign state aid agencies relates to employment. Kenyan investment managers may enjoy permanent contracts and the highest rank in their DFI field offices, but they rarely have a secure place in their institution's global organization. In several of Nairobi's DFI missions, the position of office manager was temporary, fixed to a certain number of years. This, I was told, was because that management position had originally been held by persons deployed from headquarters, and most overseas postings were short term. Once sent-out staff reached the end of their deployment and/or the career ceiling in the Kenyan office, they returned to headquarters to continue their professional trajectory. Kenyan DFI managers, meanwhile, did not have a 'home base' to return to at the end of their mandate. This was a predicament raised by Ben. As we may recall from Chapter 3, Ben had been working for a bilateral DFI for six years. Unofficially, he told me, he was now being considered for the job as the next office director. This position was currently held by a donor-country national. Though he was thinking about applying for the position, he hesitated. A key reason for his indecision was the likelihood that accepting the position would signal the end of his career within the institution. Once his term as director ended, there would be nowhere for him to transition in the organization, except possibly by way of a demotion, returning to his former role as an investment manager.

The same conditions apply to state aid agencies. Local staff are hired by the embassy or field office and not by headquarters, hence they, too, lack a secure place in the global structure of their employing organization. Though management positions are rarely open to local staff, certain senior technical positions can be. In one European agency, Tanzanian staff could in theory apply for jobs as team leader, I was told. However, those positions were limited to three years, and once the contract period was over, the Tanzanian employee holding that position would be overqualified to apply for their old job. Hence, moving up the field office hierarchy irrevocably meant setting an end-date to one's employment in the agency as a whole.

In sum, DFIs share with foreign state aid agencies the fact that their staff hired in aid recipient countries are restricted to the development industry's peripheries—spatially, through their confinement to field office positions, and in terms of influence, due to the limited authority delegated to these field offices. As such they reproduce a center–periphery binary that permeates most organizations in international aid: between the 'global North' and the 'local South'. Like many white-collar experts from aid recipient countries working for foreign donors, including consultants contracted by these, their 'localness' is defined less by their embeddedness in the local and more by their separation from the global centers of power and opportunity in

their field of practice. Consultants and DFI staff are perhaps some of the clearest examples of this, owing to their internationally labelled qualifications and the transnational nature of their work, often managing projects and investments in multiple countries. They suggest that the localization of global aid work also calls for the globalization of local aid work and workers, whereby the latter's career trajectories or business growth potential are less restricted by their place of origin in aid recipient countries. Finally, DFIs point to the need to extend the organizational gaze in localization efforts. As described in Chapter 1, emphasis so far has been on reforming inter-organizational relationships (transferring power from foreign to local organizations) and, to a lesser extent, changing conditions within field offices (by replacing dispatched staff with local hires). The structure and human resource practices of DFIs (and state aid agencies) disclose how localization also needs to consider organizations' inter-office relations, or the relationship between field offices and headquarters.

Brokering Relations with Local Partners

To some extent, local consultants and DFI staff share with their counterparts in foreign state aid agencies a position as frontline workers, often tasked with brokering relations with the local partners of their foreign employers or clients. As such, they navigate the interfaces of donor- and recipient countries and actors. This is especially true for those working for DFIs and public aid agencies. On one hand, as in-house employees they are bureaucratic insiders with thorough knowledge of foreign institutions' organizational systems, operations and policies. Moreover, they formally represent the interests and concerns of the donor government vis-à-vis its local partners, and they largely have the same qualifications and shoulder the same responsibilities as their deployed colleagues in technical positions. On the other, as 'non-nationals' (as Thea, one of the deployed DFI managers, described her local staff in Chapter 2) they are cultural and legal outsiders. They have ties to the host country that distinguish them from their posted colleagues and somewhat isolate them from the world of the donor country in which their office is encapsulated.

Anthropological and related studies of development brokerage have focused on persons from aid recipient countries who operate in local and often semi-formal domains of development cooperation (e.g. Bierschenk, Chauveau and Olivier de Sardan 2002). These kinds of brokers became common across Africa following donor-driven reforms toward state downsizing and decentralization. They emerged as local public servants, customary village leaders, school graduates seeking employment and former public sector workers facing joblessness. At the same time, development brokerage has also been observed in the upper tiers of both public and private bureaucracies (Lewis and Mosse 2006; Swidler and Watkins 2017). My Tanzanian and Kenyan interlocutors' careers paralleled or succeeded later institutional reforms among OECD-DAC donors, which served to reduce aid fragmentation and align aid with recipient-country systems, by channelling funds to state treasuries and large umbrella organizations. Therefore, even though many interviewees had exclusively worked in the higher echelons of public or non-governmental development work prior to their current position, they had experience

in brokering relations with foreign donors on behalf of Kenyan and Tanzanian recipients. Close to two thirds of Tanzanian grants managers in state aid agencies, slightly over half of Kenyan consultants, and a third of Kenyan DFI staff I interviewed, had previously worked for companies, state institutions or civil society organizations that engaged in projects with foreign development funding.

Local development brokerage has been noted to serve as a stepping-stone on an upward career path, though usually confined to domestic arenas of development and politics (Bierschenk, Chauveau and Olivier de Sardan 2002: 24). Tanzanians employed by foreign aid agencies and Kenyans working in DFIs illustrate an alternative trajectory, onto the donor side of international development cooperation. As such, they also present alternative ways in which the skills of brokerage can be used. Bierschenk and colleagues write that a development broker's signature competence lies less in 'selling' locally produced initiatives to donors and more in aligning local needs and interests with whichever aid interventions are currently on offer. In foreign developers' field offices, locally hired staff may serve as such 'translators', who explain to prospective partners the conditions attached to their employers' financial and technical support. Those local staff who have work experience from the recipient side of partnerships are hence especially proficient mediators since they master what Bierschenk, Chauveau and Olivier de Sardan call 'the primary task in brokerage': rearticulating prospective beneficiaries' needs so they fit donors' pre-defined objectives (2002: 23).

Within state aid agencies and DFIs, Tanzanian and Kenyan interviewees said they enacted this role by helping their foreign employers' local partners draft proposals, but also by vetting proposals submitted and monitoring project performance throughout the intervention cycle. Their brokerage background enabled them to 'see through' local partners' jargon and uncover their presumably hidden alternative operational reality. In both Kenya and Tanzania, financial transactions are accompanied by foreign development organizations' awareness of corruption risks and strategies to mitigate these. The front page of the Swedish government's official website for information on Swedish business and trade in Kenya, warns that corruption is a general concern for trade and investment in the country (Government of Sweden n.d.). Coupled with local partners' position of dependency on foreign funding, this nourishes assumptions among foreign developers that commitments made, reports written, speeches held and statistics produced by local partners are fraught with euphemisms and half-truths. Several Tanzanian interviewees recounted how their previous jobs for domestic organizations had involved demonstrating to foreign funders their projects' development needs and results. This had taught them how planning documents and reports written were tailored to suit the presuppositions, prerogatives and interests of donors, presenting carefully selected facts and figures rather than fully disclosing actual progress, needs and challenges. Such insights helped them in their current roles, they asserted, by giving them a better idea of how to 'decode' the narratives of their foreign employer's local partners (Sundberg 2020).

In the field offices of DFIs in Nairobi, an important task of Kenyan staff entails identifying investment opportunities and connecting their employer with potential investees, as well as helping their DFI scrutinize these partnership opportunities. Pam believed she had been hired by her current employer, a bilateral DFI, partly

because of her extensive experience and network in impact investment across East Africa (Sundberg 2023). Like several other DFI staff I spoke with, she found managing private equity investments the most interesting part of her job, but often the most labor intensive. The reason was that it allowed her detailed insight into and influence over the partner's business. Pam believed her previous work helped her in her current role as shareholder. Not only had she been employed by a private equity firm, but she was also the proud owner of her own business. Having experience as a company manager and owner, she told me, gave her a good understanding of the structural conditions and everyday functioning of local, Kenyan enterprises. That was valuable when working with private equity, Pam asserted. The latter involved, as she put it, rolling up one's sleeves and getting into the nitty-gritty of corporate management. As a DFI investor in private equity, she sat on the boards of the DFI's client companies and served as an advisor, monitoring their progress and partaking in decision-making. Her personal experience as a business manager helped her to 'discipline' client companies, holding them accountable to agreed deliverables. Her own company and her prior work for a private equity fund had also come in handy for the DFI in the sense that it had assisted in finding the DFI's current provider of a range of logistical services and office equipment, and in negotiating the terms of this contract. The company servicing the DFI was an investee of her former employer. While working for the private equity fund, she had been a member of the company's board, so she knew the CEO well, Pam asserted. Moreover, her own company was in an affiliated line of business. Both of these backgrounds, she explained, had given her a good understanding of what the DFI could reasonably ask for and at what price, when negotiating the contract.

The importance of being able to decode information and read between the lines was often brought up in relation to assessing written documents submitted by local partners—such as needs assessments, project plans, budgets, results reports and input to external evaluations or audits. Several Tanzanian grants managers insisted that few words and numbers submitted by their foreign agency's local partners should be taken at face value (Sundberg 2020). One measure they adopted to 'get to the truth', was to preempt attempts by local partners to sugarcoat reports, by calling attention to their own past work experience at the receiving end of foreign aid. By presenting themselves as 'one of their own', as one Tanzanian grants manager put it, they could show empathy for the challenges and awareness of the coping strategies of these local partners. If the latter considered them someone with an experience-based and unprejudiced understanding of the Tanzanian industry's hurdles, tricks and shortcuts, they would be less inclined to employ such shortcuts and instead be honest about their work.

Experience of working on the recipient side of aid also brings with it personal networks in the domestic development industry. Almost all Kenyan consulting firms in my sample were technically specialized, providing services in, for example, public health, microfinance, business development or construction engineering. Similarly, foreign aid agencies and larger DFIs often hire staff to manage investments and support in specific sectors. These technically specialized local practitioners usually have academic degrees and past work experience in their particular field of expertise. Hence, it is not uncommon that host-country experts know or know of others operating in the same development sector though in other

organizations or types of organization, such as consulting firms, DFIs, foreign state aid agencies, NGOs and domestic state institutions. Importantly, many local recruits working for DFIs, consulting firms and state aid agencies interact with their country's civil servants employed in government ministries and agencies, and may also have a personal professional past in such public sector work. Therefore, they may have inroads into the state administration that their counterparts deployed from donor countries do not. Elsewhere, I have described how some Tanzanian grants managers recounted how they used these inroads to expedite their foreign employer's interventions by circumventing heavy bureaucratic regulation (Sundberg 2019).

Beyond personal–professional networks and experience, Tanzanian and Kenyan interviewees recounted tapping into their cultural and linguistic resources in order to build trust with their foreign clients' and employers' local partners. Proficiency in Swahili and other local languages, as well as knowledge of local cultures, was key in Tom's consultancy work. As mentioned in Chapter 3, when Tom's company took on assignments in another African country, it usually partnered with a firm based in that country. In Tom's experience, this was necessary to win certain contracts with foreign development clients. Generally, the latter preferred local contractors if they saw a need for the consultants to build rapport with their beneficiaries. That was usually the case when the nature of the consultancy assignment was delicate. A common example, Tom recounted, was when consultants were used to collect data about local community members' personal opinions and experiences of sensitive issues. If the client wanted the consulting firm to ask people about maternal health, he cited as an example, it would matter little if the firm was local or not. In such a case, the client could well hire a firm from its own country. But if it wanted to survey local views on sexual practices, witchcraft or violent extremism, the cultural identity and knowledge of the contractors mattered. In that procurement, he concluded, tenders that offered a team of consultants with prior ties to or rapport with the targeted communities had a competitive advantage.

Being fluent in Swahili could also be important. Swahili is the national language of both Kenya and Tanzania,[1] spoken in everyday work within many state entities and most private businesses and civil society organizations. In Tanzania, the position of Swahili has strengthened in recent years. Discussions have been ongoing about changing the language of instruction in secondary schools and universities from English to Swahili and advancing the use of Swahili in international forums. In interactions between foreign state aid agencies and Tanzanian public partners, Swahili was sometimes used to purposefully exclude foreign representatives from the conversation. In those situations, I was told, it was valuable for the agency to have local colleagues present to translate, either immediately or after the meeting ended. It also happened that local state partners switched from English to Swahili more spontaneously, in order to share pieces of confidential information among

1 In Kenya, both English and Swahili are official languages.

each other. When Tanzanian staff were accompanied by their foreign managers, the latter often did most of the talking. Since these managers were generally understood as non–Swahili speakers and communication within the agency delegation was undertaken in English during the meeting, sometimes a member of the Tanzanian delegation momentarily forgot that their foreign partners had Swahili 'ears' in the room. In those moments, too, local staff helped the agency gain privileged information from partners (Sundberg 2020).

Being able to communicate in Swahili was also described as engendering a more intimate and frank dialogue with local partners. It gave collaborations 'a more personal touch', distinct from the 'English, formal' relationship, as one Tanzanian grants manager phrased it. Both Kenyan and Tanzanian interlocutors insisted that lack of English proficiency in smaller companies and organizations, as well as at decentralized levels of the Tanzanian government, impeded communication with foreign donors. It could result in self-censorship where local representatives chose to keep quiet or leave out important details about an aid-funded partnership if they had to communicate in English. For this reason, several interviewees said they generally seized the opportunity to speak Swahili in meetings with local partners when they were unaccompanied by colleagues from the donor country.

Both East African and deployed practitioners stressed that the ability of foreigners to speak a few words of Swahili could give them considerable 'buy-in' with domestic partners. It indicated respect for and an interest in the culture of the host country. In DFIs as well as in state aid agencies, foreign managers said they took or had taken Swahili lessons, and some local staff said they had been asked by their foreign superiors to translate parts of official speeches into Swahili or teach their superiors phrases they could use in dialogue with local counterparts.

Teaching Swahili also formed part of a final, related resource that Kenyan and Tanzanian practitioners used in brokering relations with their foreign employers' local partners. This concerned their knowledge of host-country professional cultures. Both they and their deployed colleagues and managers described ways in which local staff provided advice on how to interact and communicate with partners as organizations and their individual representatives, not least government ones. Advice involved written and in-person oral communication in terms of, for example, how to invite and greet, what to say/write and not say/write depending on the formality of the context, and how to show adequate respect according to the rank and position of government representatives. In physical meetings, local staff translated facial expressions and the body language of local counterparts, read between the lines in statements made and overheard confidential corridor talk in Swahili during meeting breaks. Thea, one of the deployed DFI managers I interviewed, pinpointed 'cultural understanding' as a key asset brought to the office by her Kenyan staff. Several times, Thea recounted, she had sat in meetings with a prospective Kenyan partner thinking that negotiations were going well and that chances for closing a deal were good. After the meeting, however, when talking with her Kenyan colleagues who had also been present, they had explained to her that what *she* had interpreted as the partner's interest, had merely been a display of politeness and way of showing an appropriate measure of gratitude for the

meeting invitation. Nothing in *their* view had signalled a genuine interest on behalf of their guest. Though such news was disappointing in and of itself, Thea described the broader nature of these post-meeting sessions of cultural translation as both fun and insightful, and examples of how she and her Kenyan colleagues 'developed together'.

Double-Binds in Development Brokerage

The personal relations that Kenyan and Tanzanian practitioners built and maintained with local partners were more than simple tools to facilitate partnerships in the interests of their foreign employers and clients. The trust and empathy they sought to invoke in local partners could also end up infusing their own approach to these partners. This transpired in their testimonies of how they sometimes understood local stakeholders in a different way from their foreign colleagues, and how they also, occasionally, defended the interests or reputation of local counterparts in partnership disagreements with their employer.

When Tanzanian grants managers used the first-person plural, the referent behind 'we' could be ambiguous (Sundberg 2020). It might refer to the foreign aid agency employing them, the donor country/ies behind that agency or, alternatively, the Tanzanian state or people. Dissent against official organizational positions, meanwhile, tended to manifest in subtle and indirect ways (see also Sou 2022). As in-house employees of public aid agencies they were paid to officially represent the priorities and interests of the foreign government(s). Expressing reservations about these and, rather, taking a stance in favor of local partners, usually implied spending time and energy trying to figure out how to explain the partners' perspective in a way that would resonate with their employer's reasoning and not be interpreted as oppositional or disloyal.

Meanwhile, both Kenyan and Tanzanian interviewees' accounts of situations where they had sided with local partners, often included a tacit criticism of Western donor arrogance. In such cases, foreign employers were described as influenced by generalizing and incorrect conceptions about African realities or by a self-image as cultural role models with civilizing ambitions. David, whose consulting firm was active in the health sector, recounted a story of when his company had been contracted by a donor organization to assist in a project about sexual and reproductive health. The project had targeted a remote area in Kenya, one of the most 'traditonal' in fact, he noted. The foreign client had been 'hell-bent' on removing all gendered language from the training and instruction material, insisting that the content should be gender neutral. But in the language spoken by that community and in that cultural context, David asserted, those linguistic alterations had made no sense. The texts had become incomprehensible. He had personally intervened in the project to explain this to the client. Despite his efforts, the donor had refused to change the texts. In the end, a compromise had been struck. The client agreed to carry out a pre-study to test how the material was received by a limited number of beneficiaries. Of course, David chuckled, nobody had understood anything. Luckily, after that, the client had had no option but to drop the

requirement of gender-neutral language. Still, David reflected, the foreign donor's stubbornness raised the question about the primary objective of its intervention. Was it to improve sexual and reproductive health, or was it rather to impose its own cultural norms and constructions of gender?

In their roles as business developers, several Kenyan DFI staff raised the challenge of headquarters' assessments of the financial liabilities implied in the investment opportunities they proposed. One of them was Mercy, a Kenyan investment manager at one of Nairobi's DFIs. Mercy had joined the DFI a decade ago, following five years in other Kenyan banks and investment institutions. She had a degree from a prestigious European university and had also worked briefly as a broker in one of the world's biggest financial markets. Her main task at the DFI was to identify new investment opportunities. In her free time, she volunteered for an organization that supported young Kenyan entrepreneurs. Mercy recounted how she and her Kenyan colleagues sometimes struggled to convince their co-workers in Europe to properly balance the potential development impact of a proposed partnership against its financial risks. While some investments could make a real difference on the ground, she insisted, headquarters were reluctant because they focused too much on certain figures that, to them, signalled high risk. The underlying reason for this, in Mercy's view, was partly their lack of contextual knowledge and partly their general perceptions of African businesses and markets as inherently risky. It therefore fell on her to convince those at headquarters to take a leap of faith whenever there was a promising deal on the table. This meant explaining to them that they would not find a better opportunity in this market and that the concerns they raised could be solved along the way. But such logic did not always work. It sufficed sometimes that those at headquarters 'read some things in the newspaper' to pull the break on an investment or discard a whole country as too risky for investment. 'We see that a lot', Mercy summed up.

Among some Kenyan consultants and DFI staff and some Tanzanian grants managers, relationships with local partners also had features of a double-bind (see also Redfield 2012). Maintaining good relations with domestic partners was not only part of their job but a means to protect their careers or other aspects of their livelihoods. One reason for this was that certain local actors with which their foreign employers or clients worked, were also their past or prospective workplaces. Several Kenyan consultants had a history as in-house employees in organizations and companies that formed part of their current client base, and several Kenyan DFI staff had previously worked for companies, or partners to those companies, in which they were now investing. Similarly, a majority of Tanzanian grants managers had a past in domestic government bodies and NGOs. As mentioned, local technical specialists in bilateral state agencies usually enjoy limited promotion opportunities, many are hired on short-term contracts and few have the necessary international experience required for international jobs. Hence, their future workplaces are often likely to be found in-country. Within both state aid agencies, consulting firms and DFIs, in fact, several East African interlocutors voiced an aspiration to work for their government in the future. The careers of many local practitioners in both for- and non-profit aid realms, in other words, are tied to the

domestic development industry and, often, the specific sector in which they specialize. This disincentivizes them from risking damaging relations with their employer's partners operating in that sector.

Several Tanzanian grants managers relayed experiences of being approached by their employer's local partners during partnership negotiations, searching for their individual support by invoking their shared national identity or personal relationship. Anna, who had spent three years administering support to a state-run education program on behalf of a European agency, recounted several instances of tension arising between donors funding the program and Tanzanian government representatives (Sundberg 2020). In one such meeting, held in the presence of her foreign employer and other aid agencies, Tanzanian state officials had spoken to her in Swahili, urging her to align with them 'as fellow Tanzanians'. She told me the story with a chuckle, but when I asked how she had responded, she sighed and shrugged: 'Well, I told them, "Yes I can support you generally …" but….' Then she paused and said knowingly, 'You see? Sometimes it's not very easy'. At the time of our interview, Anna's contract was nearing its end, and though she hoped for a renewal, she had no concrete back-up plan. Her long-term aspiration was to work with similar issues but within Tanzania's domestic development sector, ideally with or for the government. This ambition made it difficult for her to outright dismiss the requests of government officials. To do so would mean ignoring her professional rootedness in the local development landscape and its potential impact on future employment, especially among those sitting across the table. Anna's account hence highlights a balancing act many local recruits in international development work must perform: on one hand, representing and advancing the interests of their foreign employer; on the other, protecting their own convictions, relationships and future career prospects within their national context.

As in Anna's case, government institutions in the recipient country are often key partners or stakeholders in OECD-DAC-funded or managed projects (although less so than 10–20 years ago). This means, as mentioned above, that local, technically specialized experts employed or contracted by, for example, state aid agencies and DFIs, often interact with high-ranking state officials. The latter's spheres of influence and personal connections are often vast but rarely completely known. Foreign development organizations' local recruits may not only relate to such domestic state representatives as past or potential employers, but also as members of public institutions that determine the fate of their pending requests for property development permits, their spouses' application for a private business license or their children's success in attaining state scholarships or internships in the civil service.

For local consultants, the state may above all be a major client. Kenyan interviewees who represented firms that regularly took on government assignments insisted that there was a clear regulatory framework in place for appealing government decisions on contract awards. Tendering firms that had experienced misconduct or believed their tender had been wrongly assessed could submit a request to access documentation pertaining to the procurement process, or make a formal appeal. However, no Kenyan I spoke with had ever done either, even

though a few claimed that government procurements were politically motivated, and several said they had, on occasion, been unfairly evaluated or lost to a competing firm on grounds that made no sense or raised suspicions of nepotism or bribery. Only one person said that they had been involved in an appeal process, but then as an employee of a multinational firm. Importantly, it had been the office in Europe which had made the appeal, not the office in Nairobi, for which my interlocutor had worked. In that case, the appeal had merely had negative effects, I was assured. Not only had it failed to change the government's original decision, but it had created 'bad blood'. The *modus operandi* for tendering consultants was to stay silent regardless of any irregularities one encountered, because doing otherwise risked hurting relations with government officials and hence the firm's chances of winning future contracts. Charles was one of those who stressed this. As I described in Chapter 3, Charles had worked as a civil servant for 15 years and then as a government contractor in engineering for another 15 years. Charles asserted that appeals were rarely successful. Their only outcome was that the appealing firm became known as 'difficult' and therefore preferably avoided. The government was not a 'thing', but made up of human beings. Firms that started to ask for papers or question the state's decision ran a high risk of being blacklisted.

The dependency of local consultants and other practitioners on the host-country economy and job market could also serve to inspire trust in local partners. Adam, a grants manager at a bilateral aid agency specializing in employment issues, gave two examples of this. One entailed the contracting of local consultants. Adam drew on his experiences of collaborating with the Tanzanian government in selecting consultants for implementing aid-funded state projects. When the choice was between a team of Tanzanian consultants and a team of international ones, he recounted, the government often preferred the Tanzanian team even if the international consultants were more qualified and had undertaken similar assignments in the past. This was so, he explained, because the foreign consultants risked exposing things that the government wished to keep away from the probing eyes of the donors. In the memorandum of understanding between the Tanzanian government party, his agency and other contributing donors, Adam explained, there was usually a stipulation saying that certain red flags provided grounds for withholding aid. A common red flag entailed the government's lack of adequate systems for internal management and financial control. If Tanzanian consultants came across such red flags, it was possible for the government to reason with them, Adam asserted. Because they, too, had an interest in the continuation of donor funding. If not them personally, then their mothers, sisters, friends or somebody else they knew was a recipient of that financial support. Unlike the foreign consultants, he added, they would see the red flag as an area of improvement rather than a reason to disrupt the partnership.

Adam's second example of how Tanzanian practitioners' double-bind inspired trust in their foreign employer's local partners involved himself (Sundberg 2020). It concerned a dispute that had occurred between his agency and a government ministry. After a period of standstill in negotiations, his manager had suggested a compromise that was accepted by the ministry. However, Adam noted, it had

been important that the compromise was presented by him, as a Tanzanian, rather than by one of his European colleagues. When it came from him, the government probably reasoned that 'Okey, he will not betray us, because tomorrow he will still be in Tanzania and we can get him!', Adam relayed, paraphrasing ministry representatives. Adam's point was that while he formally represented a foreign organization, he was also perceived as a state subject in the eyes of Tanzanian government staff. His citizenship and rootedness in Tanzania meant that he was legally accountable under Tanzanian law and could be punished for misconduct or violations, unlike his foreign colleagues who were temporary residents and may benefit from some level of diplomatic immunity. More significantly, as a Tanzanian citizen, Adam was perceived as having a moral duty to act responsibly and truthfully in his dealings with the country's democratically elected representatives and their civil servants. Providing misleading information to government officials during their negotiations with donors would jeopardize his professional credibility and could be seen as an act of disloyalty to the state. Ultimately, both of Adam's examples illustrate how the exposure or vulnerability accompanying local staff's citizenship and embeddedness in the aid recipient country help their foreign employers build trust capital with local state partners.

Foreign Fears of Broker 'Biases'

While local development practitioners' double-bind may assist their foreign employers and clients in forging more stable and trustful partnerships with domestic actors, it simultaneously presents grounds for suspicion. It raises doubts among donor-country organizations about their local recruits' 'objectivity' or corporate loyalty.

Bilateral state aid agencies subject local staff to various regimes of control and may already assess their trustworthiness during their recruitment. Anna, the Tanzanian grants manager administering support in education (and who had aspirations to work for the government in the future), recalled how the head of her office had asked her during her job interview how she envisioned collaborating with the Tanzanian government given its major problem with corruption (Sundberg 2020). 'You can imagine such kinds of questions', she exclaimed with a laugh, raising her hands toward me to underline the awkwardness of the question and how ill at ease it had made her. In agencies like Anna's, lines are usually drawn between local and posted employees in order to control the former's access to internal information flows. They regulate which meetings local staff can attend, what documents they can read, what software and technical equipment they can use and which parts of the office they can enter. Some agencies hold regular meetings exclusively for deployed staff, with Tanzanian employees excluded. Others convene *ad hoc* meetings for posted staff only, when the topics are considered politically sensitive or related to national security. While foreign representatives from other agencies may be invited to these discussions, local staff typically are not. The latter are seldom granted access to secure data systems, such as those used for encrypting political reports sent to headquarters or donor-country ministries. Oscar, the manager introduced in Chapter 2, claimed his office

never deliberately excluded local staff from meetings. But he also recalled moments when he and compatriot colleagues may have 'overshared' with their Tanzanian co-workers. After one particular meeting on Tanzania's political future, for example, he had felt uneasy, wondering whether perhaps he had spoken too candidly about the new government. What if a local colleague had recorded him? His words could be taken out of context, misconstrued and potentially circulated publicly as the official stance of the donor country. At the time of my fieldwork in Tanzania, a European organization with a field office in Dar es Salaam had recently fired almost its entire local workforce on the basis of corruption charges. Thereafter, it no longer offered permanent contracts to local staff but limited their employment to one or two years at a time.

While Tanzanian grants managers were those among East African interviewees who most frequently voiced experiences of being distrusted, the worlds of consulting and DFI add another dimension to local recruits' exposure to suspicions of disloyalty and misconduct. In these cases, many in-country staff represent not only the *local* but the *local private sector*. Hence, qualms about local biases, which have been observed as compounded by donor concerns about widespread corruption in aid recipient societies (see also Baaz 2005; Koch and Weingart 2016), often involved local staff's economic self-interests. In Nairobi's DFIs, worries about being suspected of local bias were raised in relation to Kenyan investment managers' personal business ties. Pam, the Kenyan DFI employee who also owned a company based in the city, recounted how her enterprise had been a source of concern for her when preparing for her job interview. How would the recruiters perceive the fact that she was running her own business in Nairobi? To forego speculation by her recruiters during the interview, Pam had made sure to emphasize that although she was still the legal owner of the company, she had relinquished its daily management. Overall, when Kenyan investment managers highlighted the importance of personal connections and networks in their country's or region's industry, they were simultaneously careful to underline the limits to their use of these ties. Such relationships, I was told, had no influence over their professional judgement, the decisions they made or the advice they offered their foreign employers.

Theresa, a former European consultant, recounted her experience of contracting consultants in an African country where she had previously worked. Many local consultants, she insisted, had been deeply entangled in that country's web of elites. They formed part of the relatively small and intertwined inner circles of major landowners, politicians and researchers, and this made it difficult to find consultants who did not 'represent special interests'. Therefore, when Theresa had been tasked with hiring a consulting firm in that country on behalf of an international NGO, she had preferred contracting one hailing from a neighboring country. While the consultants in that company still had geographically specific knowledge, she reasoned, they had fewer personal strings that could affect the information and advice they were paid to deliver. Echoing Theresa's concerns, the Danish Ministry of Foreign Affairs stipulates in a public document that 'lack of distance to the partner organization' is a risk when employing local consultants (Ministry of Foreign Affairs of Denmark 2009: 15, quoted in Koch and Weingart 2016: 129).

Such concerns also transpired in my interviews with Kenyan consultants, however in those cases they involved being the object of suspicion. Tom held that donor-country organizations preferred contracting foreign firms over local ones partly depending on the size of the assignment. The bigger the contract, the less likely were foreign clients to select a Kenyan firm. This, Tom argued, was owing to their preconceptions about Kenyan companies as more prone to financial mismanagement. Even when firms like his had a demonstrated track record of successfully executing assignments of a similar size, some clients were reluctant to hire them. Kenyan consultants' descriptions of foreign clients' fears of corruption often paralleled accounts of how such clients underestimated Kenyan firms' organizational strength and management capacity. Distrust was not necessarily about suspecting local partners of intentional or outright embezzlement. Rather, echoing Adam's description of poor internal control systems as 'red flags' for donors, they signalled a concern that local actors did not share donors' understanding, norms and standards with regards to the proper management of funds, and/or lacked the systems in place to enforce them. Several Kenyan consultants identified such problems of corruption in the Kenyan government. They avoided bidding for public contracts and would not consider civil service jobs because of the Kenyan state's 'poor track record in governance', as one consultant put it. Meanwhile, they regretted that foreign development clients seemed to believe the same was true for their own companies, several of which specialized in auditing and financial management.

Organizational trust, Schoorman, Mayer and Davis (2007) write, is never complete but always complemented by mechanisms of control. Local practitioners working in international aid are good examples of this. On an inter-organizational level, they mediate between foreign organizations and their local stakeholders to help build stable and trustful partnerships, though this relational work also parallels regulatory measures such as legal contracts, audits, process monitoring and evaluations that serve to enforce accountability. *Within* donor organizations and the contractual relations they forge with consultants, local experts' brokerage, and their embeddedness in the host country on which such brokerage depends, exposes them to distrust by their foreign employers. In many workplaces, the balance between trust and control is applied to staff depending on their rank, years of service or personal performance. In foreign development organizations, it is also determined by the nationality of staff, in-house as well as contracted.

In sum, local practitioners in DFIs, consulting firms and foreign state aid agencies use their various resources and ties to the domestic development industry in order to help their foreign employers and clients identify prospective partners, deconstruct partners' discourses and gain their trust, thereby creating more stable and reliable partnerships and optimizing foreign development investments. Many also demonstrate a reflexive distance to their foreign employers or clients, siding instead with their local partners—because they empathize with them, and/or because their future careers may depend on them. Just like the end beneficiaries of development funds, with whom they often work, local staff employed or contracted by foreign organizations not only have ties to the domestic development

industry but are also tied to it. Those ties may threaten their credibility and careers if they are perceived to compromise their corporate loyalty. As such, host-country recruits' proximity to the local, useful as it may be, simultaneously distances them from the foreign organizations that employ and contract them. Thereby, they offer yet another example of inequalities facing development professionals from aid recipient countries, which cut across non- and for-profit aid realms. As will be further addressed in Chapter 5, local practitioners working on a commercial basis may be more vulnerable to losing their foreign patrons' trust since they represent not only worlds of underdevelopment (widely associated with corruption risks) but aid work meant to turn a profit.

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5 Who's the 'Self' in Selfish? Profit-Making Developers' Institutional Interests and the Individuals Pursuing Them[1]

This chapter belongs to a series of three (Chapters 5, 6 and 7) that together highlight additional dimensions of the roles and labor of professionals involved in profit-making aid. Through the lens of East African and OECD-DAC finance specialists, consultants and public grants managers with a past in consulting, this chapter probes how contracting and development finance are conceived of, carried out by and variously affect, practitioners from donor- and recipient countries, illustrating the complex relationship between monetizing and localizing aid. The first dimension, which this chapter addresses, involves a diversification of drivers or incentives that orient development practitioners' work (Sundberg 2024). For-profit aid, I relay, brings to the fore developers' pursuits of self-interests that are institutional in nature, rather than individual. I describe three examples of these, concerning corporate interests, donor-country national interests and the interests of particular sub-fields in development work (consulting and finance). These institutional drivers relate to but also transcend the individual-centered binary prism through which researchers usually analyze the drivers of aid workers—that is, one between their altruistic ethos, on one hand, and personal self-interest, on the other.

Scholarly Takes on the Drivers and Relationships of Aid Workers

People's moral imperatives to help those in need is a topic that has attracted substantial scholarly interest, primarily within humanitarian aid and humanitarianism more broadly (Bornstein 2012; Fassin 2012; Malkki 2015; Redfield 2013; Roth 2015). Conceptualized as, for example, the 'helping imperative' (Heron 2007) or 'concern for the person in need' (Vaux 2004), these motivations are typically placed within an altruistic framework. When related to the motivations of other groups of development workers, they have been contrasted, not least, with consultants operating on a commercial basis. In that comparison, consultants are depicted as driven primarily by personal self-interests rather than

1 The chapter's theoretical accounts and parts of its empirical data have been published by the journal *Progress in Development Studies* in the article 'For the country, the corporation and the métier: Alternative drivers among practitioners in private sector aid' (Sundberg 2024).

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altruism. This distinction has been shown to exist even within the industry itself, where contracted experts are stereotyped as 'development mercenaries', morally antithetical to the 'missionary' ethos ascribed to NGO workers (Stirrat 2008). Consultants are construed as over-remunerated, detached from the humanitarian imperatives of their clients' projects, and motivated primarily by personal advancement, material gain and the pursuit of successive assignments (Hindman 2011; Koch and Weingart 2016; White 2020). Other studies have challenged this juxtaposition empirically. Research on the sociality and psychology of aid work, for example, has illuminated how many development practitioners' career trajectories span across NGOs, consultancy firms, state aid agencies and academic institutions, and how these are shaped by numerous convictions and interests, of which altruism is but one (Carr, MacLachlan and McAuliffe 2005; Eyben 2011; Hor 2022; MacLachlan, Carr and McAuliffe 2010; Roth 2015; Stirrat 2008; White 2015).

Meanwhile, non-altruistic imperatives have mainly been depicted within the frame of *personal* interests. The humanitarian commitment of aid practitioners is perceived as rivalled principally by their aspirations related to their own professional advancement, wages and employment perks, opportunities for international travel, the lifestyle comfort associated with expatriate living, personal growth, or their relationships with coworkers, family and friends (De Jong 2011; Eyben 2011; Fechter 2016; Kumi and Kamruzzaman 2021; Vaux 2004).

Two factors inform this person-centred understanding of the helping imperative's antithesis. One involves changes in the institutional terrain in which the motivations of aid workers have mostly been studied, notably non-profit aid administered by NGOs and public aid agencies. Over the past three decades, this field has undergone two shifts observed to have helped reshape aid workers' motivations. One involves the professionalization of aid work. As mentioned in Chapter 3, this involves the progressive elevation of technical, assumingly universal, expertise in aid work. In the 1990s, humanitarian organizations, not least, introduced standards, accreditation mechanisms and evidence-based accountability frameworks, which came to relocate the source of practitioners' legitimacy and credibility away from an ethical commitment to relieve human suffering and toward codified, technocratic knowledge, manifested in academic credentials and certifications demonstrating standardized technical expertise. Effectively, researchers have observed, this eroded the moral ethos of altruism that once underpinned humanitarian work. It drew the latter closer to a mainstream of career trajectories, being less of vocation and more aligned with broader patterns of professional mobility (Fechter 2016; Kothari 2005; Malkki 2013; Roth 2015).

Another change involves an increasing use of external contractors. As with the professionalization of aid work, this mirrors broader neoliberal ideals, and, especially, those of new public management (NPM). Using the market as a source for specific services as well as the destination for outsourcing whole areas of aid work, have come to be professed on the basis of corporate logics heralding labor flexibility, specialization and just-in-time labor deployment, as means to reduce staff costs, enhance efficiency and mitigate financial risk (Hindman 2011; Whitty et al. 2023). Coupled with the expansion of an 'audit culture', calling for tighter internal control (see e.g. Vannier 2010), this has led to a situation where many experts involved in aid work have limited experience or interest

in global development. Instead, they are employed by large auditing firms or consulting companies specializing in, for example, mechanical engineering, and are contracted for fixed-term assignments wherever their expertise is needed.

Both of these broader shifts in the world of aid work have thus been observed to reshape the composition of its human resource base, where organizations increasingly recruit professionals motivated as much by, for example, career progression, professional technical development and financial remuneration, as by commitment to humanitarian ideals.

A second factor which possibly helps to explain the depiction of personal self-interest as the conceptual inverse of altruism derives from moral philosophy. In this scholarly field, altruism is typically defined as an individual's orientation toward the well-being of others, in contrast to self-concern or self-care (Kraut 2025; Seglow 2004). The concept is often traced to the 19th-century French thinker Auguste Comte, who sought linguistic inspiration in the word 'other'—*altrui* in Italian, *alter* in Latin and *autre* in French. Altruism is thus fundamentally 'other-regarding' (Seglow 2004: 2), while its opposite is positioned as selfishness or egotism (Kraut 2025). In research on aid worker motivations, the moral 'other' has largely been identified in the recipient of aid. That its antithesis has mainly been interrogated among practitioners' individual self-interests (by both researchers and industry professionals) resonates with the semantics of altruism and moral philosophy's framing of altruism's contrary as personal selfishness.

Some scholarly works move beyond the binary 'altruism versus personal self-interest' by examining the motivations of individual aid practitioners in relation to the institutional logics of the organizations employing them. These studies highlight how the same neoliberal processes of professionalization and contracting in aid increasingly subject mission-driven organizations to bureaucratic and managerial imperatives. As NGOs meet growing competition from commercial companies for donor contracts, organizational survival often hinges on strategic positioning, meeting performance targets and adhering to formalized agreements. These institutional pressures have been observed to contradict the moral commitments of individual practitioners, in the worlds of both non-profits (Fechter 2016) and consulting firms (Stirrat 2008). Other studies have found that they challenge the altruistic imperatives of staff members *and* non-profit organizations alike (Baillie Smith and Jenkins 2012; Lashaw, Vannier and Sampson 2017).

The growing body of scholarship examining private sector actors and instruments in development work, of which studies of development finance and consulting form part, have similarly highlighted how they lead to a rise in influence of developers' priorities and interests, especially those of market expansion and making interventions profitable and low-risk (Chiapello, Engels and Gresse 2023; Gabor 2021). This chapter unpacks how some of those institutional interests observed in for-profit aid are pursued and experienced by individual practitioners. It indicates that staff efforts to safeguard their employers' corporate or national interests, or the interests of their professional subfield, are experienced neither as counteracting (or, for that matter, primarily intended to advance) humanitarian imperatives, nor as yielding any direct personal benefit. Therefore, they are hard to label as either selfish or altruistic.

Keith Graham's (2002, 2004) idea of *pure collective identification* offers one way of approaching these institutional interests. Graham's concept blends aspects of both

altruism and self-interest but is not fully either. The author defines altruism as involving two things: caring about someone else and not acting out of self-interest. Pure collective identification shares the second attribute of altruism: it does not involve self-interest. But neither does it necessarily entail caring about another person. Instead, pure collective identification is about being committed to something larger, to which one feels a sense of belonging. As Graham puts it, it is 'a concern with something of which myself is a part', a form of identification that is 'irreducibly plural' (2004: 62). This greater something could denote a company or a country, Graham writes, and I propose it could also refer to an industry's professional sub-field, like consulting or development finance, within the wider sphere of international development work.

Interpersonal relationships and interactions are key 'tools' used by development experts in advancing these institutional self-interests. Within the broader field of qualitative studies of aid work, practitioners' relational labor has been shown to play important organizational and political roles, for example in engendering more equitable, reflexive and context-sensitive partnerships between donor- and recipient organizations (Eyben 2006; Heuser 2012); safeguarding local organizations' ideological autonomy (Yarrow 2011); and as a means for deployed staff to harmonize donor support and create policy congruence or, contrarily, further the interests of their own organization (Eyben 2011). In Chapter 4, I described how the field offices of foreign development organizations use the local ties of their in-country staff to stabilize partnerships with local organizations. Kenyan and Tanzanian recruits in state agencies, DFIs and consulting firms, I highlighted, broker relations with their employer's or client's local partners by tapping into their prior work on the recipient side of aid. This chapter centers another type of development brokerage, notably that between public aid organizations (mainly involved in issuing grants) and their profit-driven partners. It spotlights the mediating work carried out by state aid agency staff with a professional past in consulting and finance. These staff members indicate how development finance and contracting in aid is expanding state donors' need for brokers that facilitate relations with not only their conventional partners (recipient organizations representing aid beneficiaries), but also their various commercially based partners. Second, they illustrate an increase in job exchanges and interactions between practitioners with non- respective for-profit backgrounds, but also the ideological and ethical tensions (still) arising from these, as they bring together experts with different convictions about the relationship between humanitarianism and capitalism. Finally, they allude to the especially vulnerable position of private sector professionals hailing from aid recipient countries, who may face mutually reinforcing reservations among their foreign state employers about the trustworthiness of actors representing capitalistic interests and the world of underdevelopment.

For the Corporate Self: Protecting Organizational Interests in Public–Private Partnerships

A first institutional imperative that figured in many interlocutors' descriptions of their work pertained to safeguarding the organizational stakes of their employer in partnerships with commercially based stakeholders. Swedish and Tanzanian

practitioners working in state aid agencies recounted how they brokered relations with their employers' contracted service providers and partners in finance, by exploiting their personal background in either consulting or finance.

My interviewees' work histories support earlier observations of the diverse career paths of practitioners in international aid, mentioned above. They indicate, especially, crossovers between for- and non-profit work. Thirteen out of 34 Tanzanian grants managers in foreign state agencies had experience of working in (and not just with or in support of) the private sector, ten as consultants. As described in Chapter 1, eight of the 13 Swedish consultants and 11 of the 20 consultants in Kenya whom I asked about their career histories, had a professional past in non-profit organizations, public aid agencies, government ministries or universities (see also Nagaraj 2015). A review of the CVs of operational[2] staff hired by Sida discloses that a growing share of new recruits has a professional background in consulting, development finance or international trade with aid recipient countries (in addition to academic degrees in business or finance): from 35% in 1996–1999[3] to 52% in 2019–2022.[4]

Swedish and Tanzanian state agency staff with a history in consulting or DFIs, described how they tapped into their knowledge and contacts from their previous field of work for some of the same purposes orienting Kenyan consultants and DFI staff and Tanzanian grants managers in their role as brokers with local partners: on one hand, to connect their employer with relevant actors in that industry and mediate between them, and on the other, to help their employer 'see through' their partners' official narratives about their achievements or needs, and negotiate their employer's terms for partnerships. For Tim, one of Sida's guarantee specialists, an important part of his work involved efforts to attract market investors to fund development initiatives for which his aid agency could serve as guarantor. This implied acting as a promoter of 'goodwill' vis-à-vis potential investors and as an intermediary between these and Sida. Such tasks were facilitated by his previous experience in banking and the DFI community. Getting investors to commit 'for real', Tim explained, depended on making them overcome their preconceptions about developing economies as too risky, uncertain and, ultimately, not worth the trouble. Ideally, that work required him and his unit to bring potential investors with them to Africa, have them meet local actors in person and experience for themselves how African markets and businesses worked. At the same time, Tim's job also entailed scrutinizing potential investors, examining whether or how their discourses on showing global responsibility translated into measurable efforts and results. His current department was managing the agency's involvement in an international network for financial institutions and corporate investors engaged in impact investment and the mobilization of private finance for the SDGs. That work, Tim explained, entailed critically investigating which commitments by investors were more than window dressing. His former employer, he recounted, was a large, well-

2 Operational staff denotes personnel working in the core activities at Sida, such as program management and advisory services (excluding staff in e.g. human resources, legal services, accounting, auditing, communication or administration).

3 19 men, 14 women.

4 43 men, 55 women.

known bank. It had recently announced its launch of a new, intensified investment scheme centered on 'green stocks'. But what did that actually mean, Tim asked me rhetorically. Another bank profiling itself as an investor in goodwill, he continued, had recently been revealed to base that claim on investments in two oil companies. Some banks were merely interested in building a reputation for themselves as advocates for global sustainability, Tim concluded. Part of Sida's job as a potential partner was to separate the wheat from the chaff.

Eric was a Tanzanian grants manager working for a bilateral state aid agency. An engineer by training, he was responsible for his agency's support within natural resource management. Prior to his current job, which he had started a year earlier, he had spent several years in consulting, including three years as an employee of a consulting firm in Dar es Salaam. Two years before he had left that firm the company had tendered for a contract procured by a Tanzanian state authority. The consultancy assignment formed part of a project funded by the aid agency he was now working for. It involved supporting a local partner engaged in microfinance. The tender had been successful and his firm had won the contract. Together with a colleague, Eric had led the drafting of the tender but had not been part of the implementing team. When Eric started his employment at the aid agency, he had been charged with overseeing the closing of the consultancy contract. This included reviewing the contracted firm's final report. Having read it carefully, Eric had realized that the consulting team had failed to deliver on a number of agreed tasks. Apparently, this had come as a total surprise to his agency colleagues. Obviously, Eric told me, that was because they had not properly monitored the team during the course of its assignment execution. For example, he explained, they had never cross-checked the quarterly reports produced by the firm. Had they done so, Eric asserted, they would have discovered an important red flag. It turned out that nobody in the region where the consultants had been working was aware of the team's existence. This was alarming, he explained, because project implementation in this context meant visibility. 'Everyone should be talking about your project'. The kind of consultancy assignment his agency had procured required from the team considerable interaction with a range of stakeholders on the ground. If nobody had heard of the project, it likely meant the consultants had not done their job. Indeed, Eric had discovered that the firm had been reducing their staff in the field in order to cut costs. This was symptomatic of some consultants, he acknowledged. Certain firms just wanted to 'deliver the reports' and 'count the money days', being largely disinterested in the project's overarching objectives. In the end, his agency and the procuring Tanzanian authority had demanded a partial reimbursement from the firm. Had he, personally, been involved in overseeing the project earlier, Eric added, he would have been able to stop things before they had derailed.

For the Professional Self: Defending the Stature of One's Sub-Field

A second institutional imperative is found within the realm of internal office relations. Above, I highlighted how a key purpose of state agency staff's brokering relations with their employer's for-profit partners is to reach a deeper level of truth assumed to lurk behind these partners' official reports and meeting parley. That indicates how a measure of

distrust usually marks these collaborations. Sida's distrust of financial institutions and consulting firms sometimes spills over to its employees who used to represent them. A majority of interviewees brokering relations with Sida's consultants and partners in finance recounted experiences of facing criticism or suspicions tied to their former, commercially based, line of work. This put them in positions where they, intentionally or not, acted in defense of their previous professional community—its value and integrity, as well as its current members. These situations suggest that interactions and career tracks across non- and for-profit aid realms have not erased, and may in fact reinforce, enduring stereotypes about different kinds of work and experts in the development industry. Crucially, they suggest that for-profit instruments and actors continue to generate friction with practitioners who question the legitimacy of developers turning a profit from aid.

Several Stockholm-based interlocutors at Sida expressed a shared sentiment that those working with private sector aid instruments and actors constituted an odd group in the agency. They were exposed to suspicions and opinions rather than facts. Some were employed at Sida's Department for Partnership and Innovation (presently called Trade, Private Sector and Financial Instruments), which serves as the agency's central node for engaging with development guarantees and collaborations with private sector entities. Unlike their colleagues with backgrounds in consulting, these individuals had mainly worked in finance earlier and described their move to Sida as a step down career-wise (see also Ronal 2023). While Sida offered shorter work hours and more opportunities to travel and work abroad, it provided lower salaries and conferred less social status and professional prestige. Because these specialists came from, and partly remained in, the 'privileged sphere of finance' as one of them called the international DFI community, their work was dismissed by some Sida staff as not constituting 'real aid.' Peter, a former DFI employee, recalled how an elite cohort had emerged within Sida when his unit, focused on development guarantees, was established. He and his colleagues had been selectively recruited from the worlds of investment and banking, and their remuneration was benchmarked against such commercial investors rather than against NGOs and other 'losers', as he called them, in the Swedish wage economy. Despite taking a pay cut to join Sida, Peter still earned more than the long-serving head of his unit. This, he warned, was 'dangerous business'. Not only were he and other finance professionals better compensated than most Sida staff, they were also involved in work that some perceived as morally ambiguous. The skepticism they faced was rooted in their colleagues' ideological doubts about the compatibility of capitalist imperatives with principles of global solidarity, and reservations about modes of development work that accrued profits for donor-country actors and debts for recipient ones. Furthermore, Peter explained, many Sida employees regarded development guarantees as complex and at odds with the agency's standard bureaucratic rationale. While grants managers were generally pressed to *dispense* of tax revenues within certain time frames, guarantees *generated* revenue. This made it difficult to persuade colleagues to incorporate guarantees into their portfolios. Hence, when Peter and his peers championed the use of private sector instruments within the agency, they were advocating not only for specific financial tools but also for an inherently different approach to aid: assistance not primarily or only as philanthropy, a means of global redistribution or the enactment of human rights, but as capital and labor expected to generate revenues for donors.

Sida workers with a background in consulting rather than finance had quite another story of how and why they had ended up in the state agency. Several had chosen to work as consultants in the hope that it would serve as a springboard to jobs at Sida. Desk office positions in the agency offered more reasonable work hours, greater employment security and also paid more than many consulting jobs. Moreover, in partnerships with Sida, several consultants maintained that they generally occupied a marginal position with limited influence and status, often having to deal with exaggerated or contradictory expectations. Nearly all current and former consultants recalled encountering preconceptions among clients, particularly Sida staff, who viewed them as lacking empirically grounded knowledge of poverty, being primarily motivated by service fees or overstating their competencies in tenders. They recounted experiences of being alienated within clients' office environments and collaborative processes, openly questioned by clients' co-workers about the value or necessity of their involvement, and having their contribution and name effaced from written documents and acknowledgements. Such grievances were seldom expressed, however, given that consultants could not afford to 'bite the hand that fed them'. Aware of these dynamics, several former consultants who had transitioned into roles within Sida said they had taken on intermediary functions, trying to bridge the cultural–professional gap between in-house staff and contracted consultants. They guided consultants in how to align their conduct and communication with Sida's expectations, helping them, as one described, to 'think like the client'. At the same time, they sometimes acted as informal advocates, defending Sida's consultants against criticism or misinterpretations by their agency colleagues.

After a few years as a consultant for a Swedish firm, Elizabeth had been offered a job at Sida as a junior expert deployed to one of Sweden's embassies overseas. Her role at the embassy involved overseeing donor funds directed to a group of local authorities and organizations with which she had previously collaborated during an earlier consulting assignment. It had been interesting, she told me, to move to the other end of the table in that project. In her former role as consultant, she had been diligently responsive to Sida's demands. For example, when the agency had asked her to submit an additional report not included in the contract, she had willingly agreed. Maintaining a good track record and relationship with Sida was the most important, even it implied additional, unpaid work. Basically, Elizabeth inferred, her consulting job had given her a good understanding of the position of dependency held by Sida's partners. In fact, she asserted, consultants' relationship with Sida was not unlike that of Sida's beneficiary organizations in aid recipient countries. Both relied on aid funds and both were tasked with executing interventions that were more or less dictated by Sida. In her new role as in-house staff, she had had several talks with Sida's controller at the embassy about how external stakeholders conceived of the agency. Her colleagues, she argued, were often unaware of their own institutional power. It was crucial that they recognized how most local partners did their very best to meet Sida's expectations. Therefore, interactions with them, she added, should take the form of genuine dialogue rather than Sida's reiteration of demands or reprimands.

Eric, the Tanzanian consultant-turned-grants manager at a bilateral aid agency, made a similar stance in support of consultants. Though he did not explicitly liken

them to aid recipients, the consultants in his narrative were Tanzanian rather than from an OECD-DAC country. As mentioned in Chapter 4, consultants from aid recipient countries represent both the local and the private sector, hence they risk being suspected of having two types of ulterior, rivalling motives—of favoring profits over impact, and of having various 'special interests' tied to their embeddedness in the host country. The two are often seen to converge and be especially 'potent' in partner countries ranking high in corruption indexes, which is the case for Tanzania. Eric condemned as a failure the above-mentioned assignment his employer had paid for, and he believed it had been right to demand reimbursement. Importantly, he mostly blamed the local consultants and their unauthorized attempts to reduce staff expenses, displaying a shameless assumption that their cutting of corners in the field would go unnoticed by their unsuspecting, foreign client. But Eric also distanced this case of malpractice from Tanzania's consulting industry writ large, including the contracted firm for which he had previously worked. He pointed out that the lead consultant on the contract had been external to the firm. That person had not been involved in drafting the tender. The project design had been developed by himself, personally, as well as the firm's manager. That manager, Eric asserted, was a good person—'a professional'. Eric had assumed he would become the team leader on the assignment. Regrettably, and for reasons unknown to Eric, that position had been given to a subcontractor with whom he was unfamiliar and who, he had later discovered, lacked prior experience of project management. 'So what did they expect?' he asked me rhetorically. In Eric's view, the assignment's failure was due to a few individuals' incompetence, dishonesty and/or indifference to the project's development goals. They were exceptions to the fact that consultants in Tanzania generally did good work—something he knew from years of working in the industry. Moreover, Eric continued, it was not his employer, the aid agency, who had demanded a reimbursement, but a domestic state institution under Tanzania's ministry of finance. That institution had hired an additional consultant to review the contracted assignment, and thanks to that firm's thorough job, most facts had been laid out on the table. Evidently, Eric concluded with a chuckle, although there were some 'evils', the private sector in Tanzania was, in its entirety, 'good'.

For the National Self: Strengthening Organizations' Country Brand

A third and final institutional imperative emerged in my conversations with consultants and development finance professionals. It concerns efforts to advance the position of one's DFI or consulting firm, and by extension, the country it represents, in the international market. Pursuing this objective often placed their institutions in direct competition with similar entities representing other nationalities. It also, at times, involved prioritizing compatriot organizations over foreign ones in the selection of investees, partners and contractors. While such practices were often framed as concomitant with broader development goals, they were also described as safeguarding national interests and promoting the (presumably) unique value of nationally specific expertise.

The pursuit of economic and political self-interest by OECD-DAC donors has been well-documented over the past six decades. Scholars have shown how the operations of bilateral state aid actors, not least, tend to be closely aligned with the national and international security strategies and domestic economic agendas of their respective governments (Lancaster 2008). Recent years, meanwhile, have seen a marked intensification of the self-interests of donor-country actors, with aid increasingly instrumentalized to secure short-term, unilateral gains (Gulrajani and Silcock 2020). Between 2010 and 2023, the share of ODA spent in or on donors' own economies, for example to fund domestic refugee reception, but also administration, communication and scholarships for donor-country university students, increased from 10% to 22% (van Teutem, Ritchie and Arriagada 2025). In Sweden, the conservative government elected in 2022 has initiated a wide-ranging reform of state-funded development cooperation, reorienting aid (officially intended to combat poverty and repression) toward advancing Swedish economic interests and enforcing more restrictive migration policies (Government of Sweden 2023a). Development finance is emblematic of this broader ideological shift, as it legitimizes commercially-driven aid models that yield returns for donor economies and businesses. As described in Chapter 1, DFIs play a central role in this evolving landscape. Unlike state aid agencies, which are encouraged to collaborate in the name of 'harmonizing' aid, bilateral DFIs are formally market competitors, though they are meant to coordinate their activities. A common challenge facing DFIs is to find bankable investments. Many interviews with DFI staff included narratives about other bilateral DFIs as 'friendly contenders'. Interlocutors compared the resources and structural (dis)advantages of their own institution to those of other DFIs in the same sector or country. Differences in instruments used, risk tolerance, profit margins, ESG-related requirements and ownership structures, were referenced to explain the comparative size, growth and content of their DFI's portfolio as opposed to that of other DFIs.

In a recent study, six out of nine major bilateral DFIs formally state some type of preference for investing in or collaborating with compatriot companies (TUDCN–RSCD 2018: 30–32). None of the DFI staff I spoke with identified the economic interests of donor-country markets and businesses as explicit priorities in their work. At the same time, none expressed concern or critique regarding DFI programs and policies that advance such priorities. Several insisted that their office never discussed questions about 'tied aid', that is, assistance conditional on the purchase of goods and services from donor-country actors. Importantly, these testimonies permeated interviews with experts from both donor- and recipient countries. Beyond concerns about headquarters' low risk-tolerance, local DFI staff working in Nairobi did not raise as a problem potential trade-offs between the interests of their employer and the Kenyan state or oppose the fact that the DFI's investments in Kenya were partly premised on supporting donor-country businesses.

Moreover, in the competitive pursuit of bankable projects and financial returns, partnering with businesses of the DFI's nationality was sometimes perceived as having practical advantages. This perspective was exemplified by John, a professional with over 25 years of experience across a DFI, consultancy work and a

public aid agency. Narrating his time in one African country, John pointed out that his DFI employer shared office space with his country's agency for national business promotion. Although the two institutions did not formally collaborate, they routinely and freely exchanged information. For instance, John recounted, when a car manufacturer from his country expressed interest in entering the local, African market, the company would first consult John's colleagues across the hall for advice and connections. The DFI could then step in to provide financing for the company's market entry. The public aid agency, on their part, may support the initiative by funding vocational training programs for local mechanics, who could be hired by the car company's regional dealerships. These dealerships, in turn, could become eligible for additional financing from the DFI or the country's export credit agency. John acknowledged that most of his country's aid was officially untied, meaning it was not required to be spent on goods or services from his country. Still, he preferred hiring compatriot businesses. Working with fellow nationals meant fewer cultural and linguistic barriers and a shared sense of reliability. By contrast, partnering with a firm from Bangladesh, he gave as an example, would be both riskier and less familiar, even if everything seemed in order on paper. John also emphasized the reputational value of successful partnerships with domestic firms. When such collaborations succeeded, he noted, the DFI, the aid agency, the business promotion body and the private company shared in the symbolic capital accrued. Since his country had a crosscutting, national strategy to advance international trade, there was little public debate or concern about tied aid. As John put it, all the actors involved were effectively playing on the same national team.

In the world of consulting, on the other hand, the pursuit of national interests made Swedish and Kenyan interviewees into competitors. As mentioned in Chapter 1, most aid provided within the OECD-DAC is formally untied, however more than half of funds spent on procurement goes to domestic contractors from the aid-providing country (Meeks and Craviotto 2021). Several Swedish consultants expressed an explicit wish to secure markets for firms of their own nationality (see also Roberts 2014). This was motivated by experiences of increased international competition over the past two decades. During this time, Sida had cut back on its use of consultants in project implementation, new EU directives had been introduced supporting international competition in public procurement, and Sida had increasingly substituted smaller consulting contracts with large-framework agreements that privileged big, multinational firms with a broad range of expertise (see also White 2020). These shifts meant that Swedish firms were now required to compete with international companies for Sida contracts, while also seeking assignments from foreign clients, particularly EU institutions and other European bilateral agencies. The latter group of clients, especially, had given Swedish consultants negative experiences of country-based favoritism, where contracts, in their view, were awarded based on firms' nationality rather than expertise. Instead of or in addition to taking issue with this, several interviewees expressed a similar sense of national protectionism, seeking to advance the position of Swedish companies. National favoritism in development contracting was not hard to understand, I was

told. Sure, part of the reason why bilateral agencies favored companies from their own country was that they had ungrounded prejudices against companies of other nationalities, and that was regrettable. But another motivation was that donors wished their tax money to support their country's businesses and markets, and this was easier to sympathize with. Meanwhile, the practical effect of this, as one Swedish consultant lamented, was that the only foreign contracts truly worth pursuing were those extended by multinational EU delegations, which were less influenced by particular national preferences. Even then, Swedish firms were best advised to only tender for EU projects where Sweden had special stakes.

In an effort to enhance the international competitiveness of Swedish companies, several Swedish consultants advocated for Sida to increase its budget for consulting services. Mark, for example, argued that this would ultimately serve Sida's own interests. As a procuring agency, Sida often expressed frustration over the low number of bids it received and particularly the limited participation of Swedish firms, he recounted. Since the mid-1990s, Mark had worked for, and eventually led, a small, staff-owned Swedish consulting firm. However, following Sida's reduction in consultancy procurement, his firm had joined a larger, multinational company. Compared to foreign consultants, Mark maintained, Scandinavian ones shared a distinct professional philosophy and way of working. More significantly, he argued, echoing John's earlier reflection on the practical advantages of working with compatriot firms, Sida stood to benefit from contracting consultants who shared its logics and values. When Sida engaged businesses for international assignments, selecting 'likeminded' consultants ensured operations ran more smoothly. Mark illustrated this point with an example from a long-term mission in an African country, where he had been tasked with providing technical assistance to Sida-funded local authorities. These African partners, he recounted, expected him to explain the lines of reasoning of their foreign funder, spelling out to them exactly what Sida anticipated from them and how to meet those expectations. Similarly, in his interactions with the Swedish embassy, certain sensitive issues concerning their local partners had emerged that were too delicate to be written down as part of any formal documentation. Instead, they had been broached through private conversations. In both situations, Eric held, a shared Scandinavian background and cultural familiarity between him and the embassy staff had facilitated communication and the partnership as a whole.

Kenyan interlocutors working in consulting confirmed these nationalistic biases among donor countries. Two thirds recounted experiences of bilateral donors preferring to contract firms from their own country. This was the case even when the Kenyan government was procuring. If the project had funding from a foreign donor, I was told, a consulting company from that country would most likely win the contract. Though all firms in my sample took on development clients, several asserted they had never won a contract with a bilateral donor in international competition and had given up tendering for assignments procured by development actors that hailed from a specific country. If these contracts did not formally require tenders to include companies from the donor country (which they

sometimes did), they were still usually awarded to compatriot bidders. The only way a Kenyan business could win a contract with a bilateral organization, many asserted, was as a subcontractor to a consulting firm from that country, or as part of a team led by a consultant of the donor's nationality.

The few firms whose client base did include development organizations from a specific donor country, were predominantly companies run by Europeans. They had won contracts with bilateral donors of various European nationalities. Three out of four had done so since the start of their business, including through direct sourcing, that is, non-competitive bidding that entailed being hand-picked by the client. This included Harry, whom I briefly introduced in Chapter 1. His consulting company, specializing in natural resources, originated in Europe (though legally, it was incorporated as an independent Kenyan company rather than being a branch office of the European firm). Harry had been managing the office for the past eight years, following his relocation from the company's main office in Europe. The firm currently covered half a dozen countries in the region and its clients included both Kenyan businesses, Kenyan state institutions and international development organizations. When it came to the latter, Harry told me, there was a lot of nepotism. European bilateral actors in particular tended to rub the backs of consulting firms from their own countries. Echoing the opinions of many Kenyan and Swedish consultants, he found this easy to understand. After all, 'we're talking about taxpayers' money,' he deduced. Privileging compatriot businesses in consultancy contracting was an example of 'aid and trade'. When a European donor decided to 'invest abroad,' as Harry put it, an integral goal of that investment was to strengthen its own private sector. Over the years, this had become more pronounced. Though localization was emphasized in OECD-DAC policy discourse, Harry insisted, in practice he saw the opposite trend, where bilateral organizations increasingly favored their own businesses in contracting arrangements.

For the Collective Self, the Individual Self and The Other: Tensions and Overlaps among Developers' Drivers

The pursuits of institutional goals tied to development practitioners' professional sub-fields, organizations or the countries they represent, is nothing new to the aid industry. However, the growth of profit-oriented instruments and actors seems to bring them to the fore. Scholars have interpreted the rise of private sector involvement in aid as reflecting a more explicitly self-interested form of development cooperation. Much of this literature, however, has focused on the benefits accrued by developers at the level of nation-states and organizations, rather than individuals (Gabor 2021; Gulrajani and Silcock 2020; Mawdsley 2018). My research suggests that both levels warrant empirical attention and that the relationship between them cannot be taken for granted. Importantly, it invokes the need to study how individual practitioners interpret, pursue and are variously affected by institutional self-interests in aid.

The growth of profit-making assistance schemes, and the institutional self-interests they buttress, owes much to the development industry's continued embrace of neoliberal logics (Lewis and Mosse 2006; Morvaridi and Hughes 2018). Contracting, outsourcing and the professionalization of aid work—identified earlier as practices that researchers have observed to strengthen the role of non-altruistic, *personal* pursuits among aid workers—are partly grounded in those same neoliberal ideals that champion the mobilization of private capital for development: market competition, utility maximization and the commodification of development labor (Hindman 2011; Kothari 2005; Kotz 2010).

Institutional and individual self-interests intertwine not only at the level of national economic policy and governance ideals, but also in day-to-day practice. Consultants' concerns about securing market opportunities for firms of their own nationality speak simultaneously to their individual company's strategic interests *and* their own, personal careers. This alludes to the challenge of disentangling concern for the self from concern for the collective, which is a premise of Graham's (2004) concept of pure collective identification. Chapter 6 will give another example of overlaps between individual and institutional self-interests in aid, found in an argument advanced in (especially) development finance. It highlights the superior ability of for-profit aid, compared with grants, to foster equality and reciprocity in aid partnerships.

At other times, however, the distinction between individual and institutional self-interests becomes more pronounced, when efforts to advance the goals of developers as organizations, countries or professions, come at a personal cost. Some practitioners in public aid agencies who have backgrounds in finance, I have described, face suspicion and prejudice from colleagues in grant-based aid divisions when advocating for revenue-generating instruments in-house. These suggest that increasing career flows and interactions between the worlds of development finance, consulting and grant-based aid work have not done away with tensions and moral debates in the industry about profits in aid and the relationship between humanitarianism and capitalism. Moreover, when the likes of Eric—that is, Tanzanian grants managers with a background in consulting—defend the reputation of Tanzanian consultants vis-à-vis their foreign state employers, they associate themselves with two types of partners that raise trust issues with public aid agencies (mainly involved in non-profit aid): those with a commercial business model *and* those from aid recipient countries. Graham (2004) acknowledges that tensions can indeed arise between collective and individual interests. But unlike philosopher Thomas Scanlon (1998), who sees prioritizing collective goals over personal ones as involving an individual sacrifice, Graham asserts it does not. It merely represents a preference for 'us' over 'me', rather than 'you' over 'me', he holds (Graham 2004:63). My research offers no evidence that either fully supports or contests Graham's argument. Rather, it highlights that when development practitioners involved in private sector aid prioritize the 'us' of their organization, their employer's national interests or their professional community, 'me' is affected in different ways, and this partly depends on how 'me' is identified in relation to workplace conceptions about

underdevelopment and profits in aid. As also noted in Chapter 4, it points to the doubly delicate position of locally recruited practitioners involved or associating themselves with development finance or consulting, since they face distrust (especially from state donors) not only by virtue of representing capitalistic interests, but also as representatives of the world of aid beneficiaries.

The relationship between practitioners' pursuit of institutional self-interests and their altruistic motivations also deserves attention. My interlocutors' concerns for the national brand or international competitiveness of their business, the status or reputation of their professional sub-field or the strategic positioning of their organization in development partnerships, do not automatically translate into an absence of humanitarian commitment. DFIs, unlike many humanitarian organizations, are not in the business of saving human lives, and even when they do operate in countries defined by the UN as 'least developed', they seldom target the most vulnerable populations (Meeks, Gouett and Attridge 2020). Several DFI employees I interviewed did not identify themselves as aid workers, preferring denominations associated with the broader terrains of development and investment. Nonetheless, nearly all consultants and development finance professionals, including many in the latter group who could have continued more lucrative careers in commercial finance, described the choice of their current workplace as motivated by a desire to contribute to economic growth, job creation and/or poverty reduction in the societies they serve. In their eyes, their employer's institutional self-interests did not necessarily contradict their helping imperative.

In Chapter 3, we can recall, Jane recounted how another DFI field office had replaced a number of deployed staff with locals based on the belief that Kenyan investors were more incentivized by creating 'impact' than their colleagues sent down from headquarters. In that case, dispatched staff's lesser concern for the DFI's development goals was blamed on their rivalling interest in the employment perks that came with an overseas posting—altruism was, as it often is, juxtaposed with individual self-interest. Jane shared those agency managers' notion of local staff as more concerned with impact than their foreign colleagues. Importantly, meanwhile, she did not take issue with her responsibility to help her foreign employer advance its own country's economic interests. This, I believe, points to the tenacity of the 'win-win' rationale of for-profit aid within development finance circles. Here, the self-interests of investors *as countries* or *organizations* are widely accepted as a condition for, if not a driver of, development impact (see also McGoey 2021). To the extent impact goals are seen as compromised, the threat is identified in *individuals'* selfishness rather than that of institutions, the instruments they employ or the nations they represent.

Meanwhile, in the finite realm of everyday work, the pursuit of institutional self-interests inevitably competes with practitioners' other tasks and objectives. DFIs' mandate to support domestic business interests requires their staff to demonstrate measurable results towards that end. Similarly, the brokerage work performed by Sida staff with backgrounds in consulting and finance highlights how time and

energy within 'conventional' development institutions like public aid agencies must be devoted to understanding and engaging not only with the needs of aid recipient organizations but also with the interests and logics of an expanding array of commercial partners and service providers.

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6 Reciprocity in Aid Revisited

Profits and Risks in Development Finance Morality[1]

The growth of commercially oriented instruments and actors in development work may be impacting moral understandings of aid (Sundberg, forthcoming). Guarantee experts, DFI staff and also some consultants, based in Sweden and Kenya, perceive profit-making in aid, and especially in development finance, as at once amoral, immoral and moral. Their arguments center on the relationship between economic stakes and self-interest (where the 'self' often transgresses individual and institutional lines). That relationship is alternatively dismissed, praised or seen as less significant than the superior capacity of commercial models of assistance, compared with grants, to promote equality and reciprocity in aid partnerships. The latter rationale construes development investments as relational in nature, where risk-taking and profit-seeking serve alternative purposes beyond those inferred by conventional, capitalist logics. Just like philanthropy, the idea holds, market exchange can bring about socially imbued relationships. However, unlike charity, it can do so in ways that empower rather than disempower partners in aid recipient countries. These claims can (and will) be questioned on empirical grounds. But they also inform anthropological thinking on economic morality in neoliberal capitalism and aid as a gift, as theorized by Marcel Mauss.

In public debates about private sector aid instruments and the commercial actors and capital they engage, discussions are generally structured along two opposite lines. On one side, corporations and certain policymakers and business researchers champion market actors' capacity to buttress inclusive growth through technical innovation, specialized expertise and focus on cost efficiency (businessfightspoverty.org; Porter and Kramer 2011; United Nations Global Compact 2014). On the other, civil society organizations, activists, other academic commentators and political opponents condemn these actors for leveraging humanitarian efforts for commercial gain (Kumi, Arhin and Yeboah 2014; Meyersfeld 2016; Oxfam 2023). Among the professionals involved in for-profit assistance schemes, meanwhile, lines of reasoning are more complex. My Kenya- and Sweden-based interlocutors working for DFIs, with private sector instruments at Sida and, in some cases, for consulting firms, give voice to various and conflicting perspectives on both the

1 The chapter's theoretical discussion and some of its empirical findings are forthcoming in the journal *Current Anthropology*, in an article entitled 'A Question of Interest? Profits and Morality in Private Sector Aid' (Sundberg, forthcoming).

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existence and nature of morality in their work. Resonating with formal discourses in development finance (as presented in documentation produced by, for example, DFIs and Sida), they construe profit-making aid as at once amoral, immoral and moral. In some instances, they reproduce mainstream neoliberal tenets. They describe their work as a rational, or non-political form of assistance unrelated to questions about developers' intentions, efforts or possible trade-offs between development and economic objectives. This understanding mirrors neoliberalism's self-description as a value-neutral, technical system of economic governance (Miller and Rose 2008; Ong 2006). In other instances, they view for-profit aid as superior to grants by way of its greater capacity to foster functioning markets in 'emerging economies', which resonates with neoliberal tropes of unfettered market competition and individual property rights (Harvey 2005). In yet other instances, interviewees describe commercially oriented aid as better than grants because of its ability to create more levelled and mutually invested relationships with partners in the global South. This latter logic sees profit-making and financial risk-taking as supporting social reciprocity rather than individual utility, and assigns financial development investments a relational attribute. Together, these various interpretations of the existence and nature of morality in profit-making aid speak to economic anthropological research on finance, neoliberalism and morality as well as scholarship studying foreign aid, CSR and Fairtrade through the lens of Maussian gift theory.

Development Investments: Marrying Economic and Development Anthropology

Profit-making aid brings into sharp relief how donors' solidarity with the poor usually accompanies various self-interests. Developers' 'ulterior motives', and their implications for partnerships and beneficiaries, have been a sustained topic of inquiry in anthropological studies of development and aid. Many of these have drawn inspiration from gift theory and, principally, three arguments made in Marcel Mauss's *The Gift* (1990).[2] One holds that the act of giving, receiving and reciprocating gifts is understood to generate social ties between the parties involved, as the gift is believed to carry the essence or spirit of the giver. Second, while gift exchange outwardly appears voluntary and disinterested, it implicitly entails an obligation to reciprocate. This stands in contrast to the giving of alms, where no earthly return is expected since the donor serves merely as a conduit for divine generosity. Finally, a recipient unable to reciprocate creates an asymmetrical relationship in which the receiver is subordinated and entrapped in patronage. An unreciprocated gift, Mauss contends, is 'poisonous'.[3] While some researchers have explored aid as gifts on macro-levels (Furia 2015; Hattori 2003; Heins, Unrau and Avram 2018; Kapoor 2008; Kowalski 2011), anthropologists, not least, have

2 During the past century, *The Gift*'s arguments have been elaborated by a vast number of scholars. This contrasts with the few classic works most commonly drawn on in the literature on aid and development: Parry (1986), Bourdieu (1977, 1990), Derrida (1992) and Sahlins (1972).

3 As Mauss (1990: 81) also notes, the word 'gift' means poison in several languages, including in Swedish.

examined them ethnographically (Da Silva 2008; Eyben 2006b; Paragi 2017; Stirrat and Henkel 1997).

What unites these studies is a fundamental critique of foreign aid conceived of as charity or disinterested almsgiving. Instead, they reveal aid as an *interested* gift that carries expectations of return. This is evidenced in donors' enforcement of conditionalities, tied aid arrangements, trade deals, security and foreign policy agendas, and expectations on gratitude. The structural inability of recipients to fully reciprocate reinforces their inferior status, characterized by dependency, disempowerment and victimhood. As Mawdsley (2012) observes in her review of aid scholarship informed by gift theory, they all invoke the importance of analyzing the symbolic registers of foreign aid in shaping postcolonial forms of power.

Whereas the studies above are mainly concerned with grant-based aid (or make little difference between this and other types of assistance), anthropologists have also used gift theory to explore private, often multinational, businesses' engagements in CSR, corporate community development and Fairtrade (De Neve et al. 2008; Dolan and Rajak 2016; Luetchford 2008; Rajak 2011). Dinah Rajak (2011) uncovers, for example, how CSR is intended to function through the ostensibly neutral mechanisms of free-market competition. In practice, however, it operates through a blend of care and control, benevolence and paternalism. Unlike a corporation's standard profit-oriented activities, CSR initiatives are corporate 'gifts', Rajak explains. But because these gifts are rendered within a deeply unequal relationship, they leave recipients unable to reciprocate and thereby reinforce dynamics of patronage and clientelism.

While CSR initiatives often run parallel to a company's core, profit-driven operations, some of my interviewees stressed, development finance is explicitly designed to yield financial returns. Effectively, ethical and commercial imperatives are more directly fused. As I will show below, it is at the imagined center of the intersection of philanthropy and commerce that proponents of development finance locate capitalism's potential to foster more equal and reciprocal partnerships. In their view, development finance achieves what grants and CSR have not: expecting to have one's gifts returned—with a surplus.

The interplay between market transactions and gift exchange has been extensively explored within economic anthropology, particularly in studies examining the moral and social dimensions of money, credit, debt and commodities in contemporary Western contexts (Browne and Milgram 2009; Maurer 2006; Peebles 2010). Many of these highlight how modern capitalism, with its emphasis on individual utility and immediate and impersonal exchange, nevertheless holds significant moral substance. Capitalist economies are shown to be embedded in a web of social contracts, where economic trades generate mutual obligations (Carrier 2018), financial transactions intersect with intimate relationships (Zelizer 2005), and gifts and commodities transmute in both directions (Tsing 2013). Similar to how Mauss charted gift economies as revolving around debt, credit and strategic self-interest, so have these studies laid bare contemporary credit systems' moral logic of the gift and enduring social ties (Carrier 1995).

The moral reasoning of for-profit development experts may particularly contribute to the expanding ethnographic literature on large financial institutions and their personnel. These works explore how global capital market exchanges entail human relationships and relational labor (Desmarquest 2021; Fischer 2012; Sakai

2000; Zaloom 2006) as well as embodied practices, emotions and dreams (Cetina and Bruegger 2000; Miyazaki 2013). They also highlight the centrality of specific technologies, narrative practices and forms of documentation in producing financial knowledge (Holmes 2014; Leins 2018; Riles 2011) and how culturally embedded norms and practices guide everyday operations (Abolafia 1996; Fischer 2012; Ho 2009; Tett 2021). Within these institutions, economic theory and expert knowledge are not merely descriptive but also performative, shaping market behavior and structures (Callon 1998; Holmes 2014; MacKenzie, Muniesa and Leung-Sea 2008), though the circulation of financial expertise is often controlled (Hertz 1998; Holmes 2014; Lépinay 2011; Ortiz 2021). Much of this scholarship spotlights the practices, experiences and relations within financial institutions (and their dealings with clients and other finance institutions, see e.g. Desmarquest 2021; Lépinay 2011; Millo, Spence and Valentine 2025; Ourousoff 2010), rather than these institutions' relationships with and understandings of those in which they invest. With the exception of studies of, for example, private equity investors (e.g. Souleles 2019), limited ethnographic attention has been paid to the partnerships formed by companies involved in lending, insurance or private equity. This gap may partly be due to the focus in ethnographies on 'high finance' on trading floors, stock exchanges, central banks, and the intermediary functions of investment banks and rating agencies, rather than commercial or development banks, DFIs or private equity firms (cf. Chiapello, Engels and Gresse 2023; Desmarquest 2021; Leins 2018; Lie 2015; Souleles 2019).

Relatedly, global finance and its attendant risks have largely been examined through the lens of self-interest, focusing on how it accrues corporate and client profits (financial and political, licit and illicit) as well as personal benefits for staff, such as wages and bonuses, career advancement and professional status (Abolafia 1996; Cetina and Bruegger 2000; Fischer 2012; Garsten and Hasselström 2003; Lipuma 2017; Mattioli 2020; Zaloom 2006). Noteworthy additions are studies of money managers' sense of responsibility toward clients and efforts to build their trust, traders' ethical concerns about speculative excess, and analysts' belief in accurate financial valuation as a moral contribution to efficient and sustainable markets (Desmarquest 2021; Fischer 2012; Guyer 2004; Miyazaki 2013; Ortiz 2021).

In contrast to much development-focused scholarship, meanwhile, relatively little attention has been directed toward industry professionals' moral appraisal of their relationships with the actors, projects and financial products in which they invest (cf. Ghosh 2020). Research on banking and currencies that present alternatives to 'mainstream' Western ones constitutes important exceptions (Maurer 2005; Pitluck 2009; Peebles with Luzzatto 2025; Rudnyckyj 2018).[4] Rudnyckyj (2018), for instance, explores how finance specialists in Malaysia strive toward financial mechanisms that promote *ummah*—community—over individual self-interest. It is this orientation that, in part, attracts my attention within for-profit aid. Similar to Islamic banking, development finance professionals interpret financial risk-taking as more than a pursuit of profit.

4 In the field of economics, works addressing moral or ethical banking and finance include e.g. Kaufer and Steponaitis's (2021) *Just Money*, Mazzucato's (2021) *Mission Economy* and Kate Raworth's (2017) *Doughnut Economics*.

Shared risk is regarded as essential for investors' ability to build mutually committed relationships with investees and other partners. The work of Rudnyckyj and others is often concerned with debates about the authenticity and meaning of these alternative financial models in comparison with 'conventional' Western ones, and (in the case of Islamic banking) the classification of some financial instruments as moral (e.g. equity) and others as immoral (interest-incurring debt). By contrast, the lines of reasoning I highlight in this chapter suggest that OECD-DAC discourses on private sector aid may infuse the full spectrum of Western capitalist financial instruments with moral value, construed as vehicles for fostering reciprocity rather than (only) self-interest.

As such, these discourses actualize theorization on neoliberalism and economic morality in neoliberal economies. Katherine E. Browne (2009) writes that every economy has a moral sphere. This sphere depicts the collectively agreed norms that structure economic exchange and define individuals' economic entitlements, whether formalized through legal codes or embedded in customary practices. The composition and reach of moral spheres vary. In neoliberal capitalist economies, it tends to be particularly narrow, limited to protecting individual freedoms and rights, and excluding positive rights associated with more reciprocity-oriented economies such as the cultivation of communities and nurturing of social bonds (Browne 2009: 20). Development finance practitioners both reproduce and expand Browne's characterization of neoliberal economies' moral sphere. On one hand, they endorse foundational neoliberal principles of unfettered market competition and individual property ownership, as well as the notion that beyond these ideals, neoliberal economies are largely technical, ideologically neutral regimes of economic governance. On the other hand, they also assert that commercial assistance models are uniquely capable of fostering reciprocal, socially vested partnerships with actors in low-income countries. As such, they infuse these capitalist exchanges with a 'positive' type of moral agency that concerns not individuals' freedoms but their mutual bond.

As noted, the preference for profit-driven development efforts often rests on a critique of aid grants as paternalistic and reinforcing socially constructed hierarchies between self-identified developers and those deemed underdeveloped. While this critique can be contested empirically, it illustrates the adaptability of neoliberalism as a set of norms or governmentality (Ong 2006; see also Bernards 2022). In the world of international development, scholars have demonstrated how neoliberal aid regimes frequently deflect or absorb resistance by co-opting criticism against them (Cornwall and Brock 2005). Ethnographic studies in Africa, Asia and Latin America highlight how policies sanctioning free-market competition and individual responsibilization have been advanced under the banners of participation (Paley 2001), community-based government (Li 2007) and local cultural tradition (Sundberg 2016), though they have simultaneously diminished access to public services, consolidated elite power and undermined the state's accountability to its citizens. Kothari and Klein (2023) capture this process of depoliticization, noting that '[i]n the 1980s, feminism became GAD; in the 1990s, radical consciousness-raising became participatory development, and in the 2000s, powerful anti-racism theory and activism was transmuted into cultural sensitivity and culture and development' (Kothari and Klein 2023: 57). Development finance appears to follow a similar trajectory. It coopts a critique of grant-based aid as an extension of

Western imperial dominance and repurposes it to promulgate aid regimes guided by donors' explicit pursuit of economic self-interests.

With some variation (detailed below), the views on the a-/im-morality of development finance discussed in this chapter were shared by experts from both Kenya and various donor countries. The geographic breadth of these perspectives and their resonance with neoliberal tropes should not be taken to imply that the countries these experts represent display a shared set of neoliberal economic policies. As Werner (2009) reminds us, the constituent parts of any economy's moral sphere are often internally contested. The extent to which my interlocutors' convictions mirror those of broader populations or governments in their countries probably varies. What they do exemplify, meanwhile, is the 'travelling rationalities' (Mosse 2011) in international development, where logics and norms circulate transnationally through epistemic communities of technical professionals. Similar dynamics have been observed in studies of finance experts working both within and beyond the realms of international aid and postcolonial critique. Several of my interlocutors working for DFIs and with guarantees, especially, could be placed in this broader, global class of financial intermediaries who have been observed to help extend the reach of finance capitalism by championing the virtues of financialization, aligning shareholder value and debt instruments with local moral registers, and, at times, appropriating and neutralizing oppositional discourses (Abolafia 2020; Ballestero, Muehlebach and Pérez-Rivera 2023; Chong 2018; Roitman 2014; Schuster and Kar 2021).

'It's All About Results': Profit-Making Aid as *A*moral

In the following three sub-sections, I describe how considerations about morality are often sidelined in the everyday practice and valuation of (especially) development finance. I present three expressions of this: by way of diminishing the significance of investors' effort; by minimizing investors' incentives or returns; and as demonstrated through the limited attention given to trade-offs between commercial and development goals.

The Irrelevance of Developers' Intentions or Gains

In discussions of the role of DFIs in mobilizing private capital for development projects, investment managers I spoke with emphasized that the profits accrued by market actors were largely irrelevant, so long as those actors fulfilled their commitments and contributed to achieving the intervention's stated objectives. Similarly, the motivations of investors mattered little. Whether a company, bank or fund chose to allocate millions of dollars to a project out of altruism, profit maximization, reputational gain or any other concern, was inconsequential as long it delivered on contractual obligations, typically measured in financial terms and the quality of services rendered.

In certain contexts, good intentions were even perceived as undermining development outcomes. A Swedish consultant with decades of experience across public and private sector development work emphasized the superiority of commercial actors in designing and implementing development projects. In his assessment, the value of nonprofit organizations was largely symbolic. For their staff, he argued, the important thing

was that they did *something* to help, rather than *what* they did. Their moral satisfaction came more from doing good and less from their doing's actual impact. By contrast, market actors were motivated by the delivery of professional, high-quality results rather than ethical or ideological commitments. As such, even if their services came at a higher price, they were more cost-effective due to their emphasis on efficiency and performance. A comparable logic was echoed among Kenyan consultants. Several recounted how the vetting process for registering an NGO in Kenya was tougher than that for registering a private business, and NGOs often worked more long-term, with the grassroots and with their organizational missions close at heart. On the other hand, NGOs were described as 'slower' than commercial firms, as well as less innovative, cost-efficient and intellectually challenging as a workplace.

In a widely cited article, business and sustainability scholar Michael Blowfield and anthropologist Catherine Dolan advance a new model for pro-poor enterprises, which they call 'development agents' (Blowfield and Dolan 2014). According to the authors, development agents should not be defined by their corporate goals, company philosophy or ideological commitments. These can vary significantly across firms, plus businesses can always be assumed to put their economic prerogatives first. What is crucial, the authors write, is the company's tangible accomplishments and accountability toward these, specifically in terms of addressing the context-specific needs and priorities of poor populations.

Evaluations of blended finance structures typically rely on two sets of criteria: *leverage*, referring to the total amount of private capital mobilized by an investment, and *additionality*, which assesses the specific value added by the subsidy. Additionality can take several forms: financial (providing capital to actors unable to access mainstream finance), value-oriented (offering expertise, technical assistance or support toward ESG standards) or development-oriented (such as job creation or enhanced popular access to credit; Andersen et al. 2019; Caio and Craviotto 2021). A central critique of blended finance structures, however, is that methods are lacking for measuring additionality in reliable and coherent ways. As a result, the impact of blended finance is often presumed rather than empirically verified. Furthermore, evaluations tend to prioritize financial rather than developmental additionality (Léon 2025; Oxfam 2017). Consequently, when the intentions of investors are downplayed in favor of their measurable outcomes, success is gauged more by the volume of capital mobilized than by actual positive change for designated beneficiaries.

The Unimportance of Effort or Cost

A related view expressed by many development finance professionals was that the value of contributions to development projects should not be judged by their cost. If an actor could help ameliorate conditions in a poor country without committing a single dollar of its own capital, then all the better. This line of reasoning pervades OECD-DAC's new statistical framework, TOSSD,[5] which has been used since

5 As we can recall from Chapter 1, TOSSD stands for Total Official Support for Sustainable Development. See https://www.tossd.org/

2021 to measure public and private resources allocated to achieving the SDGs. A key aim of TOSSD is to enhance the visibility of donor ODA investments in private sector entities. Underlying this aim is a preference for additionality rather than concessionality as a main criterion for aid—effectively focusing on results rather than effort. As mentioned in Chapter 1, a significant portion of aid delivered through private sector instruments consists of grants, primarily to DFIs (in 2019, grants accounted for 39% of total funding; Caio and Craviotto 2021:18). Historically, such capital flows to private sector entities have been excluded from ODA calculations as the operations of private sector entities like DFIs have, on the whole, not been deemed concessional; if they had been, subsiding them would have been seen as obstructing free market competition. The introduction of TOSSD has thus been criticized for blurring the lines between developmental and commercial objectives. Critics argue that it weakens the rationale behind the internationally endorsed target of allocating 0.7% of gross national income (GNI) to aid. For the past 50 years, the 0.7% goal, formalized through a UN General Assembly resolution, has been explicitly 'a measure of donor effort' (Caio and Craviotto 2021: 23). Aid 'should be felt' as a Swedish parliamentarian asserted a few years before the parliament voted to commit 1% of GNI on foreign aid in 1968 (Berg, Lundberg and Tydén 2021: 14, 36). In late 2022, the newly elected, conservative government in Sweden announced it was abandoning this commitment. Since then, aid allocations in proportion to Sweden's GNI have declined. However, the official motivation behind scrapping the 1% target has been less to cut back on aid, and more that aid should be given on the basis of desired results rather than on the principle of solidarity (Lindström 2022; see also Anell 2017).

Downplaying Economic and Development Trade-Offs

When asked, few development finance experts I spoke with recalled experiences of encountering conflicts or making compromises between commercial goals and development aims. Investments they made were rather of a 'win-win' nature, where ethical and capitalist interests joined hands. Importantly, this claim was usually made by comparing DFI investments to strictly commercial ones, rather than to aid grants. From this perspective, the work of DFIs, with their mandate to offer softer terms or lower prices to less credit-worthy borrowers, appeared more 'pro-poor.' Simultaneously, it ignored the basic issue of DFIs' for-profit business model.

Interviewees' limited contemplations about possible tensions between commercial and development goals mirrors a broader assumption observed in blended finance, arguing that impact and business imperatives do not compete with or negatively affect each other (Development Initiatives 2019). Formal evaluations of blended finance, for example, demonstrate a pattern where potential conflicts between financial returns, ESG priorities and development outcomes are largely omitted from consideration, even though settlements between these are deemed likely to occur in everyday practice (Andersen et al. 2019; Development Initiatives 2019). This lack of attention to trade-offs, I posit, could also reflect a dominant belief that profitability is a non-negotiable condition for any development investment. In DFIs' assessments of new investments and reviews of past ones, for

example, focus tends to be on financial performance. Few DFIs have been found to have clear systems to ensure that their investments reach people living in poverty, or to give serious weight to poverty-related outcomes when evaluating their impact (Attridge et al. 2019; TUDCN-RSCD 2016).

From Technicalizing to Monetizing Development

The downplaying of questions about donor effort and incentives, and potential trade-offs between impact and economic goals in the practice and valuation of profit-making aid, and especially development finance, invokes what Janet Vähämäki (2017) describes as an 'effectiveness rationale' in aid. Unlike a 'solidarity' rationale, which centers on intentions and views aid as a matter of global redistribution, the effectiveness logic is concerned solely with tangible results for intended beneficiaries. A focus on effectiveness has partly different implications for grant-based and for-profit assistance, in terms of what it foregrounds and what it downplays. In the former case, an emphasis on measurable results has been connected to the depoliticization of poverty and aid. Here, development challenges are defined primarily in technical terms, according to donors' current stock of tools and expertise, while leaving unaddressed poverty's political and structural causes (Ferguson 1990; Li 2007; Krause 2014). In private sector models of assistance, a focus on results seems to (also) downplay developers' profit-making apparatus, accepting it as a natural premise for any market-embedded initiative.[6] Hence, while grant-based aid may turn political and social challenges into technical ones, profit-making aid further reconfigures those technical problems into opportunities—presumably for investors and investees alike—to benefit financially.

Moral Projections from Outside: Handling External Criticism

Although practitioners involved in for-profit aid often promote a value-neutral focus on outcomes that crowds out moral questions about market actors' intentions, gains or efforts, they are aware that others do not. Several interlocutors shared stories of how their work was morally judged by external observers. These narratives usually spoke about criticism from the public or other development actors (especially those working on a non-profit basis), who tied the monetization of development efforts to developers' economic self-interest. The TOSSD's inclusion of returnable types of assistance as ODA, for instance, has been denounced as sanctioning donor governments to reduce their aid spending without having to report formal cuts to ODA (Kapoor 2019; Meeks, Gouett and Attridge 2020). The growing momentum of for-profit instruments and institutions has also been associated with broader political and economic shifts in donor countries, including the influence of center-right governments, rising defense expenditures, domestic

6 Similar observations have been made among other private development actors (see e.g. Blowfield and Dolan 2014).

austerity and 'aid fatigue'—that is, public disillusionment with development and humanitarian assistance (Caio and Craviotto 2021; Murphy 2025; Oxfam 2017).

A number of interviewees expressed frustration with watchdog groups and non-profit aid representatives that tended to inflate, in their view, the connection between profit-making and corporate greed. Such exaggerations undermined the legitimacy of their institutions as development agents. Most current and former DFI staff recalled encounters with colleagues working with grant-based aid who construed profit-making assistance as unsuitable for development work and fundamentally at odds with the humanitarian ethos. One of them was John. As we may recall from Chapter 5, John had spent the past two to three decades working for a bilateral DFI, as an independent consultant, and with development finance for a state aid agency. It had happened that the DFI he used to work for, John recounted, had been compelled to hide from the public eye investments that made 'too much' profit. One contract, for example, had generated a return of 1,500%. That was problematic for the DFI's public image, since the profits had been accrued from a poor country. To soften the optics, he recalled, the DFI had spread the earnings over several years. The gist of John's story, hence, was that making money was part of the DFI's *raison d'être*, but doing so too successfully carried reputational risks. These risks derived from a moral boundary in public opinion that determined how much profit a DFI should earn from funds intended for development purposes.

Alice was another finance specialist who shared similar memories from her previous job at a bilateral DFI, some five years earlier. In the eyes of the DFI's owner, a government ministry, the efforts she and her colleagues put in were never sufficient. From Alice's point of view, this was because the DFI was consistently measured against the country's public aid agency. In that comparison, the ministry found the DFI's work an 'ugly' version of aid because it drew profits from its development partnerships. As a result, the ministry micromanaged the DFI's work, making unrealistic demands. Of course, gender equality was really important, Alice gave as an example, but if the company they invested in lacked fire and life safety regulations, they had to prioritize that. Those were things that the DFI's owner did not understand. Also, her office had organized the staff Christmas party outside their building only once in seven years. As Alice understood it, this was because the management wanted to avoid any public perception of the DFI spending money on its personnel. The same concern had influenced the search for new office space. Certain prestigious city addresses had been ruled out because they risked reinforcing the image of the DFI as a profit-driven organization. Presently, Alice was employed at a bilateral DFI in a neighboring country. There, she felt substantially more satisfied with her role. Her current workplace was larger and operated with greater independence, she remarked. Notably, there was stronger public recognition of and support for the institution's work.

Long-term financial profitability (or at least sustainability) is imperative for DFIs, some of whom source funds from international financial markets and therefore need to uphold their creditworthiness (Attridge and Novak 2022; Léon 2025). However, when investments are showcased on DFI websites, focus is on

the external resources they have mobilized and the development results they have achieved. Rarely is it mentioned what the DFIs or their commercial partners have earned or expect to gain from an investment in a low-income country.

In a similar vein, several Swedish and Kenyan practitioners currently working in consulting lamented the fact that development clients sometimes preferred or even required that their contractor was a non-profit organization. Some clients had regulations stipulating that it did not have to procure in open competition but could source directly its preferred contractor if an assignment was to be undertaken by a non-profit organization (and, in some cases, priced under a certain number). Diverging from market principles of free and fair competition was hence justified on the grounds that preferential treatment was given only to actors that did not stand to gain financially from it. As indicated in Chapter 1, meanwhile, most consulting firms believed the 'non- versus for-profit' distinction said little about organizations' or individual staff members' ethics, incentives or material gains. NGO staff, several pointed out, often had higher salaries than consultants.

Still, to 'play the game', some firms downplayed their identity as a for-profit company. This included Clara, who had founded a firm specializing in a sub-field within microfinance. Aside from consultancy services, the company also provided training, sold tailor-made risk insurance and managed a digital platform. In terms of the consulting arm of the business, Clara preferred to frame it as 'research development' and 'advisory'. In my interview with her, she consistently referred to her firm as an 'organization', rather than a company or business. When I asked her about it, she explained that she called it an organization because it operated in a sector presumably populated solely by non-profit NGOs. There was a widespread aversion toward commercially based actors in her line of work, Clara asserted. For that reason, her company had lost out on numerous contract opportunities. In response, she and her co-founder had decided to rebrand their business 'away from the word "consulting"'. Her decade-long experience in the consulting industry, she continued, had taught her that consultants were widely perceived as people who were only in it for the money. 'You're there to just write a report and go.'

The Capital Gift is Capital Risked

So far, I have given examples of how DFI staff, guarantee specialists and some consultants resist situating profit-making aid in their economy's sphere of morality. They plead instead for a rational focus on measurable outcomes that sidelines concerns about developers' intentions, gains, efforts or trade-offs between commercial and developmental goals. At other times, however, these professionals bestow their work with morality. In those instances, profit-making assistance and development finance, especially, is viewed as superior to aid grants on two main grounds.

A first argument draws from the fact that most private sector instruments are geared toward effecting economic growth by creating functioning markets. Many interviewees stressed that foreign assistance should strengthen, or at the very least not disrupt, free competition. From this perspective, commercial forms of aid were seen as better suited to maintain market integrity. The less concessional the aid,

the lower the risk of distorting competition (and the better it demonstrated to other potential, commercial actors the viability of the investment, which is a key 'mobilizing' aim of DFIs). Profit-making investments, hence, were seen to safeguard the constituent parts of market capitalism, notably individuals' freedom to trade on equal terms and the protection of private property rights.

The second way in which private sector models of assistance were deemed to trump aid grants also turned on the virtue of chasing the bottom line. Rather than an expression of corporate greed (as critics often claim) it was considered a basis for more equal and reciprocal relationships between donors and recipients. A government report assessing Sweden's credit and guarantee instruments in aid captures this view. In contrasting credit schemes with grants, it argues that gift-giving may create a 'chronic state of inequality' and a relationship 'determined by the giver'. Credit arrangements, on the other hand, foster 'greater equality between the parties' (Lindahl 2006: 181–184). My interlocutors in finance further elaborated this rationale. Several distinguished grants from financial instruments such as loans, private equity and guarantees by referring to the latter as 'real money'. Real money, they held, was capital premised to be returned with interest. This expectation meant the receiver was deemed an equal—as someone whom the giver assumed would be able to reciprocate. It was not somebody who was supported out of pity or goodwill. As one finance specialist put it, real capital was used in partnerships where both sides were 'actually interested'. Interest, in this context, thus takes on a double meaning: it designates the financial return expected from the recipient, as well as the giver's interest in the recipient and the partnership as such (see also Ghosh 2020). My interviewee compared this logic to the use of grants, which made up the bulk of his employer's aid portfolio. In that assistance model, the state simply gave money away. 'Who does that?' he asked rhetorically and then answered, 'Nobody except multimillionaires'. In his view, doling out money with no expectation of return was unnatural. His work, on the other hand, aimed to bring economic actors into the 'real world'. In that world, few people saw money as limitless but rather ascribed it a measurable value, and this made it common sense to anticipate that money rendered would be reciprocated. Capitalism, he argued, was rooted in this basic principle of exchange, and shepherding economic actors into it meant freeing them from dependency on others' mercy or pity.

Many Kenyan consultants similarly supported commercial business models with reference to ideas about financial independence and self-sustainability. Unlike Kenyan non-profits, their companies did not depend on 'free money' from donors, but generated their own incomes. Clara, who preferred calling her business an organization rather than a company, also described her work as a 'social enterprise'. Its purpose was not to make a lot of money. At the same time, Clara inferred, it was important for her to be profitable. Or rather, as she put it, it was important *for Africa* that actors in the industry, like her firm, were financially self-sustainable. To require them to be non-profit, as many donors did, meant asking them to rely on the whims and goodwill of others. If donors really wanted to make a long-term impact, Clara asserted, they should put their money in

organizations that intended to become self-reliant, accumulate capital and create jobs for others.

Even the charitable were pitiful from the perspective of some finance professionals. One interviewee recalled that in her previous job at a DFI, colleagues responsible for managing programs involving large subsidies or grants were treated as something 'the cat dragged in'. They held considerably lower status in the office than the teams responsible for what most considered to be 'real investments'.

At the same time, neither she nor any other professional I spoke with categorically dismissed the value of grant-based aid. Humanitarian crises, many noted, justified publicly funded donations as appropriate responses to urgent human need and beneficiaries' extreme precarity. Effectively, my interlocutors reiterated key principles from gift theory, in that they morally valued different aid forms based on whether or how well each form's expectation of reciprocity was commensurate with the hierarchies structuring the donor–recipient relationship. The deep inequalities permeating the relationship in humanitarian aid engendered 'a notion of sacrifice' (Mauss 1990: 23) or donors' genuine disinterest in obtaining anything in return. While development-purposed grants were also issued on the basis of need and thus presupposed an unequal donor–recipient relationship, they were not disinterested alms but gifts that in practice demanded gratitude and numerous forms of compliance. Thereby, they were taken to disempower recipients, retrenching their subordination. By contrast, for-profit aid was understood to rest on a mutual and explicit agreement that the gift would be returned with an added value. This expectation levelled the partnership and made it more mutually committed.

A parallel can be made with some consultants' take on aid localization. Several Kenyan consultants argued that policies and practices in contracting that favored Kenyan competitors over foreign ones evened out the playing field. Procurement criteria that promoted 'buying local', for example, were justified on the basis that local firms' foreign competitors mainly came from donor countries and many assignments in development were either procured or funded by these foreign donors. Therefore, foreign firms enjoyed privileged access, by way of their nationality, to a lot of contracts in the international development market. This unequal relationship between Kenyan and foreign firms hence motivated localization policies. Other consultants, meanwhile, found such policies demeaning. Not unlike the DFI office mentioned above, where heavily subsidized investments were considered something 'the cat dragged in', one consultant likened local content provisions in contracting with quota systems for persons with disabilities. Importantly, however, she (like most other consultants in Kenya) recognized foreign firms' informal advantages. Hence, with regards to localization in contracting, there was agreement on the unequal relationship between Kenyan and donor-country actors, but disagreement on whether 'giving' toward that end empowered or disempowered its intended beneficiaries.

The sense of mutuality ascribed to commercially based aid partnerships gives them a relational nature of sorts. In development finance, key to this equation is the element of risk involved, particularly for the donor/investor. Buying private equity, several DFI staff cited as an example, was especially perilous, exposing the

institution to the possibility of financial loss. Taking on this risk was a sign of trust in the investee's capacity to deliver returns and in the broader economic relationship formed. According to several interviewees, this created a more balanced relationship between the parties than was possible in grant-based cooperation, where the giver formally expected little in return and therefore assumed no financial risk. For smaller institutions, these risks were far from symbolic. One interlocutor, who had worked as an investment manager at a relatively small DFI, relayed how a single failed investment could result in staff layoffs. Not only organizational but also personal stakes were at play, in other words. Guarantee instruments were ascribed the same ability to ensure mutual liability. Peter, whom we can recall from Chapter 5 as a former DFI worker currently in charge of guarantees at Sida, found the biggest value of guarantees in the fact that risk was shared. If an investment failed, Peter asserted, both parties bore the consequences. That prevented investees from entering partnerships with a complacent attitude, thinking the DFI was the only party out on a limb. A commercial structure, he deduced, assured a sense of fairness and mutual accountability. Much like Zelizer's notion of relational or 'intimate' transactions, development investments are in this way deemed to effect 'communities of fate' (Zelizer 2005: 292), built on a shared readiness to take risks. Within such arrangements, economic risk-taking thus becomes an inter-organizational, and to some extent inter-*personal*, act of trust and commitment.

Development Finance in Practice: Concessionality and Debt as Disciplining Tools

Narratives in development finance that underplay trade-offs between financial and developmental goals and attribute profit-making models with a superior ability to foster equal and reciprocal partnerships, meet resistance in everyday practice and competing discourses. In the latter cases, the donor-turned-investor is rather construed as a bearer of superior knowledge and values, and as an agent of financial discipline.

Above, I described how the pairing of profit-making and capitalist greed is often seen by development finance professionals as an unfair critique that tarnishes DFIs' reputation within the aid community. However, the same association may be treated as a real concern and potential threat to impact goals when these professionals assess potential business partners. A central justification for blended finance is that public subsidies are needed to 'ensure that private finance is mobilized in such a way that it can create positive social and environmental outcomes' (Development Initiatives 2019: 7). DFI investment managers and Sida staff working with private sector instruments similarly described their role as one of improving commercial businesses' 'conscience'. A wide array of strategies was employed to influence or shape corporate behavior: through dialogue and advocacy on issues like decent work, modern slavery or ethical migration; through strategic 'nudging' or creating environments that encouraged companies to voluntarily 'do better'; and, importantly, by attaching conditions to financial products. Loans, equity and

guarantees were made contingent on meeting requirements related to ESG standards, respect for human rights, development impact, business integrity and certain legal and corporate structures (see e.g. DFI Working Group 2021).

Moreover, capital transactions in development finance are often accompanied by technical assistance or capacity-building activities. These are intended to facilitate the transfer of expertise, practical experience and ethical standards from the investor to the investee. As a staff member at a European DFI described his organization's contribution to Agenda 2030, it was a matter of exporting his country's 'solutions' to the rest of the world. Such solutions are technical but also normative: European DFIs officially profile themselves as 'standard-bearers of Western values', as the chair of Europe's DFI association recently put it (EDFI 2024). In one study, six out of nine major bilateral DFIs researched showed some formal preference for supporting companies from their own countries (TUDCN–RSCD 2016: 21). While these preferences are designed to benefit donor-country firms, they are also justified by the belief that such companies will contribute positively to the development of local businesses in the host countries where they operate (see e.g. Impact Fund Denmark 2025).

In the earlier-cited review of Sweden's credit and guarantee instruments, the advantages of issuing loans instead of grants are also depicted with reference to the so called 'discipline motive', as well as responsibilization and price signalling (Lindahl 2006: 181–184). The author writes that a recipient country is likely to handle a grant with less care and efficiency than a loan. This is so because a grant involves no financial cost to the recipient. Thereby it weakens the recipient's understanding of the true price of what is given. Credit, by contrast, encourages more responsible behavior, as it carries an expectation of repayment. The report suggests that the more concessional a loan becomes, the weaker the borrower's incentive to act with financial discipline.

Some interlocutors expressed concern that grant-based aid schemes were too lenient with recipients. Sophia was one of them. When comparing her former position at a DFI with her present job in a public aid agency, she highlighted what she saw as a key strength of DFIs: their higher level of conditionality and closer scrutiny of partner organizations. In her experience, public aid agencies were too 'understanding' and 'flexible'. Sophia had encouraged her co-workers managing grants portfolios to tighten requirements for project partners concerning human rights, environmental safeguards and labor conditions. Sadly, she told me, they had dismissed her suggestions as unrealistic. DFIs conducted far more rigorous assessments of potential investments, she continued, including running background checks on individual staff members. In her view, the public agency's approach was far less thorough, reserving in-depth scrutiny only for projects already deemed high risk. From Sophia's perspective, this selective diligence reflected a broader culture of complacency within grant-based aid. Before her job at the DFI, she had worked for two foundations. When she left for a job with the DFI a decade ago, it was as if she had 'moved to the evil side', she relayed with a laugh. DFIs had a reputation of knowing nothing about poverty relief or human rights. And it was not unfounded, she added. Most of Sophia's colleagues who

worked as investment managers had a background in mainstream finance and were largely ignorant of the world of international development work. On the other hand, she inferred, the latter had a lot to learn from the business world. This was especially the case when it came to efficiency and working toward results. So much money had been spent on aid projects without much to show for it, Sophia insisted. The reason, from her perspective, was that those responsible were more concerned with spending the money, than with ensuring that the money achieved what it was meant to. The difference between the aid agency and the DFI, she deduced, was that the DFI placed proper demands on its partners and the partner heeded them.

The accounts above illuminate the existence of two beliefs in development finance. First, that the pursuit of the original bottom line can indeed threaten other bottom lines (tied to development, environmental sustainability, and so on), and second, that development financers are front figures in promoting and enforcing norms and knowledge about good and fair development practice. Donors/investors thus discipline investees by way of two intersecting hierarchies in morality and technical expertise, which position non-profit actors above profit-seeking ones, and actors from donor countries above those from recipient ones. These convictions contradict narratives that minimize trade-offs between commercial and developmental goals and that oppose linkages between profit-making and corporate greed. More significantly, they question the ideas of development investments as, on one hand, neutral, transactional exchanges and, on the other, as having a superior ability to foster equal and mutually committed partnerships. Instead, they suggest that debt is deployed as a disciplining tool and that financial return is only one of several aims of development finance. Like aid grants, development investments are conditional on recipients' adherence to various ethical standards under the banner of sustainability, democracy, transparency, and so on. This is largely due to the (more) concessional nature of development finance. Compared to strictly commercial finance, it targets actors who cannot afford to buy capital on the open market. Its price cuts, higher risk tolerance, lower demands on collateral and/or longer time horizons, give donors-*cum*-investors leverage to impose non-financial conditions. As such, development finance assumes traits of an unreciprocated gift. It replicates the very dilemma its experts find with aid grants, CSR and Fairtrade: of ensnaring recipients in bonds of subservience and dependency because they cannot meet their patrons' implicit expectations on full reciprocity.

An Original Gift? Debt and Colonial (Dis-)Continuities in Profit-Making Aid

As development finance continues to grow, at least at a faster rate than grant-based aid, time will tell which among the competing narratives about profit-making aid as either a-, im- or, indeed, moral, will take precedence. At present, I have described, all contend with alternative perspectives that equate profit-making interventions with capitalist excess and as fundamentally incompatible with humanitarian ethics. These prompt DFIs to downplay their commercial imperatives

when engaging with the general public or non-profit counterparts in the aid industry. More importantly, in practice, development investments do not establish, nor are they predicated upon, equal relationships between investors and investees. As opposed to strictly market transactions, they involve an element of concessionality which enables investors to impose both normative and financial terms that serve in part as disciplining mechanisms. As a result, development investments, just like grant-based aid, retain characteristics of an unreciprocated gift, casting doubt on their capacity to disrupt entrenched, colonial hierarchies.

Finance experts' calls for greater conditionality in grant-based aid, their views of profit-making aid as better able to foster financial accountability and their stress on investees' economic responsibilization (also widely observed in microfinance, see Mader 2015), may even be considered the quintessence of a neo-imperialist governance regime of which OECD-DAC aid as a whole has long been accused: of trying to discipline the poor by incorporating them into a liberal economic system premised on individual accountability and self-reliance (Elyachar 2005; Li 2007; see also Cruikshank 1999; Dean 1999). While financial responsibilization forms part of Agenda 2030's ambition to improve economic sustainability in the global South,[7] its current articulation within development finance begs the question whether and how it may influence donors' perceived historical entanglements with colonialism. The imperative of disciplining through debt may join discourses about the democratic or 'equalizing' force of profit-making aid, in ways that further dissociate OECD-DAC development endeavors from their colonial past.

Mawdsley (2018) characterizes the ongoing shift of OECD-DAC aid toward market-oriented assistance as a 'southernization' of foreign aid. Just 15 years ago, DAC members publicly critiqued the commercially-driven development strategies of 'emerging' donors like China and India as guided by self-interest rather than global solidarity (see also Bräutigam 2009). Today, however, they adopt and normalize those very practices through their renewed emphasis on economic growth, promotion of 'win-win' outcomes for both donors and recipients and intermingling of grants with trade and investment flows. 'Southern' donors, Mawdsley relays, have long claimed to provide more respectful and equal models of aid. Underpinning this claim is often an invocation of the same logic of reciprocity that my interlocutors highlight. By explicitly acknowledging their own interests and foregrounding the benefits to all parties involved, they claim to engage their partners as equals rather than as beneficiaries of goodwill (see also Rudyak 2023; Taela 2023).

However, assertions about the egalitarian character of South–South development cooperation (SSDC) are often anchored in non-DAC donors' appeal to sharing with their partners historical experiences of colonial subjugation,

7 Agenda 2030 identifies economic sustainability as one of three dimensions of sustainable development, sdgs.un.org/2030agenda. Economic or financial sustainability, as Mader points out, is a euphemism for profitability, grounded in the logic that any economic activity that cannot cover its own costs is unsustainable (Mader 2015: 34–35)

postcolonial marginalization and present-day exposure to the asymmetries of neoliberal globalization (Mawdsley 2018). Obviously, this lineage of solidarity is one to which OECD-DAC actors cannot make claim. Still, their use of for-profit institutions and instruments may symbolically help distance them from colonial history more broadly. Whether as a gift or a market commodity, the development investment's built-in expectation of return gives it a sense of newness or originality—one that generates new, ostensibly sustainable debt, rather than additional, sustained debt. In capitalist logics, the return on investments accrued through, for example, loans and private equity frame these financial services as the beginning of a transaction. Gifts, meanwhile, are generally expected to be returned with interest no matter any prior history of exchange (Mauss 1990). But my interlocutors often portrayed development finance as *creating* equality and reciprocity in ways that 'traditional' grant-based aid had failed to do. As such, they nurtured a notion of their assistance schemes—often termed '*innovative* finance'—as the original source of this new type of development partnership (see also Hooli 2021; Jauhiainen and Hooli 2019). *Modern* aid, as asserted by Sweden's newly appointed minister for International Development Cooperation and Foreign Trade, is aid that also benefits Sweden (Dagens Nyheter 2023).

More importantly, this logic, also conveyed by SSDC proponents, associates neocolonialism with patrimony and charity and its inverse with profit-making and reciprocity. In effect, it advances a memory of colonialism that forefronts its ideological or civilizing, rather than capitalist, pursuits. The considerable evidence identifying finance capital as both an engine and beneficiary of European imperialism and slave trade (Baucom 2005; de Goede 2020; Harvey 2003, 2004; Hoang 2022; Hudson 2017) fits uneasily with development finance's self-portrait as breaking with neocolonial aid regimes or at least as largely unaffiliated with colonial history. In questioning the value of aid grants, a European finance specialist I interviewed made the curious remark that his own country had never 'received money' from others. Over the course of the last century, it had emerged from poverty through its own efforts. Therefore, was it not reasonable to expect contemporary low-income countries to do the same? From his vantage point, just as questions about the motives or benefits of European investors were inconsequential for their contribution to development in Africa, so was colonial history.

Post-colonial critiques or associations between European imperialism, on one hand, and debt and underdevelopment in the global South, on the other, were also conspicuously absent among Kenyan consultants. They, too, saw profit-making development as key to sustainable growth in Africa and an antidote to donor dependency. It was about 'going from donorship to ownership', as Emily put it. Importantly, however, Emily and other Kenyan consultants condemned donor dependency less on moral grounds, as engendering complacency in recipients (representing the neoliberal antithesis of self-sufficiency), or as neocolonial, extending relations of Western domination. Rather, they saw it primarily as an economic survival strategy in the face of observed or anticipated declines in aid flows and indications of rising 'aid fatigue' in donor countries. Unlike NGOs, Emily added, for-profit actors could

survive on their own if these sources of foreign funding left. NGOs, on the other hand, which ultimately depended on charity, would 'go under'.[8]

Victor, born and raised in Kenya, put it in similar terms. He was the director of a consulting firm specializing in rural business development, but he had spent over two decades working for non-profit organizations. Earlier in his career, he recounted, he had found the non- and for-profit distinction meaningful and could see the value of each. Nowadays, meanwhile, it made less sense. All statistics pointed in the same direction, he noted: the USA, the UK, Sweden, the World Bank—everyone was cutting back on aid. At the same time, the Kenyan state, like many African countries, struggled with a heavy foreign debt. That inevitably invoked the question of development sustainability. Building a conducive environment for domestic private sector growth, Victor deduced, was the only way forward. Debt, in itself, was part of many consulting firms' strategy of financial sustainability. Several interviewees recounted how they used bank loans to cover running costs and pay taxes while waiting to be remunerated by clients. However, this was a commercial form of debt, and one owed to Kenyan institutions rather than European or American ones.

Regardless of their preferred debtors—domestic or Western—all the narratives above indicate that the growth of for-profit aid will do little to counteract OECD-DAC donors' observed disassociation between present-day poverty and European history of colonial, capitalist exploitation in Africa and elsewhere (Hickel 2018). At the same time, recent years have witnessed a growing movement to decolonize aid which have partly involved demands for aid grants and debt cancellation as a means of reparative justice (CARICOM Reparations Commission 2025; Overseas Development Institute 2022; c.f. Zambrana 2021[9]). These calls have been particularly salient in the realm of climate finance, where the disproportionate impacts of climate change on many of the world's poorest populations and former colonial subjects, are widely understood to be long-term consequences of centuries of Western industrialization (Perry 2021). Appeals to foreign debt cancellation are gaining traction as the escalating debt burdens faced by many low-income countries, not least in Africa, are raising alarm among wider global publics (World Bank Group 2023). Following the African Union's (AU) conference on Reparations in Accra in 2023, reparations is currently an AU flagship project. Invoking the multidimensional and large-scale harms incurred by transatlantic enslavement, colonialism and apartheid, the AU proclaimed the year 2025 as the year of 'Justice for Africans and People of African Descent Through Reparations' (African Union 2025b). The same year (2025), the AU held its first conference wholly dedicated to the emerging crisis of public debt on the African continent (African Union 2025a).

8 As we can recall from Chapter 3, Emily was a white European who had come to Kenya and founded her firm a decade earlier. Though she was not African, neither was she an expat, she asserted, emphasizing how she had come 'on her own', built a firm in a market of (until recently) mainly Kenyan clients, employing only Kenyans.

9 Fanon-inspired Marxist critics of debt cancellation as reparation, like Zambrana, argue however, that reparation also requires the rejection of private property and racial, gendered and class hierarchies, as the constituent parts of capitalism.

Together, these developments indicate that the politics of debt will remain central to debates in international development circles. Time will tell how interpretations of debt creation as engendering more equal and reciprocal North–South partnerships and/or more financially responsible and self-sustainable beneficiaries, will endure in the face of demands for debt cancellation and grants as forms of postcolonial redress. While my research highlights the potential of a growing for-profit aid sector to further erode the memory of colonialism's capitalist exploitations, other studies show how development's financialization (especially) sustains such exploitations in practice (see e.g. Bernards 2022; Chiapello, Engels and Gresse 2023, Karwowski 2022; Mader 2015; Musthaq 2021). Marxist political economists and geographers, for example, have laid bare the historical continuities of poverty finance (Rankin 2013). They bring to the fore the colonial roots of current neoliberal tropes around risk management, resilience and financial inclusion, and how these have materialized in efforts to broaden popular access to formal, including private, finance (Bernards 2021, 2022; Perry 2021; Soederberg 2014). As has been observed about the technicalization of (predominantly) grant-based development work (Ferguson 1990; Li 2007), the financialization of development has been attributed with a long history of, mostly, failures, that have, paradoxically, encouraged more of the same (Bernards 2022). Bernards writes that its failures largely owe to its inherent paradox: finance capital is risk-averse and profit-oriented and therefore not interested in funding the poor who generally imply high risk and low returns (see also Attridge and Novak 2022[10]). In practice, therefore, poverty finance tends to transfer the costs and risks of development onto the poor. As such it does little to challenge the structural inequalities and processes of exploitation that ultimately create poverty. While Bernards (2023) stresses private capital's limited interest in funding development projects (like those purposed for financial inclusion), other scholars highlight its predatory qualities. One example is Schuster and Kar's (2021) ethnographic study of microlending institutions in Paraguay and India. The authors identify these institutions as nodes within a 'subprime empire' that sustain global capital accumulation and offer terrains for fintech experimentation. Because the precarity of low-income borrowers pushes them to repay at all costs, microfinance leverages global capital and thereby constitutes a part of global finance's imperial logic of extracting from the poor. Importantly, Schuster and Kar show that while this subprime empire relies on predatory lending worldwide, the moral valuation of indebtedness differs between contexts. Whereas subprime lending to credit-poor homebuyers in the USA has been widely condemned as exploitative, microfinance schemes targeting marginalized communities in countries like India and Paraguay continue to receive international acclaim (see also Rankin 2013). Together, these studies highlight the importance of interrogating the colonial continuities of development's financialization in terms of both its materialization (including its limitations, withdrawals and failures), and its moral logics of giving and indebting, developed and underdeveloped, that rationalize them.

10 Attridge and Novak (2022) criticize a number of DFIs for their low risk-appetite, and see this as a key factor behind DFIs' relatively limited success in recent years, in mobilizing private finance and delivering on impact objectives.

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7 The Sociality of Competition

Consultancy Contracting[1]

This chapter centers the institutional realm of consultancy contracting in aid (Sundberg 2024). It examines how articulations with New Public Management at Sida and other state aid agencies have affected procurement practices as well as consulting markets and companies in both donor- and recipient countries. In recent years, a longstanding emphasis on measurability, transparency, and free and fair competition in procurement has been supplemented by measures to substitute some control with trust-based management, where Sida staff place their trust in contractors as organizations rather than in the persons representing them. Simultaneously, efforts to soften the administrative workload of procurement have led to the consolidation of consultancy contracts into fewer, larger units, with an increasing number of services purchased through so called framework agreements. These changes have impacted the competitive criteria for consulting firms. Particularly, they accentuate the importance of social relationships and relational labor, which partly have different implications for consultants based in donor- and recipient countries.

Research on Contracting in and beyond Aid: A Review of its Constituent Parts

Most research on public procurement is produced within the fields of economics, law, administration and management. These studies offer policy-relevant insights into, for example, procurement systems' capacity to deliver 'value for money', uphold free and fair competition, promote sustainability and innovation, and support small- and medium-sized enterprises (SMEs; Fazekas and Blum 2021; Rejeb et al. 2023). Focus in this scholarship, meanwhile, is usually on the regulatory frameworks and practices of procurement, rather than those of tendering, and on procurers rather than tenderers. In effect, there is limited knowledge about suppliers' experiences and perceptions of tendering for state contracts and the factors determining their success (Rejeb et al. 2023). Exceptions to this research landscape include Furusten's (2018) investigation

1 The theoretical inspirations and empirical results from Sida headquarters and Swedish consultants draw from a journal article published in *Forum for Development Studies* entitled 'A quest for state contracts: Public procurement and the shaping of competitiveness in development consulting' (Sundberg 2024).

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into the procurement of management consultants, and studies by Akenroye et al. (2022), Alexander et al. (2022) and Budak and Rajh (2016) on the participation of small firms as subcontractors. These contributions cast valuable light on business networks and suppliers' perspectives on procurement regulation. While some involve interviews with buyers and/or vendors (Akenroye et al. 2022; Furusten 2018; see also Berríos 2000), scant attention is given to the everyday practices of tendering or procurement, or the actual content of bids, assignment descriptions or contractual terms. Furthermore, geographical focus in these studies is on North America and Europe, rather than aid recipient countries or contexts of international development work. Finally, they largely leave unexplored procurement activities delegated to diplomatic missions or states' foreign partners operating abroad.

In research on foreign aid, public procurement and the use of contracted expertise have primarily been examined through the lens of outsourcing. Accompanying broader critical analyses of neoliberal management and the retrenchment of the welfare state, these studies link public agencies' reliance on consultants to staff cuts and downsizing (Hindman 2011; Whitty et al. 2023). They outline, for example, how public aid flows are redirected into the hands of private corporations based in donor countries, and how these firms increasingly shape development agendas by promoting market logics, commercially-based assistance, and contracting in aid (Berríos 2000; Brunt and Casey 2022; Hulme and Edwards 1997; Roberts 2014; Whitty et al. 2023). In addition, they illustrate contracting regimes' contribution to the militarization of aid and diplomacy and the erosion of accountability to citizens in both donor- and recipient states (Nagaraj 2015; Rosenberg 2017; Stanger 2009). This scholarship brings critical attention to the consequences of outsourcing aid work to the market for fund allocations, the formulation of project goals, and basic understandings of what aid is and how it should be implemented. However, it is largely focused on the contexts of the USA and the UK.

A number of foreign aid studies, including ethnographic ones, also spotlight the everyday labor of development consulting. Their focus, meanwhile, tends to be on individual consultants and their delivery of technical assistance, rather than on firms competing for clients and assignments (Mosse 2005; Rottenburg 2009). Together, these works uncover the multiple roles of consultants, for example as instruments deployed by donors to institute recipient state accountability and curb political patronage (Gibson, Hoffman and Jablonski 2015), intermediaries brokering knowledge between development actors (White and Haapala 2019) and neo-imperialist henchmen retrenching donor–recipient hierarchies (Koch and Weingart 2016).

A notable example of studies that widen their gaze beyond development consulting as service delivery, is White's (2020) study of consultants in Finland. Part of the article explores changes in aid-related public procurement and their effects on the Finnish consulting market and its firms. This chapter can be read as seeking to contribute to White's line of inquiry. It probes the substantial part of consultants' labor dedicated to competing for contracts, and how changes in public aid and procurement shape firms' organization, their tendering practices and the factors that determine their success in attaining public contracts.

Hopkinson and Zidaru (2022) define competition as an inherently social process that yields unpredictable outcomes. Their special issue on 'what competition does'

challenges mainstream scholarship on competition. In neoliberal economic thought, they write, competition is typically framed as a mechanism for fairly allocating resources based on the objective valuation of contending entities (e.g. Hayek 2008). In contrast, anthropologists and other critical social scientists tend to foreground competition as socially disruptive and to the detriment of those already disadvantaged. Both paradigms, Hopkinson and Zidaru note, often presume competition to be largely synonymous with capitalism, and as such, a relatively predictable social organizer (see e.g. Elyachar 2005, Huang 2020, Kar 2018 and Li 2007 for anthropological critiques of market competition enforced in the name of development[2]). In place of this view, Hopkinson and Zidaru draw from studies of play and games to theorize competition as a socially embedded practice that invites creative and critical engagement with existing norms and rules. Through ethnographic inquiry, they show how competitors, arbiters and audiences variously interpret what competition entails, how it should be conducted and what is worth competing for—all of which bring about unexpected outcomes. Tendering for contracts in international development, I will show, similarly surfaces different experiences and understandings between public procurers and private consultancy firms, not least in terms of how to ensure both fair and cost-effective competition, and the role of social relationships in contracting.

A Note on Methods and Material

Besides interviews with Sida staff and consultants in Sweden and Kenya, this chapter draws on a review of the documentation of nearly all consulting services procured by Sida headquarters between 2018 and 2020. This material includes Sida's procurement announcements (including assignment descriptions and terms of reference), bidders' submitted tenders, Sida's evaluations of tenders and, finally, contracts awarded and signed. The assignments studied concern Sida's core operations, excluding 'supporting' services in, for example, audit, evaluation, IT, human resources, legal counsel and logistics. All contracts assessed were procured through open procedure and subject to international competition in accordance with EU regulation. During this three-year period, 98% of Sida's consultancy-related expenditure was concentrated in nine framework agreements spanning six thematic areas: 'Democracy and human rights', 'peace, human security and humanitarian assistance', 'results-based management', 'financial development', 'agriculture, employment and market development', and 'sexual and reproductive health and rights (SRHR) and global health'. In three of these areas, only a single procurement was carried out. The remaining three involved two framework agreements each: 'peace, human security and humanitarian assistance' involved procuring a helpdesk *and* medium- to long-term services; 'results-based management' entailed one general agreement and one focused on research cooperation; and 'SRHR and global health' comprised a helpdesk and an agreement on short-term assignments. Beyond these nine agreements, which totalled 13.6 million

2 However, many of these and similar anthropological works recognize how poverty capitalism in its various forms often yields unpredictable outcomes, both positive and negative.

USD,[3] Sida also procured three geographically specific consulting services in the fields of research, gender and civil society. These were relatively minor—one was not subject to competition—and together they accounted for the remaining 2% of Sida's consultancy budget. As such, they fall outside the scope of my study.

The Kenyan consulting companies included in my research had not tendered for any of Sida headquarters' framework agreements. In fact, as I unpack in this chapter, the large size and complexity of these agreements mean few Kenyan firms qualify as contractors. And yet, Sweden is far from the only donor agency that has turned to framework agreements in recent years. Swedish aid policy and contracting practices exemplify trends visible across the OECD-DAC. Moreover, many features of Sida's framework agreements also permeate individual contracts that Sweden and other donor agencies issue, not least, from their field offices in aid recipient countries. Those are the types of contracts that Kenyan firms usually tender for, to which my Kenyan interlocutors testify below.

Development Contracting in Sweden

The development consulting market in Sweden is intertwined with the Swedish state's evolving engagement with NPM paradigms over recent decades. Beginning in the early 1990s, the Swedish government introduced a series of public sector reforms aimed at enhancing efficiency. These included strengthening financial oversight and performance monitoring, and marketizing public services through downsizing, deregulation, privatization and outsourcing (Blix and Jordahl 2021; Keijzer et al. 2018). In the field of international aid, NPM was most visibly institutionalized from the mid-2000s onward through a sharpened focus on measurable results. Various performance metrics became central for assessing aid and its value for money vis-à-vis Swedish taxpayers. They shored up mechanisms of audit and control and privileged quantitative verifiability and economic measures of development (Keijzer et al. 2018; Vähämäki 2017). For Sida staff, these reforms meant growing administrative workloads, which was compounded by a long-standing trend of rising aid budgets parallelled with human resource cuts (Tarschys 2020).

One means through which Sida has dealt with growing workloads and responsibilities has been to allocate parts of them to consultants, whose costs are charged to the aid budget rather than the agency's administrative budget (Tarschys 2020: 73). However, in recent years, contracting consultants has become increasingly complex. In 2008, the Swedish Public Procurement Act introduced more stringent transparency requirements and expanded the scope of procurements subject to international competition, in accordance with EU regulation (Government of Sweden 2007). In international aid, the reform was accompanied by a critique of Sida's earlier contracting culture as shaped primarily by personal networks and informal relationships. Several interviewees contrasted the non-transparent and discretionary procurement practices of 20 years ago with what they saw as today's highly formalized, regulated and ostensibly

3 In six procurements, numbers represent Sida's ceiling amount. In the other three, costs are based on Sida's *ex-ante* estimation of an annual average.

transparent procedures. One such account came from Lisa, who began her consulting career in the mid-2000s as part of a small, staff-owned Swedish firm. At that time, she recalled, Sida desk officers hand-picked consultants based on their personal understanding of consultants' expertise and agreement with their own convictions about development and aid work. Within a few years, however, the pendulum swung in the opposite direction. Now, Lisa continued, everything in tenders was quantified and scored. Contract awards hinged on a firm's ability to check certain boxes or on differences of a few Swedish kronor between one tender's budget and another's.

Stricter transparency requirements combined with the growth and professionalization of Sweden's consulting market during the 1990s. Partly as a result, an increasing number of contract awards was appealed by firms that lost procurements. Some of these appeals attracted public attention and raised political and popular concerns about Sida's procurement procedures. In response, legal counsels at Sida intensified bureaucratic oversight of contracting processes to shield the agency from accusations of misconduct. Tellingly, consultancy contracting today, several Sida staff recounted, was widely seen as burdensome and a source of anxiety and frustration.

To streamline and consolidate its use of external contractors and manage rising workloads of procurement, Sida, like many aid agencies internationally, have turned to framework agreements (Nagaraj 2015). These agreements serve as umbrella contracts that define the legal conditions under which smaller, specific contracts—'call-offs'—can be issued to pre-approved suppliers (Council Directive 2014/24/EU, Art. 33). When a need arises, Sida initiates a call-off within the framework. All participating contractors are invited to bid for the assignment. Alternatively, if the assignment falls below a specified cost threshold, it is awarded directly to the top-ranked supplier from the original tender evaluation. Framework agreements typically entail complex and resource-intensive assignments, favoring large firms with extensive in-house capacity or the means to rapidly mobilize specialized external experts. Partly as a result of this, over the past 15 years, several small Swedish firms have either closed, merged or been absorbed by larger international corporations. The drop in demand that spurred the consolidation of Sweden's consulting market also owes to Sida's shift away from hiring consultants for project implementation, instead delegating such tasks to multilateral organizations and Swedish civil society organizations and state institutions. Additionally, it is tied to aid localization efforts, also observed in other OECD-DAC states, in the sense that many procurements, especially of audits, assessments and evaluations, are now delegated to local partners and field offices in aid recipient countries.

Following the ownership restructuring of three Swedish, staff-owned firms—Sipu International in 2009, InDevelop in 2015 and Orgut in 2016—the business of development consulting in Sweden has come to gravitate around two firms with foreign owners. One is Niras Sweden AB, with a workforce of 230 spread across six locations and owned by the Danish engineering firm, Niras Group. Until late 2022, the other was FCG Swedish Development AB, employing 20 people with expertise in governance, natural resources management and evaluation. FCG was owned by Finnish Development Consulting (FCG), a company active in various development-related areas. In 2022, FCG acquired Transcendent Group and changed its name to Advisense Group, focusing on consulting in governance, risk and compliance, mainly

targeting European clients, with a staff force of 450 spread across seven European countries (Advisense n.d.).

Beyond framework agreements, Sida has adopted additional strategies to navigate the audit culture emerging from decades of embracing top-down accountability, measurability and transparency. One such strategy involves an institutional shift toward 'trust-based management'. This and similar alternative management approaches have cropped up around the world, partly also in protest against NPM's erosion of local ownership, reciprocal trust and solidarity in development work (Alexius and Vähämäki 2020; Shutt 2016). In 2016, the Swedish government instituted a public commission called the Trust Delegation (*Tillitsdelegationen*) which recommended reducing oversight and regulation within public administration (SOU 2018). At Sida, staff members' individual assessment of a partner organization's trustworthiness became a criterion when deciding whether and which mechanisms of control should apply to the partnership. However, as Alexius and Vähämäki (2020) recently found, Sida personnel have been hesitant to dispose of standardized control procedures—unless the partner can demonstrate that it qualifies as a 'proper organization'. This means having in place certain management practices and control systems recognized by Sida staff as evidence that the partner agrees with Sida's standards on institutional conduct and procedure. According to Alexius and Vähämäki, this emphasis on organizational propriety partly reflects Sida's internal constraints on time and specialized expertise. General management knowledge is more easily gained and transferable, measurable and applicable across contexts, compared to technically specialized expertise. In addition, the authors write, the 'proper organization' criterium mirrors a global trend in which interpersonal trust is being replaced by trust in generic, impersonal systems of certification, control, institutions and quantifiable estimates (see also Bromley and Meyer 2015).

In sum, contemporary Sida maintains a strong focus on measurability, transparency and open competition, while also pursuing two recent directions: reducing oversight through organization-centered trust-based management and easing administrative workloads via framework agreements. These shifts have come to shape tendering practices and the competitive edge of contractors. As I outline below, they have accentuated the importance of three types of strengths for winning Sida contracts: social, organizational and individual.

Organizational Strength: Selling Efficient Management and Seamless Teams

One aspect shaping the competitiveness of development consultants is organizational. It has two parts. The first involves bidders' display of how they intend to deploy their human resources to rapidly respond to Sida's call-offs made within framework agreements. The weight given to this ability reflects Sida's emphasis on partnering with 'proper organizations' (which, as mentioned above, has gained importance with the agency's shift toward a less audit-driven, more 'trusting' management approach). In assessing potential partnerships, Sida's conception of a proper organization includes various attributes, such as organizational autonomy, a distinct identity, clear boundaries,

hierarchical structures and systems grounded in rational planning (Alexius and Vähämäki 2020: 32). When procuring consultants, Sida primarily focuses on the final two elements—firms' hierarchical structure and rational decision-making. These are operationalized in two core criteria that consistently appear in tender evaluations: how bidders organize their response to call-offs and the systems they have in place for quality assurance. In six of the framework agreements I reviewed, these criteria carry equal or greater weight than any other. In the procurement of medium- to long-term services within 'peace, human security and humanitarian assistance', they are the sole criteria evaluated (Sida 2020b: 29).

Tenders' internal systems for handling call-offs are considered sufficiently critical that some firms request these sections of their bids to be classified in order to prevent economic harm. In all three framework agreements where such requests were submitted and granted, the redacted content included details on firms' procedures for recruiting external consultants, their CV databases, and/or the identities of key experts. An employee from one of the firms that made such a classification request explained the rationale as twofold: protecting the firm's network members from being recruited by competitors, and safeguarding the firm's core business model, which centered on providing 'expert networks'.

Large multinational consulting firms often maintain dedicated units for managing framework contracts. These units oversee both the preparation of tenders and the coordination of responses to call-offs issued under framework agreements. Time efficiency is central to this process. The winning bid for the framework agreement in 'peace, human security and humanitarian assistance' details the consortium's initial procedure for handling call-offs hour by hour. According to the document, within one hour of receiving a call-off from Sida, the Framework Contract Unit of the lead firm, based in the Netherlands, will confirm receipt. Within the second hour, it will forward the call-off to the other two consortium members, requesting them to 'provide CVs', 'confirm absence of Conflict of Interest (CoI) and intention to submit an offer' (Ecorys 2020: 17). That same day, all consortium members are required to respond and join a teleconference to discuss the assignment.

Tenderers' strength in creating time-efficient systems for accommodating call-offs is also crucial for securing actual revenue-generating work. Even in framework agreements where the top-ranked firm is automatically offered all assignments below a specified price threshold, the firm forfeits the assignment if it cannot promptly present a team of consultants with the qualifications specified in Sida's call-off request.

From Sida's perspective, bidders' management of their responses to Sida's call-offs is taken as evidence of contract-holders' ability to 'ensure adequate staffing' for the services requested in each assignment, and that this is achieved with a 'quick turn-around time' (Sida 2020b: 29; Sida n.d.). Notably, although contract-holders frequently rely on external experts for these assignments, Sida demands limited information about how such experts are recruited, the selection criteria used, the unit or staff involved in hiring or the level of transparency involved. As a public agency, Sida's own contracting of consultants is open to detailed public scrutiny, meant to guarantee that the institution respects principles of free and fair competition. But in terms of the contracting done by Sida's procured firms within

a framework agreement, the same transparency and accountability prerogatives are largely eclipsed by the agency's emphasis on rapid team mobilization and the quality of the expertise purchased.

Putting in place and demonstrating to Sida, as the client, a lean and effective internal organization is part of the practice of tender preparation. This represents the second dimension of organizational strength essential to a consulting firm's competitiveness. Developing a tender for a framework agreement, my interviewees relayed, typically took multiple weeks. On average, the winning or top-ranked tenders in the framework agreements examined comprised 172 pages, submitted across 24 separate documents.[4]

To my knowledge, none of the Kenyan firms in my sample was currently the lead firm in a consortium that had a large framework agreement with a foreign development partner. The human resources required to set up special units devoted to the pursuit and coordination of such framework contracts were beyond the scope of most firms. Meanwhile, many testified to the same kind of tender-writing machinery. Some of the larger Kenyan firms had staff specialized in tender writing. In a majority of companies, however, consultants who sold their time also took part in drafting bids. Among the ten Kenyan firms in my sample who gave me a rough estimate of their firm's success rate when tendering in open competition, that rate was on average 30%. It meant that firms typically lost twice as many contracts as they won. In some companies, success rates were considerably lower, down to 6–10%. In one such case, the firm representative calculated that his company submitted on average 30 tenders a month, making tender-writing the main activity for most in-house employees. Meanwhile, the firm was lucky to win one or two of these.

Though countless work hours were spent on drafting tenders that ultimately would not lead to a contract, bidding also served other purposes. Fredrick gave two examples of such additional objectives. As we may recall from Chapter 3, Fredrick's Nairobi-based firm was almost three decades old. It had started out in engineering but had for the past two decades also sold services in management. Fredrick recounted how taking part in tendering was a way to 'show your face' in the market. That is, it offered an opportunity to introduce the firm to the client. Even if you ended up without a contract, he explained, perhaps the client would remember your business some other time down the line when it needed a minor service that could be sourced directly, without competitive bidding. Second, Fredrick continued, tendering gave you knowledge of the market. It offered insight into clients' procurement rules and routines, which could vary significantly from one foreign development organization to another, and from one government to another. The latter group of clients was important for Fredrick, since his firm also tendered for assignments in other, mainly African, countries. Most contracts for which his company tendered, however, were procured by the Kenyan government. In those proceedings, Fredrick explained, the government usually provided the names of all contenders, as well as the name of the firm(s) awarded the contract. That gave you a good understanding of which other actors were in the same business, he explained. It

4 The winning tender for the 'RBM' contract was excluded from this calculation because an unknown number of tender pages had been removed after being classified.

meant you learned about your competition, but also about potential partners to whom you could reach out in preparing future, larger bids.

A key factor in securing contracts, several consultants stressed, was the skill to produce strong tenders. At the same time, many successful companies delegated tender writing to individuals without the technical expertise requested in the assignment description. Lisa, now employed at Sida, reflected on the organizational changes at her previous workplace, a small, staff-owned Swedish consulting firm, following its acquisition by a foreign-owned company some 20 years earlier. One such change involved establishing a dedicated structure for tender writing and team mobilization. Since the firm had to 'follow the money', as Lisa described it, she was assigned to draft bids in sectors where she had limited experience. This was not too problematic, though, she added. Much of tender writing involved meeting administrative requirements and matching team members' CVs with client specifications. Being removed from the substantive content of assignments, however, could be a concern in team recruitment. Lisa recalled that identifying experts for specific assignments sometimes involved searching CV databases filled mostly with individuals she had never heard of. Nevertheless, she occasionally selected candidates based on certain boxes they checked in their résumé, expecting those qualifications to enhance the tender's overall score. Recruiting in this manner felt disconnected from reality, she admitted—it was, in her words, like building castles in the sky.

Indeed, while team mobilization often entails screening prospective consultants' CVs, it also requires assessing those consultants' dependability or trustworthiness. The firmest basis for that assessment, I was told, was in-house staff's past experiences of collaboration with those consultants. Like Lisa, many current and former consultants in both Sweden and Kenya indicated a preference for recruiting 'known' experts. In Kenya, a majority of firm representatives said that team members they sourced for individual tenders, and, especially, their associated consultants, were selected primarily among persons who had previously worked with either the firm or any of the firm's permanent staff in their prior workplaces.

Across most of the tender documents reviewed, consulting companies describe their networks of experts (from which team members are meant to be selected in response to call-offs) using terms such as 'trusted', 'close', 'robust' and 'established'. In its bid for the framework agreement on 'democracy and human rights', Niras, for example, states its aim to 'work with experts who have an established history working with us'. It further notes that its database includes special markers for 'experts previously verified by Niras' (Niras Sweden AB 2019: 13). Personal familiarity with external consultants, in other words, is often upheld as an ideal within consulting firms, and one presumed as contingent on prior socio-professional interaction.

This ideal is also visible on the buyer's side, though more implicitly. Sida's official criteria for evaluating tenders do not formally assess whether, or at what length, bidders plan on using in-house staff to implement assignments. The agency only demands information on whether tenders involve subcontractors and/or form part of a consortium and, if so, that they ensure that these arrangements comply with legal requirements. The use of subcontractors is generally promoted as a means to increase access to public sector contracts for SMEs

(European Commission 2021). However, Sida's evaluation protocols reveal that in-house staff capacity is treated as a comparative strength. In the evaluation of tenders for medium- to long-term services within 'peace, human security and humanitarian assistance', the term 'in-house' appears 11 times (Sida n.d.). Under the criterion concerning the tenderer's partnerships, including in ODA-eligible countries, Sida evaluators remark that the selected tenderers '[rely] primarily on in-house expertise, which is assessed as strong' (Sida n.d.). The technical proposal from the winning tender states that in-house staff 'enables us to offer a degree of reliability that external freelance experts cannot always offer' and that subcontracting would be limited to 'experts built upon longer term co-operation [...] as opposed to shallow and infrequent "body-shop" relations' (Ecorys 2020: 14, 30).

Differently put, framework agreements' considerable size and demands on expertise means successful tenders are partly products of bureaucratic 'paper production' machineries and, more importantly, of temporarily assembled teams of externally recruited consultants. Yet, Sida's evaluation of tenders also suggests a shared assumption among consultants in Sweden as well as in Kenya, that the quality of contracted services demands that the consultants hired to deliver them are personally familiar, both to the firm management and with each other, based on prior work collaborations. A competitive team of experts, in this sense, must be both uniquely tailored to the assignment *and* already stable, tested and approved.

Individual Strength: CVs

A second competitive criterium is found at the individual level and concerns the compilation of merits presented in consultants' curricula vitae. In four of the eight procurements where consultants' 'competence,' 'qualifications' or 'experience' were assessed, Sida based its evaluation solely or primarily on the résumés of individual team members (the other main criteria being tenderers' reference assignments, and less frequently, interviews and mock assignments).[5] Tenderers are typically required to present selected team members' qualifications using CV templates, pen profiles or by completing matrices provided in Sida's terms of reference, which detail required thematic, geographic and methodological competences. These matrices are also employed internally by consulting firms during tender preparation. When sourcing external consultants for a bid, firms may ask candidates to fill out clients' matrices as a means of screening their suitability for a given tender or call-off assignment. The importance Sida accords individual experts' qualifications leads consultants to dedicate substantial time and effort to their CVs—regularly updating them to reflect new merits, tailoring them to specific tenders and strategically placing them in the databases of major firms and on online platforms.

5 Sida's evaluation of consultants' expertise in one of these (helpdesk in 'peace, human security and humanitarian assistance') is partly intertwined with its evaluation of tenderers' organization and methods.

Both consultants and Sida staff suggested that the growing reliance on CVs in tender evaluations stems from their ease of assessment. Compared to the more complex content of project designs or methodological and analytical approaches, CVs were more straightforward to evaluate and quantify. This made contract awards more transparent and easier to audit, lowering the risk of appeals from unsuccessful bidders or of raising questions among procurers' in-house controllers.

The prioritization of quantifiable measures is evident in Sida's CV templates and criteria for evaluating CVs, as well as in tenderers' interpretation of them. Key qualifications requested in these templates typically include the number of assignments completed within a specified timeframe, total years of experience in thematic, geographic and/or technical fields and proficiency levels in various languages. Even when numerical input is not explicitly required, tenderers often quantify their information. They list the number of countries worked in, seminars led, individuals or institutions trained, publications authored, students taught, portfolios managed and clients served. Moreover, while not all evaluation criteria are quantitative in themselves, each is individually scored by Sida. In the procurement for the framework agreement within 'agriculture, employment and market development', tenders could receive up to 50 points out of 100 for the criterion 'competence'. This was broken down into sub-categories such as 'thematic relevance', which could give a maximum of 35 points (Sida 2019a: 21–24). 'Thematic relevance' was further divided into sub-areas like 'agriculture sector development' and 'rural development', each worth up to 7 points. All parameters were assessed on a 0–100 scale, using five predefined grades (e.g. 80 = 'good', 40 = 'poor'). Each score contributed to a weighted total. Tenders scoring at least 60 points advanced to the second stage where their quality score was weighed against their price. The price–quality ratio is determined in each Sida procurement through an upward adjustment factor; in this case 3, generating a 'percentage surcharge'. The total score of each tender, called 'comparative figure', is calculated according to the formula 'Comparative figure = Tender price × (1 + Percentage surcharge)'. The tender with the lowest comparative figure is ranked highest. The final scores are thereby calculated with remarkable precision. The winning tender in the 'agriculture, employment and market development' procurement received 1,284.3 points, and the difference between the second- and third place bids amounted to just 11.8 points, or 0.7% (Sida 2020a: 2).

This granular evaluation system demonstrates Sida's continued stress on measurements that are precise and quantifiable, effectively affording its operations a high level of auditability. It also speaks to research showing that contract-based relationships in aid tend to make funding criteria more rigid and specific. In the competition for consulting assignments, this has been noted to privilege private consulting firms over, for instance, NGOs, given how the former often brand themselves as delivering services that conform closely to contractual terms and client directives (Gulrajani 2011; Nagaraj 2015). Still, many consultants I spoke with expressed skepticism toward clients' strong emphasis on measurable indicators, particularly CVs, in procurements. Similar to Lisa, several persons employed by larger companies said they avoided using résumé databases when sourcing

external expertise for a tender. Instead, subcontracted consultants were selected based on previous working relationships, recommendations from trusted peers, occasional face-to-face meetings and reviews of earlier projects. However, the sheer volume of résumés stored in many consulting companies' databases was deemed an important selling point and was therefore highlighted in proposals as evidence of the firm's extensive access to expert networks.

A key challenge with CVs, depicted by consultants, was their unreliability. One interviewee exemplified the dubious nature of CVs through an experience of subcontracting an external expert for an assignment in South Asia. From the person's CV, the consultant had seemed a perfect fit. Her résumé listed 25 field assignments in the designated country. Disappointingly, her input to the project had been close to zero, largely due to her lack of basic writing skills. At first, it had seemed puzzling that she had managed to compile such an impressive CV despite underperforming in a vital area of consulting. Eventually, my interlocutor relayed, he had recognized it was due to most recruiters' shared mistake of judging her competence solely based on her résumé. Once she had finished a job, however poorly, she could list it as a credential and thereby enhance her appeal for future opportunities.

And yet, CVs *were* important for any consulting business because they were important for clients. Hence, I was repeatedly told, sourcing people with the right CV was a major and challenging task in tender preparation. Importantly, however, finding people with the right CV was not necessarily the same thing as finding the right people to do the work requested by the client. William was one of those who pointed this out. He was the director of business development at a Kenyan consulting firm specializing in corporate management, established some 15 years earlier. A client may require a person with a master's degree in business, William gave as an example. But *you* know that what the assignment really needs is a person with a degree in sociology. In that situation, he explained, you needed of course to source a person with the master's in business and put their name in the tender. But then you also had to recruit the sociologist to back up the business expert when it was time to execute the assignment. This way, CVs were often 'cooked'. Gabriel described the use of job résumés in a similar vein. As we may recall from Chapter 4, Gabriel was the manager of a Kenyan consulting firm delivering data collection services in certain thematic areas. Since its creation two decades earlier, the firm had grown to become a major player in its field of consulting in Kenya, taking on assignments with a number of foreign aid organizations. Currently, it staffed some 50 in-house personnel spread across two offices, one in Nairobi and one in another part of Africa. At any given moment, the company also had about 1,000 research assistants on its payroll. Gabriel was one of the employees who had been with the firm the longest, having joined just a few years after its launch. In his experience, tenders usually needed to forefront key consultants with competitive CVs. 'Like a professor at a university somewhere'. But in practice, that professor rarely did any of the work. Their name was there to raise the score of the tender. Also, Gabriel, continued, CVs were not trustworthy evidence of a consultant's qualifications. In his company, some recruitment indeed began with

filtering through numerous job résumés. Once a match was made, meanwhile, that CV was cross-checked in any number of ways before the firm even reached out to the candidate. Plus, prior to signing a contract, his company always interviewed the candidate's referees. Overall, a majority of Kenyan consultants I spoke with said recruitment for contracted assignments, positions as associated expert, or in-house employment, was done on the basis of in-person interviews, tests and/or reference checks. The only main exception to this rule were assignments that required hiring a large number of field-based staff, usually for the purpose of collecting primary data (as was the case for many of Gabriel's assignments).

These narratives hence illustrate a common resistance, among Swedish and Kenyan consultants alike, to audit culture's sacralization of quantifiable measurements, evidenced in the weight given to CVs as a certification of consultants' expertise. Although CVs are central to securing public contracts, many consultants view them with skepticism and tend to avoid relying on CV databases or placing too much weight on them in their own hiring processes. Instead, they favor selection methods informed by prior collaboration and informal referrals, emphasizing trust built through social relationships and person-to-person interaction.

Social Strength: Networking in the Market

A third competitive factor in consulting involves the capacity to cultivate and sustain networks in the consulting market. Owing to the growing scale, complexity and liability requirements of framework agreements and many other contracts issued by Sida and other state aid agencies, much of the competition for assignments now occurs before tenders are officially submitted (see also Akenroye et al. 2022; Alexander et al. 2022; Budak and Rajh 2016). It is found in consultants' efforts to develop or secure a spot in tenders by building partnerships with other consultants. In this competition, framework agreements, specifically, tend to privilege large firms that have an extensive industry network that can be mobilized to form or join collaborations with other companies, as well as a record of prior collaboration with the client.

In Sida's framework agreements, tenderers must fulfil requirements regarding financial strength and stability, proving their ability to 'maintain a long-term agreement' (Sida 2020b: 17). Payments are typically made after the completion of services, and lead contractors are responsible for paying subcontractors and ensuring the quality of their work. Sida reserves the right to impose penalties or demand compensation if services are delayed by more than one week (Sida 2019b). The average value of the nine two-year agreements examined was approximately 800,000 USD, with contract sizes ranging from 145,000 USD to 2.3 million USD. However, Sida does not guarantee a minimum payment volume, and individual assignments generally include ceiling amounts for fees and reimbursable costs. The agreements also demand both broad and specialized expertise across thematic, geographic and methodological areas. For example, the framework agreement in 'democracy and human rights' called for qualifications in 59 distinct areas, *one* of which stipulates: '[public financial management] applied to

gender, human rights and the environment, including gender budgeting, rights-based budgeting and green budgeting, including a human rights and gender equality approach to justice sector support' (Sida 2018: 5).

These high requirements imply that procurements attract a relatively low number of bids. Across the nine framework agreements reviewed, the average number of tenders submitted was fewer than three. In four of them, all tenderers who met the minimum qualifications were contracted.[6] Among the remaining five, two thirds of the tenders in three procurements and half in two were successful. The procurement for 'RBM in research cooperation' was cancelled after receiving only one submission. Sida relaunched the process the following year with lowered qualification requirements for consultants, yet again received only a single bid—from the same firm. This time, Sida accepted the tender. In six of the eight framework agreements awarded to multiple tenderers, all assignments valued below the designated threshold (ranging from 24,000 USD to 57,000 USD) automatically went to the top-ranked tenderer.

Combined with the consolidation of the Swedish consulting market, the low number of submitted tenders increases the likelihood of large firms securing public contracts. Among the nine framework contracts, Niras Sweden AB submitted bids for seven and was awarded four, either as the sole or top-ranked provider. FCG Swedish Development AB participated in three and won two. In its bid for the framework agreement in 'agriculture, employment and market development', FCG mistakenly referred to its capacity to deliver services in 'democracy and human rights', a separate thematic area covered by another of Sida's framework agreements for which the firm had also tendered (FCG Swedish Development AB n.d.: 28). The error notwithstanding, FCG was top-ranked in both procurements.

Among the Kenyan consulting firms I studied, about half said they never or rarely qualify as lead firms in assignments procured in open competition by foreign development organizations. This was the case whether contracts were framework agreements or not, and even when contracts were issued by these organizations' delegations in Kenya rather than by their headquarters in donor countries. The reason was that thresholds were often too high in terms of demands on contracted firms' financial strength, global reach, breadth or depth of technical expertise or administrative capacity to meet clients' ambitious reporting requirements.

In my sample of framework agreements issued by Sida headquarters, the consolidation of both bidding and winning firms partly owes to historical continuity. In five out of seven procurements that followed earlier framework agreements in the same thematic area, the firm awarded the contract during 2018–2020 had also been the sole or top-ranked provider in the preceding agreement. Research has linked this dynamic to the asset-specific nature of development consulting services, which often require skills and knowledge developed through direct experience or targeted investment. These characteristics tend to favor firms that secure the initial contract (Nagaraj 2015). Sida's tender documents further indicate that prior

6 One tender in the 'democracy and HR' procurement was disqualified for not submitting reference assignments.

contracting success is actively emphasized by bidding firms. In the opening paragraph of its main submission, Associates for International Management Services (AIMS), which won the agreement for 'RBM within research cooperation', states:

> AIMS is well-acquainted with the task of improving results-based management within research cooperation, having worked with SIDA on this since obtaining a first framework agreement in October 2008 … In fact, the adaptive management approach was developed over this period.
>
> (AIMS n.d.: 1)

In Kenya, many consultants similarly insisted that their competitiveness in the market of international development depended much on building a track record with a particular client. Once 'you got a foot in the door', other opportunities tended to follow. For that reason, some firms acknowledged that they had dumped their prices to win a tender, hoping that it would lead to more work with the client in the future, where they could charge more reasonable fees. Stella, whose company specialized in business management and audit, was not one of them. However, she firmly believed that foreign development clients, just like Kenyan corporations, procured based on prior contracts, whether they were open with this fact or not. Most of the clients of Stella's firm were recurring ones. When I asked her about the company's success rate, she answered, matter-of-factly, that they had 'more failures than successes'. The reality of the business, she ascertained, was that a lot of procurement announcements were more or less for show. They were made because clients' regulations obliged them to source consultants in open competition. 'But they already know who they want to take on'. And most times, she continued, unless there had been some problem in the partnership, they wanted to retain whoever they had contracted before. Although Stella and her colleagues knew this, they partook in the tendering, much for the reason recounted by Fredrick above—that is, to 'show their face' to the client, hoping it could lead to other work opportunities in the future.

Another challenge, several Kenyan consultants affirmed, was that even when services were procured in open competition, information about these assignments was difficult to access unless one's firm was already known to the client. Many organizations kept registers of their preferred contractors, based on either prior assignments or a more formal process through which consulting firms applied for pre-qualification. It was often through these lists that development clients relayed assignment announcements and/or information about contracted work in the pipeline.

The low number of tenders per procurement, the concentration of the consulting market and the competitive edge held by firms with prior contracts, suggest that the growing size and complexity of contracted development work generates relatively limited competition. In practice, however, competition has not waned so much as shifted downward: from a market of vendors competing for a buyer, to a market where various vending entities—consortium partners, subcontracted firms and freelancing experts—compete for a place in a sales bid.

The high demands placed by framework agreements on expertise and staffing mean that even large firms often need to join forces with other companies to compete for these contracts, either by forming consortia or by subcontracting additional firms. Of the 29 tenders submitted for the nine framework agreements studied, 24 involved more than one company—typically through a lead firm subcontracting other firms, and often also through formal partnerships between multiple large firms. For instance, the top-ranked tender for the framework agreement covering medium- to long-term assignments in 'peace, human security and humanitarian assistance' included three consortium partners, nine subcontracted entities and an unspecified number of freelance consultants.

The formation of consortia and subcontracting arrangements may entail both competition and cooperation. One procurement illustrates how the same two firms can simultaneously collaborate and compete. In addition to medium- to long-term assignments, Sida's procurement in 'peace, human security and humanitarian assistance' also included the purchase of a helpdesk. In the helpdesk procurement, Saferworld and Stockholm Policy Group partnered as members of the third-ranked, successful consortium. In the procurement of medium- to long-term services, meanwhile, the same two firms participated in separate, competing consortia. William, who was in charge of business development at a Kenyan firm specializing in corporate management, explained that when his firm decided to partner with another firm or subcontract consultants, there were strict limits to what his firm shared with its partners. 'Who knew', he explained, maybe tomorrow they would be his competitors. Specifically, there were two 'business formulas' his company kept to itself regardless of whom it collaborated with. One entailed the firm's system for tender writing, William recounted, and the other its routines for team recruitment.

Creating a consortium requires the appointment of a lead firm to manage the tendering process. Swedish consultants described how competition for this role unfolded not only among major firms but also between various offices within the same company. Similarly, when Sida issued a call-off subject to renewed competition, the different contracted consortia competed for the assignment, but firms within each consortium could also find themselves in competition with one another.

The most competitive arena in bidding for framework agreements, judging by the number of contenders and recruitments per tender, is that of subcontracting. In their bids, consulting firms typically classify their human resources into three categories: in-house staff, associate experts and external or freelance consultants. Associate experts usually refer to freelance professionals with a record of collaboration with the firm, while external consultants may include unknown individuals who have merely submitted their CVs to the firm's database. Swedish consulting companies generally do not have sufficient in-house capacity to meet the staffing requirements of Sida's framework agreements. Even Niras Sweden AB, with a permanent staff of over 200, regularly subcontracts consultants and highlights in its tenders its extensive network of freelance experts. Among the Kenyan firms in my sample, the average number of in-house staff was 15, including

support staff such as assistants and accountants. All but one listed considerably more associated experts than employees working in-house, ranging from twice to a hundred times as many.

In the case of one Swedish firm holding multiple framework contracts with Sida, the owner jokingly described the company's permanent staff as consisting of himself, his wife and their dog. In one of its successful tenders, this 'lean' structure was presented as a way to reduce overhead costs for clients by keeping to a minimum management expenses and duties to sustain salaried staff. It was also promoted as allowing the firm greater flexibility to recruit the most suitable experts globally for each assignment. In practice, the organizational model adopted by many Swedish firms is one where teams are assembled temporarily based on the specific requirements of each procurement. One consultant working at a frequently contracted lead firm explained this shift by noting that the main product of in-house staff had changed: before they sold their time, now they sold networks.

To sell networks, firms rely on databases that store and index external consultants' CVs. These include commercial online platforms accessible through paid subscription, such as Devex, Assortis, DevelopmentAid and LinkedIn. Larger firms often also maintain proprietary databases. Niras, for example, operates its own online system that allows anyone with an email address to upload their CV, along with optional reference assignments. The database contains entries for approximately 35,000 individuals and prompts users to update their CVs every six months. It enables Niras to filter profiles by technical specialization, regional focus, academic background, length of professional experience, language proficiency and nationality. Describing this system as a 'powerful search tool', Niras states it allows for the rapid identification of experts, helping to secure 'the right experts for each assignment' (Niras Sweden AB 2020: 23–4).

As noted earlier, CV screening is consistently presented in tenders as a core component of firms' technical, cost-effective and purportedly objective recruitment practices. In contrast, most consultants reported that the selection of team members for tenders was a largely informal affair, using word-of-mouth and the personal networks of permanent employees. Johan, a Swedish engineer, described how Sida's adoption of framework agreements had strengthened the importance of socio-professional ties over the course of his consulting career. Since 2015, Johan had been employed by Sida, but prior to that he had worked as a consultant for more than 20 years. Following an initial eight to nine years as a freelancer, beginning in the early 1990s, he had registered a firm together with four colleagues. At that time, Sida's procurements included a mix of small and large assignments, allowing firms of various sizes to compete. His firm won 60–70% of the tenders it submitted, Johan asserted, including contracts with Sida, which meant they could often select assignments based on their interests. This situation began to change during the 2000s and was boosted considerably with the 2008 reform of the Swedish Public Procurement Act, after which Sida mainly procured through framework agreements. As a result, Johan's firm could only participate as a subcontractor to larger companies. This implied a major loss of influence, he noted,

given how the lead firm typically controlled both the team composition and project design. It also meant lower earnings. When Johan had been contracted directly with Sida, his hourly rate had been roughly 86 USD. As a subcontractor, his rate was 124 USD, but he personally received ‘only’ 72–77 USD; the remainder went to the intermediary firm. In Johan’s view, framework agreements inflated costs for Sida while slashing revenues for individual consultants (see also Akenroye et al. 2022).

Significantly, the subcontracting structures driven by the growing size and complexity of consulting contracts had led many consultants to rely on their personal networks to secure work. Just 18 months after Johan and his four colleagues had launched their firm, only three remained. One of them had depended on a key contact in the UK to access assignments. Tragically, that contact became ill and passed away, and afterwards, Johan’s colleague was unable to find enough work to sustain a living. In this business, Johan reasoned, one’s network was everything. Informal relationships among large firms, clients and other freelancers played a decisive role in determining who landed which assignments. As an example of this, Johan described a job he had completed in a South American country. The project had gone well and following its success, he began receiving job offers from organizations he had never heard of. Their representatives, however, claimed they had been told that Johan was indeed ‘the right man for the job’. Other Swedish consultants shared similar accounts, describing how their careers as freelancers hinged decisively on assignments secured by companies where they had formerly been employed and where they maintained ongoing relationships with staff. Conversely, the career paths of some consultants showed how their freelance work had concluded once they were offered permanent positions by one of their clients, shifting their role from external contractor to in-house employee.

In Kenya, virtually all consultants insisted on the importance of personal networks for accessing work. Many clients were sourced among their staff’s past workplaces or clients they had taken on at previous firms. Some recognized how their prior employment with the Kenyan government had allowed them to build a network among foreign donors funding state projects. Today, that network was key to winning donor-funded government contracts. Others recounted how doors to a particular foreign development client had been opened by a manager’s past experience of working for a consulting firm originating in a donor country, or by a subcontracted consultant who used to work for a donor. Business development, as William put it, was considerably harder than project implementation. It was intricate, complicated and, above all, it was a question of relationships. In Kenya, relationships mattered also for attaining things that were supposed to be publicly available. William gave the example of how to access information about upcoming procurements by Kenyan state institutions. Expenditures tied to public contracting should be disclosed in state institutions’ annual budgets, William recounted, and those budgets were, legally, public records. The problem was that they were not always published online. So, in order to access them, one needed to know whom to ask, how and when. And that, William assured, depended on one’s connections inside those institutions.

Unlike many Swedish consultants I interviewed, but similar to most Kenyan consultants, William's firm also took on assignments with clients outside the sphere of international development. When comparing that sphere to their clients in the Kenyan private sector and non-development oriented public sector, several insisted that networks were especially important among foreign development actors. Contracting in international development was attributed with adjectives such as 'obscure' and 'murky'. It was one of 'lost opportunities' because information about relevant assignments was hard to access. It was also one of random, positive 'surprise', when, for example, an unknown organization suddenly reached out in a personal email, asking their firm to tender for a contract.

As mentioned earlier, few Kenyan consultants said they won contracts with development organizations in open, international competition, at least not as lead firms or with bilateral donors. While most OECD-DAC aid is officially untied (meaning it is not conditional on the procurement of services and goods from suppliers in the donor country), in practice, a recent study found that 52% of all formally untied contracts reported to the OECD-DAC were awarded to suppliers in the DAC member's own country (Meeks and Craviotto 2021). In contrast, only 11% of reportedly untied contract awards went to suppliers in 'Least Developed Countries' and 'Heavily Indebted Poor Countries'. 'They contact you' was rather the common answer I received from Kenyan consultants when asking how their work for a foreign development organization had come about. Some echoed the view of Stella, arguing that contracts sourced in open competition were largely 'for show'. One of them was Josephine. As I described in Chapter 3, Josephine was a European academic who had established a consulting firm some four decades ago, after a short period as a seconded lecturer to a Kenyan university. With development clients, Josephine told me, it was important to decipher whether or not it was worth the time and effort to submit a tender. That required different sorts of inquiries, including reaching out to the client in person; assessing how, where and for how long the assignment was being advertised; and mapping out the client's previous contractors. For example, if the time window for tendering was relatively short, it often meant the client already had someone in mind. Procurements advertised on certain large digital portals could also set off alarm bells. Several times, Josephine recalled, development organizations had assured her that the contract was hers (and had later made due on that promise) while simultaneously making a public call on a certain website. She and others insisted that she had never won a contract published on this website and had never heard of any other Kenyan firm doing so. These digital portals were cheap and fairly simple places to advertise. Hence, in cases where a client had already identified its preferred contractor but was legally obliged to procure in open competition, it chose to advertise there to save time and money.

Unlike Josephine, who regularly attained work among foreign bilateral organizations, the majority of Kenyan consultants mostly won contracts in development as subcontractors to foreign firms. In those arrangements, we can recall from Chapter 3, they had less influence over the project and were compensated less, at least compared to the foreign company contracting them. Their relegation to the

role of subcontractor owed not only to development contracts' growing size and consequent demands on firms, but also to Kenyan firms' lack of access to networks with foreign clients. But gaining work as subcontractor, as previously noted, requires winning competitions that are entirely at the discretion of the businesses involved. Hence, they are even more contingent on Kenyan firms' personal networks—in this case among foreign consulting companies.

To compensate for their smaller size and less embeddedness in donor-country networks of procurers and suppliers, Kenyan consultants recounted how they made use of resources and strategies partly tied to their position as locals. One was to price their services below those of foreign firms, by asking for less in hourly fees, as well as by benefitting from not having to charge for international travel to and from Kenya. Another entailed being more tolerant or flexible in the face of payment delays or complications in the assignment. 'Kenyans don't count every hour' like donor-country firms did, as one interlocutor explained. Hence, when an assignment turned out thornier than anticipated, Kenyan consultants were more willing to compromise on added costs for consultants' extra work or on delays in payment, than some of the multinational firms that were meticulous about their time sheets and deadlines.

Growing the Size as in Growing Informality in Contracting?

Consultancy contracting in international development illustrates well how competition is profoundly social in nature. It follows rules and norms that are unevenly interpreted and applied, thereby, sometimes, leading to unpredictable outcomes (Hopkinson and Zidaru 2022). On their own, Sida's procurements, as a state-managed form of competition, present conflicting ideals partly due to oscillating policy reforms over time in either favor of or opposition to NPM tenets. These internal tensions, as well as their varying correspondence with contractors' perspectives, greatly involve the role of personal relationships.

Sida's stress on contractors to present themselves as having internal hierarchical structures and rational management procedures mirrors to some extent the agency's turn toward a less controlling and more 'trusting' management approach—but one which places trust in consultants as organizations rather than persons.[7] At the same time, Sida recognizes the importance of stable and trusting interpersonal relationships *between* its contracted consultants, in order to ensure efficient teamwork in assignment implementation. The problem, however, is that framework agreements' demands for time-bound services in a broad spectrum of specialized expertise rather tend to produce temporarily assembled groups of consultants. These may not be familiar to its managers or with each other, because they lack that experience of working together that Sida (and consultants) consider important for building seamless executing teams.

7 Sida staff's prerogative of partnering only with organizations that demonstrate 'proper' management and internal control systems could be taken to mean they only trust contractors who do not trust themselves, or rather, their own staff.

With regards to the process of selecting firms and individual consultants, consultancy contracting in aid highlights the different ways in which public and private actors are able to capitalize on the role of social relations, and how public institutions may use private ones as proxies or intermediaries in order to enhance efficiency in hiring while formally respecting principles of fairness and accountability. NPM pressures public agencies such as Sida to demonstrate efficient use of taxpayers' funds in the pursuit of measurable results. At the same time, as an 'institutionalized organization' (Meyer and Rowan 1991) with an official government mandate, Sida derives legitimacy from its compliance with official objectives, bureaucratic procedure and legal frameworks. A key responsibility is to safeguard free and fair competition in procurement, where impartiality is partly considered premised on impersonality, or decision-making free from any socially imbued influence. At Sida and in Swedish bureaucracy writ large, state procurements are subject to substantial public oversight, and display a strong focus on precise, quantifiable measurements meant to ensure exact, objective and easily verifiable contracting processes and selection of partners. This takes time and money. Consolidating procurements into larger framework agreements defers a lot of the selection of companies and experts to the private, contractor side. There, Sida can benefit from more informal, relationship-based, and, importantly, less regulated and cumbersome, modes of recruitment. In its *contractors'* role as recruiters, priority can be given to speed, operational efficiency and personal, experience-based assessments of consultants' reliability, over principles of transparency, objectivity or fairness. Hence, the widespread use of subcontracting, effected by the consolidation of contracts into larger framework agreements, helps state agencies reconcile their competing pressures to demonstrate both legitimacy *and* efficiency (see also Rottenburg 2009). It sanctions them, as public procurers, to exploit by way of second-tier suppliers, market strategies otherwise inaccessible to the state: non-transparent, socially vested practices of recruitment, subcontracting and building of partnerships.

Consequently, today's competitiveness in the consulting market is (still) shaped not only by rational meritocracy but also by consultants' ability to leverage personal ties and histories of social interaction and collaborations. From in-house staff at large firms to independent freelancers, success depends on navigating and mobilizing personal networks. But, as mentioned, this informality in competition is not evenly spread. The large size of contracts means the top of the consultancy food chain (big, multinational firms leading the formation of consortiums and representing the tender vis-à-vis procurers) participates in the fairly regulated and transparent competition that is procurement (especially its public versions). The further down the tender's chain of partners and subcontractors one gets, the less questions are asked about who is recruited and how. This environment tends to pose particular challenges to companies based in aid recipient countries. The high and specific resource demands of donor contracts procured in international competition, not least (but not only) using framework agreements, make many local firms ineligible or at least weak competitors, relegating them instead to smaller assignments sourced directly, or to the role of subcontractor. Being subcontracted

not only means less influence, recognition and pay, but just as with being directly sourced, it designates a type of business opportunity that is attained through one's personal connections. Local firms, meanwhile, are significantly less embedded in the social and professional networks plugging into foreign donor clients and consulting firms, where preferences for hiring and partnering with 'trusted' consultants often translate into selections based on shared nationality.

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8 Reorienting Scholarly Focus in 'Aidland' and its Implications[1]

The empirical research informing this book invokes questions about methods, ethics and epistemologies in relation to existing scholarship on Aidland (Sundberg 2024). This chapter describes how my studies mirror three research orientations that differ from long-standing, as well as some more recent, focus areas in qualitative scholarship on aid workers. They entail a concern with development workers as categories of professionals rather than private individuals, with those originating in aid recipient countries rather than the OECD-DAC community, and with experts involved in profit-making work rather than grant-based assistance carried out by NGOs and state agencies. The latter two orientations may bring with them certain challenges for the many aidnographers, like myself, who have professional roots in Aidland's 'traditional' vicinities of expatriate, non-profit work. They concern access to the field and the institutional transparency of research objects, as well as how interviews are shaped by researchers' and interlocutors' respective power, racial identification and conceptions about the relationship between poverty relief and capitalism.

Development's *Professionals* rather than *Persons:* On Policy Relevance and the Bigger Questions

This book's explorations into the world of international development work are primarily based on the subjective experiences of individual practitioners. They draw from personal testimonies provided through open-ended interviews that have often addressed life histories, social relationships, identities and moral values. But those issues have been embedded within an overall framework focusing on the professional, rather than personal, registers of interviewees' lives. As such, they contrast with some prominent Aidland research in recent years which has given considerable attention to aid practitioners as private individuals (Fechter 2014; Fechter and Hindman 2011). My aim has rather been to investigate development workers as categories of labor and expertise. I have probed their job tasks, areas of expertise, professional motivations and ethics, employment terms and career trajectories, and how all of these relate to the organization of aid work. To

1 This chapter builds on the article 'From Non- to For-Profits, Expats to Locals, and the Personal to the Professional: Implications for Relocating the Scholarly Gaze in "Aidland"' published in *Anthropology and Development* (Sundberg 2024).

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that end, interviews have been combined with analyses of grey material on interlocutors' employing organizations or departments, including their operational goals, business models, human resources, partnerships and (if relevant) procedures related to procurement or contracting. As entry points to understanding aid's monetization, for example, these explorations say little about profit-making aid's material impacts or political ramifications in aid recipient countries like Kenya and Tanzania. But they help explain how some of its instruments and models of work are carried out, by whom, which logics and norms underpin them and how they differently affect those in charge of them. As synthetized in Chapter 9, such investigations may offer insights into how profit-making aid and the institutions and experts in charge of them articulate with colonially rooted hierarchies in international development as a field of practice. They may serve as ground for dialogue with both for- and non-profit industry actors about, for example, the meaning of and means to achieve fair and effective contracting and employment across headquarters and 'the field'. As such, they have a better chance at informing policy and practice than research focusing on aid workers as private individuals, which has drawn criticism for diverting attention away from questions of politics, structural power relations and the material realities of aid (Gardner and Lewis 2015; Harrison 2013).

Perhaps the interest in aid workers' out-of-office lives, personal predispositions and social relationships can partly be explained by many Aidland scholars' own, first-hand experience of aid work (Gould and Marcussen 2004; Mosse 2011).[2] A common feature of Aidland research is indeed that many of those studying it are also to some extent part of it, not least by way of working as consultants on development projects. Some have written about their own past experiences in aid, while others have conducted ethnographic research while simultaneously working in applied roles—an approach Mosse and others describe as 'observant participation' (Mosse 2013: 228). This dual positioning may also help explain why most studies of aid workers have historically centered on white 'expatriates' hailing from (or working in) OECD-DAC countries, and on those working for NGOs and state agencies involved in grant-based aid, rather than on professionals engaged in for-profit assistance.[3] Already a decade ago, this narrow empirical focus was described as overlooking, among other things, the growth of commercially based institutions and instruments, and the interfaces and overlaps between categories of donors and recipients of aid (Gardner and Lewis 2015; Harrison 2013). That critique came to inspire my studies of Tanzanian grants managers working for foreign state aid agencies, and Kenyans (and donor-country nationals) working as consultants and in development finance. Meanwhile, as I outline in the next two sections, these studies have also implied certain challenges.

2 Interestingly, however, some of recent years' best-known portrayals of aid workers' intertwining of the personal and professional, hardly address the authors' own relationship to the field (see e.g. Fechter 2014; Fechter and Hindman 2011).

3 However, as mentioned, many aidnographers' practical experience of aid work comes from working as consultants. One guess as to why this has not led to more interest in researching consulting *firms* is that aidnographers have more often worked as freelancers or for public or non-profit institutions involved in consultancy (not least academic ones).

Experts from Recipient- rather than Donor Countries: On Power, Race and Silences

My initial interest in the work of locally recruited experts in foreign aid arose at my prior job at Sida in 2007–2010. During my final year (2009–2010), I was deployed to Sida's field office in Rwanda (then transitioning into a Swedish embassy). As a grants manager overseeing a sector-specific portfolio, on paper this role closely resembled that of my Rwandan colleagues also managing grants portfolios in the office, as well as the roles held by many Tanzanian technical staff who later took part in my research in Dar es Salaam. As I have described in this book, we all also had similar backgrounds: master's degrees, experience of studying or working abroad, and coming from homes socio-economically distanced from the targets of our employers' poverty relief efforts.

And yet, our belonging to the world of either donors or recipients of aid was important. It constitutes a critical marker of identity and position for most practitioners (and organizations) in international development. In bilateral state aid agencies, as I described in Chapter 3, local recruits are rarely able to attain representative, advisory or management positions. At the technical level—where my Tanzanian interlocutors and closest Rwandan colleagues were employed, and which typically marks the highest position attainable for host-country recruits—local staff are hired on markedly less favorable terms and many enjoyed less professional authority and voice than their dispatched colleagues. Likewise, in Kenya's world of development consulting, several interviewees described to me how individual Kenyan consultants were categorically paid less in hourly fees than consultants from donor countries, and were over-represented as subcontractors to donor-country firms and in assisting and implementing roles in teams made up of foreign and local consultants, which gave them less influence, recognition and pay. Moreover, several Kenyan consultants testified to how foreign donor clients underestimated local firms' management and organizational capacity, internal control systems and ability to attract local partners when implementing projects in other African countries. Finally, both Tanzanian and Kenyan interviewees relayed how their connections to the host country invoked suspicions among their foreign employers and clients that they had 'local biases' of various sorts.

Some critical studies of inequities between donor- and recipient-country experts draw on personal accounts from local practitioners. Kumi and Kamruzzaman's (2021) research on 'national development experts' in Ghana includes pointed critiques from Ghanaians employed by or collaborating with foreign donors. Their interlocutors condemn expatriates' limited understanding of Ghanaian society and development industry, as well as their taking credit for work largely carried out by Ghanaians. The article's subtitle captures well this explicit critique, in quoting one Ghanaian interviewee's remark: '[w]e do all the donkey work and they take the glory'.

In my own interviews, meanwhile, locally employed experts rarely explicitly criticized a foreign colleague or manager or the organization employing them. In Tanzania, grievances were more commonly directed toward the aid industry writ large, as opposed to specific persons or institutions, lamenting the limitations imposed on local employees' chances of securing stable jobs or advancing to senior positions. As described in Chapter 3, a few also pointed to self-censorship among local staff and

partners as mirroring Tanzanians' internalization of European imperialist constructions that positioned donor-country representatives as intellectually and professionally superior. Beyond these cases, however, inequalities facing local practitioners were rarely framed with reference to racism or colonialism. In Kenya, though 20 out of 24 consultants I interviewed were of Kenyan descent, four out of five who testified to racism in the international consulting industry were white Europeans. Only one Kenyan consultant did the same, as I recounted in Chapter 3, when denouncing the actions of a donor-country client as racist. (Unsurprisingly, perhaps, this consultant had studied anthropology and was undertaking graduate studies in a related field.)

What can explain this silence on racism? My research methods probably play a role. Limiting interviews to one per interlocutor offers scant opportunity to develop the kind of rapport essential for discussing sensitive topics such as racism. Another important factor, I believe, is my identity or positionality. As a white, former aid worker from a donor country, I belonged to the typical 'expat' side of the 'local–expat' divide underpinning much inequality in the aid industry. This probably disincentivized Tanzanian and Kenyan interviewees, more so than their European counterparts, from speaking negatively of colleagues from donor countries or describing inequities as racially marked.

Kumi and Kamruzzaman's study of national development experts in Ghana also involved single occasion interviewing. Unlike me, however, they did not represent the 'other', foreign faction of aid work. Emmanuel Kumi is himself a Ghanaian development expert with a track record of work in, for example, international NGOs, civil society advocacy and activism (Kumi 2022). The authors describe how the career background of one of them fostered a mutual understanding and shared identity with participants, enabling them to broach sensitive topics like power (Kumi and Kamruzzaman 2021: 1163). This indicates how even when researchers and interviewees have held similar titles and share work experiences, if one hails from a donor country and the other from a recipient one, it may influence how interviews unfold. It could orient what is expressed and what is withheld, thereby calling upon researchers to critically consider their own identity and position in relation to those they study.

Scholarship highlighting the experiences of locally recruited aid workers is expanding, and a concern in many of these studies is the structural disadvantages such workers face (see e.g. Peters 2016, 2020; Roth 2012, 2015; Shevchenko and Fox 2008; Ward 2021). As noted in Chapters 2 and 3, researchers have documented disparities in employment conditions, career progression, formal authority and compensation (Carr et al. 2010; Oelberger, Fechter and McWha-Hermann 2017), as well as in voice, trust and professional recognition (Koch and Weingart 2016; Kumi and Kamruzzaman 2021; Sundberg 2020, 2021). Other works have examined how unequal contract terms intersect with collegial perceptions of staff in day-to-day operations (McWha 2011; Sundberg 2019; Ward 2021). A shared feature of much of this literature is its depiction of mentioned inequities as linked to local hires' association with the world of underdevelopment, invoking a broader post-colonial critique of international aid work. However, only a few of these studies analyze these inequities primarily through the prism of racism. Those that do often draw on long-term ethnographic inquiry, in contrast with my own interview-based studies. Some oft-cited publications on racism in aid work have been authored by white development researchers and former expatriate

practitioners who primarily draw on their own and other expats' personal encounters with white privilege (see e.g. Goudge 2003; White 2002). Likewise, my own initial understanding of the power of whiteness in aid work stemmed from my one-year deployment to Sida's field office in Kigali. Occasionally, some of the Rwandan colleagues I befriended shared their thoughts, facts and experiences about differences between local and posted staff. Still, I cannot recall such differences being conceptualized with reference to colonialism or racism, nor do I remember any Rwandese colleague denouncing a deployed staff member for racial discriminatory behavior. Like Goudge and White, the evidence I encountered came from my own observations rather than from accounts shared by those affected.

Studies that reiterate narratives of racism as given and experienced by development professionals from aid recipient countries are often authored by researchers of color and incorporate these researchers' own encounters with both structural and explicit forms of racial discrimination (see e.g. Benton 2016; Crewe and Fernando 2006; Kothari 2006; Pailey 2019; Tegbaru 2020; cf. Roth 2015). While many of them stress the need to break the silence around racism in development work, they generally do not examine how power and race shape the researcher–participant relationship. A fairly recent work that does is the edited volume by Mawdsley, Fourie and Nauta (2019). Its chapters turn on South–South development cooperation (SSDC) and are authored by scholars who collectively situate themselves across the global North–South divide. SSDC, the authors hold, carries within itself a 'critique of power hierarchies' and thereby it 'provides an opportunity and a duty to reconsider researcher identity, power and positionality' (Fourie, Nauta and Mawdsley 2019:7; see also e.g. Pascucci 2019; Quashie 2017; and Taela 2023 on researchers' own experiences of racism in development realms). To some extent, one could say the same about practitioners from aid recipient countries working for OECD-DAC donors and the researchers who study them.

Anthropological scholarship on aid work has faced criticism for its reluctance to confront issues of racism (Benton 2016). A contributing factor to why racism is not broached more may be that it is subdued or absent in researchers' empirical material. Historically, this may be owing to scholars' focus on white expatriates, taken as aid work's protagonists (rather than the numerical minority they constitute). More recently, it may reflect limited scholarly engagement with questions of power, racial identity and the potential for self-censorship during interviews with non-white professionals. As scholarship on development work turns its gaze more onto Aidland's majority populations based in aid recipient countries, questions of identity, authority, knowledge production and representation—long central to anthropological studies of postcolonial worlds—become important areas for reflexive inquiry. They should share in the attention many aidnographers devote to their dual role as researchers and practitioners (see e.g. Green 2009; Lashaw, Vannier and Sampson 2017; Li 2014; Mosse 2005). While racism in the workplace constitutes a taboo worldwide (Race at Work 2021), some corners of the aid industry are starting to confront it more systematically (see e.g. The Racial Equity Index; and Start Network[4]). They further underline the

4 www.theracialequityindex.org/partners and startnetwork.org/learn-change/resources/library/review-anti-racism-and-decolonisation-ard-framework-start-network

importance of scholarship of that industry to also confront and make visible the existence and implications of racism, including for the scholarship itself, especially for researchers like myself who enjoy a collegial bond with interlocutors based on professional experience, but who also represent that professional realm's distinct faction of white, expatriate privilege.

For- Rather Than Non-Profit Aid: On Ideological Conviction and Access to 'the Field'

In some sense, scholars with practical experience from grant-based aid work may be well positioned to scrutinize the logics and norms within aid work's for-profit realms. As mentioned in Chapter 1, during my time at Sida (2007–2010), the idea that aid should accrue profits for Swedish and other OECD-DAC businesses was neither promoted nor widely accepted. Distrust of commercially driven assistance partly arose from disillusionment about earlier years' focus on growth-oriented, 'trickle-down' development. Mirroring the pendular movements in the history of aid paradigms, this had fuelled a counter-focus on poverty reduction, democracy and human rights, donor accountability and partnership—ideals that have come to be associated with the era of the Millennium Development Goals (2000–2015; Mawdsley 2018). My employment at Sida coincided with the heyday of the MDG era (at least in a Swedish context). For me and many of my colleagues, a decent standard of life was a right rather than a philanthropic goal paralleling corporate bottom lines. Today, however, the Swedish government has joined many donor states in cutting back on aid grants, promoting modes of aid that generate returns on ODA expenditure, and tying aid to national trade interests as well as security and migration agendas. One effect has been the entry of more finance professionals into Sida, who have academic and professional training in, for example, banking, private equity or international trade, rather than civil society, public service, missionary work or social justice movements.

Coming from Sida as it existed 15 years ago, and having worked only with grant-based aid, I have often found myself at the opposite end of the industry from many of my interlocutors engaged in for-profit aid, organizationally and ideologically. Our different professional trajectories have partly shaped how we measure and define poverty scientifically as well as our ideas about good and fair development, the means to achieve it and what this implies for aid as a partnership. As a result, many of my interviews with development finance specialists, especially, have involved efforts to both grasp and challenge their logics and norms, and their underlying confidence in capitalism's service to humanitarian work. Combined with inquiries into the meaning and deployment of expertise, and into the human resource management of DFIs and consulting firms across donor- and recipient countries, I have probed how these institutions, from the perspective of interviewees but also official documentation, articulate global material inequalities and normative hierarchies between the world of developers and that deemed underdeveloped. Of course, a background in grant-based aid is not a prerequisite for such critical engagement with the ethics, assumptions and practices of for-profit development work (as critical research by, for example, scholars in business and economics show; see e.g. Vestergaard, Murphy and

Morsing 2020). However, it may afford researchers additional empirical ground on which to do so.

That background can at the same time complicate researchers' access to and possibilities to build rapport with for-profit actors. Because of my previous role at Sida, some experts in development finance supposed I had limited knowledge of private sector instruments and was categorically skeptical of their work. On occasion, individual interviewees addressed me using the plural 'you', grouping me with an imagined collective of grant-based aid practitioners and juxtaposed me with a 'we' representing finance specialists. It surfaced in remarks such as 'maybe it's not as obvious for you' or 'we have another approach'.

While regulations on public duty and transparency differ across national contexts, the bilateral DFIs I studied proved, as a group, significantly more difficult to access than the foreign state agencies I examined in my prior research project. I reached out to most DFIs by emailing addresses I found on their websites (referring to office managers or consisting of 'info@'-addresses), attaching a short description of my project and its interest in exploring inductively the growing field of development finance. Some DFIs never responded, even after follow-up emails and phone calls, while others declined to participate. In several cases, interviews were granted only on the condition that I first detailed the questions I intended to ask. While I accepted this requirement, it was at odds with the open-ended structure of my interviews, which were designed around a set of themes rather than particular questions. At one DFI, emails addressed to individual investment managers were rerouted to the communications department, which insisted on representing the institution in any prospective interview. Time limitations and staffing constraints were also cited as reasons for being unable to accommodate interviews or share requested documents. Although some DFIs stated that they welcomed research and regularly contributed to academic inquiries, they also emphasized that decisions about participation rested entirely with them. Evidently, my project was not always among their priorities.

It is hard to estimate the degree to which my challenges in gaining access to DFIs are due to my role as an ethnographer without formal training in finance and with a background at Sida. Most bilateral DFIs are criticized for lacking in transparency (TUDCN-RSCD 2018). Requests for information are often denied on the grounds of business confidentiality and the need to protect trade secrets (Attridge et al. 2019; Forster 2021). Hence, as fields of empirical inquiry, development institutions that are market actors may be harder to penetrate than public aid agencies or NGOs, regardless of researchers' professional or academic backgrounds. Anthropologists researching private corporations report similar challenges in accessing documentation and persons or finding opportunities for meaningful participant observation as a complement to interviews (see e.g. Souleles 2019; Zhao 2020). That said, many prominent ethnographies of financial institutions and consulting firms have been produced by scholars whose fieldwork accompanied or followed from their employment within the organizations studied (see e.g. Ho 2009; Leins 2018; Lépinay 2011; Stein 2017). This suggests that professional background can indeed influence access. The commercial orientation of DFIs, combined with their relatively limited focus on development impact, has yielded skepticism about their value for aid efforts. Reservations come not least from actors

within the aid community—publicly voiced by civil society groups and watchdog institutions, and in more informal ways by state agencies like Sida and their associated government ministries, as recounted in Chapter 6 (Attridge and Engen 2019; Kapoor 2019; Oxfam 2023). Given this context, DFIs' sensitivity to reputational risk provides little incentive for them to participate in explorative ethnographic research, especially by academics with a history in 'conventional', grant-based aid.

The level of difficulty of accessing consulting firms falls somewhere in between foreign state aid agencies and DFIs. In Sweden, several interview opportunities came about through referrals by other interlocutors. This was also the case in Kenya, though initially I applied the same method of cold-call outreach by email, as I did for the DFIs, targeting firms I identified online as Kenyan and as engaged in international development work. Among those that had working contact information and websites indicating they were still in business, a few declined to participate and a number never replied despite my email reminders and phone calls. Several more, however, did reply and managed to find the time for an interview, notwithstanding their often busy schedules and sometimes after rescheduling the meeting several times. Importantly, a number of consultants I met saw in my study business- or career-related opportunities. If they partook in my research, perhaps I could return the favor by advising on how to win contracts with bilateral donors or maneuver in a system of *de facto* tied aid, hiring them for data collection in future research studies, connecting them to Swedish firms that may want to partner with them, or finding them a PhD position in Europe. Hence, my access to Kenyan consultants may have been facilitated by this small potential for some sort of reciprocation, which was less obviously identified by DFI staff I approached. Probably, this says less about my 'professional resources' and their resonance with the interests of different interlocutor groups, and more about the more vulnerable position of some interlocutor groups compared to others, and how this ultimately facilitated my access to them. Again, it invokes the importance of thinking critically about how power imbues aidnographer–interlocutor relations in Aidland research.

Aid Work's Locals and Capitalists: Who Should Study Them and How?

The ethical, epistemological and practical challenges I have encountered in my studies of development experts who hail from aid recipient countries and/or who are involved in for-profit aid, relate to my identity and roots as a practitioner in grant-based, expatriate aid work, similar to many aidnographers. Does this suggest that field-based explorations of Aidland's local and commercial realms might best be led by scholars who are less anchored in Aidland's 'traditional' vicinities? Researchers from aid recipient countries with experience in development practice are clearly well positioned to capture and represent the perspectives of local professionals (see e.g. Kothari 2006; Kumi and Kamruzzaman 2021). More of such scholarship would surely enrich knowledge of Aidland. But it is less obvious that researchers in finance or business studies are naturally better equipped than those in, for example, anthropology or qualitative development studies to critically probe the logics and contribution of commercial actors as development agents, even if

their professional background may grant them easier access. Depending on the context, I have tried to show, advantages are found in both closeness and distance to one's field of research in Aidland.

With development's increasing muddling of categories of agent and beneficiary, and the merging of aid with other areas of policy and tax expenditure, one may also ask whether Aidland still serves as a meaningful analytical category or site of empirical research. In most years since 2015, Sweden has made itself the largest recipient of Swedish aid, due to the redirection of parts of the aid budget toward funding domestic refugee reception (Concord Sverige n.d.). Does it still make sense, then, to try to carve out Aidland as a discrete space distinct from interventions concerned with migration, security, trade or investment? It is undoubtedly becoming harder. But it may also inform our understanding of aid's evolving nature. The use of aid funds for objectives beyond economic growth and poverty alleviation in low-income countries; the outsourcing of aid work to technical specialists unconcerned with international development (Hindman 2011); and ODA's increasing competition, complementing and blending with other financial flows, offer interesting opportunities for Aidland researchers to follow the disparate currents of aid money. Charting out the different places where ODA ends up, to what ends and under whose control, may serve as fruitful avenues for exploring changes and tensions in the meaning of aid itself.

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9 International Development Work's Agents and Beneficiaries

How does the growing use of profit-making instruments and institutions intersect with global hierarchies and inequalities in international development work and efforts to redress these? In these last few pages of the book, I draw out key results from my research that speak specifically to the juncture of aid's monetization and localization. In some respects, these throw light on current directions of transformation between development work's agents and beneficiaries. Are OECD-DAC members, as the conventional developers, assuming a second role as aid beneficiaries, and/or are actors from, for example, Africa—traditionally associated with the recipient side of aid funds and expertise—becoming legitimate agents of development?

At the beginning of this book, I noted how aid's monetization brings the 'big D' development efforts of the OECD-DAC into closer alignment with the prerogatives of 'little d' development of capitalism. This may mean that definitions of the legitimate beneficiaries and agents of *D*evelopment take greater inspiration from the *de facto* major agents *and* beneficiaries of capitalism, which, evidently, are OECD-DAC countries. The latter's blending of aid with trade and investment agendas has been described as part of a return to a more openly self-interested mode of cooperation which has historically dominated foreign aid. The era of the MDGs (2000–2015), centering poverty alleviation, human rights, democracy and donor accountability, has from this perspective been an exception to the four decades preceding it. Prior to this period, donors openly tied aid to their own goods and services as well as geopolitical and economic interests, and showed limited interest in pursuing liberal political agendas concerning governance, citizen rights, social programs or environmental concerns (Mawdsley 2018). Similarly, the localization of aid has a long, uneven policy history within the OECD-DAC community. It could also, in many respects, be seen to have reached a peak during the MDG 'partnership era' (Whitfield 2009). During this period, donors channelled millions of dollars directly to the national budgets of recipient states, vowing (though with varying results) to align aid with the latter's policies, programs and administrative systems. But does the political momentum of localization consistently follow shifts in either favor of or opposition to profit-making aid and/or developers' self-interests? My explorations in this book have not been historical, comparing the ebbs and flows of these two paradigms over the long term. Neither have I studied these paradigms' current manifestations mainly with regards to broader patterns in OECD-DAC aid policy and programming

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and/or their development impacts. My research of aid's monetization has not involved measuring, for example, the annual economic gains reaped by OECD-DAC donors through their private sector instruments or tied aid schemes; or the relationship between TOSSD flows, foreign debts accrued in aid recipient countries and return flows to the OECD-DAC by way of debt servicing. Neither have I studied aid's localization in terms of donors' choice of aid modalities, policy conditionalities or willingness to partner with recipient governments (rather than civil society or market actors). Such studies would likely elucidate the wider interconnections between profit-pursuits in aid, developers' self-interest, and the distribution of power over development resources across donor- and recipient countries. They could also help put together the bigger puzzle illustrating the interwoven nature of 'little d' and 'big D' development and its effects on inequalities writ large between the OECD-DAC community and the countries it professes to assist.

My research does not contest any hypothesis suggesting that profit pursuits in aid increase economic and power inequalities in development partnerships at the ultimate expense of aid's intended beneficiaries. However, my primary empirical interest has been in how aid's monetization affects and materializes among ('big D') development's experts and the organizations they work for, and how this articulates with efforts to transfer power and resources from experts and organizations in donor countries to their counterparts in aid recipient countries. Those enquiries have shown that profit-making aid indeed brings to the fore the self-interests of developers, that these are often about financial gain but not always and that profit-making is also construed as a prerequisite for more equal development partnerships. They have further illustrated how developers' self-interests can be national, corporate, linked to a specific profession (like consulting and finance) or individual, and that these various 'levels' of self-interests do not always correlate: While practitioners, as individuals, are responsible for safeguarding the stakes of their organization or the country it represents, that work variously aligns and conflicts with their own convictions, imperatives and labor conditions. In part, this depends on whether these practitioners, and the organizations and countries they work for, hail from the world of either donors or recipients of aid. Basically, inquiring into the everyday practice of aid's monetization and localization brings to the fore the complexity of the identity of developers, the nature of their various interests and how these relate to profit-making in aid. Importantly, it also shows how aid's monetization counters, but also extends and even deepens, the unequal distribution of power, authority and economic opportunities between donor- and recipient worlds of development work. Let me briefly recap.

In Chapter 2, I described how for-profit actors like DFIs and consulting firms offer roles and employment conditions to experts from aid recipient countries that differ from—or rather, outperform—those available to local development practitioners in foreign NGOs and state aid agencies. For one, the career ceilings of consultants and DFI staff are higher than in, for example, bilateral public aid agencies, where local recruits rarely advance beyond the technical level. Many consulting firms and DFI field offices in Nairobi are managed by Kenyans. The seniority of some Kenyan consultants and most DFI recruits, in terms of both recognized competence and formal titles and rank, means they exercise authority also over donor-country nationals. In DFIs, they manage teams that include headquarters staff, and in consulting firms, they subcontract individual consultants from donor countries.

A second respect entails job security. While Tanzanian interlocutors working for state aid agencies were often hired on a short-term basis, and more so than their colleagues deployed from headquarters, most Kenyan DFI staff had permanent employment contracts. When they leave it is often because they have been poached by a competitor. In the consulting industry, job insecurity is endemic and not a significant marker of difference between Kenyan and donor-country consultants and firms.

A third factor pertains to the meaning, scope and use of local knowledge. Within state aid agencies and NGOs, as well as in much research on local aid workers, local knowledge is rarely conceived of as reaching beyond the nation-state boundaries of the recipient country. Moreover, in the world of some NGOs, the possession of local knowledge is deemed useful mainly for low-status, frontline work, and assumed to presuppose a lack of 'international' expertise (Peters 2016, 2020). This keeps employees from aid recipient countries, who nevertheless draw legitimacy from their role as experts on 'the local', in low-ranking positions in their organizations. The local expertise of Kenyan consultants and DFI staff, however, is often regional in scope, extending across East Africa or even the whole of Africa. More importantly, it intertwines with technical knowledge taken to originate in OECD-DAC countries, and is used in project design, advisory services and other senior-level tasks generally appraised as complex and requiring specialized skills. This expansive or less rigid notion of local expertise 'shields' in some ways professionals from aid recipient countries working in consulting and DFIs from the subordinating and devaluing effects of local expert labels which are found in other places in the international development industry.

Job security, career mobility and the meaning, scope and use of local knowledge are thus three realms in which DFIs and consultancy resonate with localization efforts, whose fight against colonially rooted hierarchies in development work meet considerably more resistance in aid's non-profit and state aid agency vicinities. They suggest that the financialization of aid and contracting out of aid work to commercial companies are diversifying the roles and labor conditions of the 'local aid worker', transferring to the latter more power, authority and economic opportunities.

In other respects, for-profit actors like DFIs and consulting firms seem to reproduce inequalities between development professionals from donor- and recipient countries. For example, many Kenyan consultants and some Kenyan DFI investment managers are said to have less voice and authority in their workplaces compared to their counterparts of donor nationalities. These echo experiences among local practitioners in NGOs and state aid agencies, amply documented in research. A plausible explanation brought forth in some studies is racism, arguing that local experts and expertise are devalued simply because they are associated with the world of underdevelopment. A few Tanzanian grants managers and an additional few—mainly white European—representatives of Kenyan consulting firms, give strength to this hypothesis, through their accounts of facing racist stereotyping in their respective lines of work.

I have suggested an additional explanation, meanwhile, which does not deny racism but finds it in a more indirect, structural form. It concerns the management of local staff as a category of human resources, where commonalities are found across consulting firms, DFIs, state aid agencies and many other types of foreign

donor organizations. In their contractual relationship with foreign clients, Kenyan consultants are rarely able to charge the same hourly rates as consultants from donor countries, even, sometimes, when they work in the same firm and do the same work for the same client. In a DFI housed by both dispatched and local recruits, a Kenyan employee described the difference between his contract and that of his deployed colleague as 'night and day'. In another, where local and posted personnel were paid the same, some Kenyan employees felt their foreign managers expected them to work harder than their posted colleagues. These examples, I posit, signal local practitioners' lesser professional credibility and estimated contribution to their workplaces, a dynamic I also found among Tanzanian staff in foreign state aid agencies. Conversely, assumptions about Kenyan and Tanzanian practitioners' inferior contribution were sometimes used to justify employing them on inferior terms. As such, unequal employment terms and professional authority seem to be mutually reinforcing, and they manifest in both non- and for-profit realms of development work.

In Kenyan consulting firms' partnerships with donor-country companies, part of this equation may well be the types of work they are assigned. When tendering together with foreign firms, they more often do so as subcontractors, and they are more likely to carry out parts of assignments that involve practical, logistical and frontline work, such as primary data collection. Their donor-country partners, on their end, take the role of lead firms, giving them control over project design, budgeting and communicating with clients. In those cases, Kenyan consultants can be said to form part of aid's 'implementariat', confined to low-status operational work presumed as 'simpler' than, for example, project design (Peters 2020; see also Ward 2021). They illustrate how racial hierarchies may be structured less by preconceptions about what local experts *know*, and more by what they *do*, as Peters writes. Beyond those collaborations, meanwhile, the jobs of Kenyan consultants, like those of Kenyan DFI staff and Tanzanian foreign grants managers, are similar to those of many of their higher paid counterparts from donor countries. As such, they rather highlight how even when local practitioners *do* the same work as their foreign co-workers, they are rarely compensated the same, signalling that their work is still somehow 'simpler'.

Another inequality facing Kenyan consultants and DFI staff, which they share with Tanzanian grants managers, pertains to their position at the global peripheries within their profession. Given the international nature of their work and qualifications, their localness resides less in their ties to the 'field', in spatial terms, and more in their exclusion from the organizational centers of power and opportunity in their business. These exclusionary processes and structures take both formal and informal forms. In the world of DFIs (and state aid agencies), local recruits are hired not by their employer's central organization but by one of its field offices, which, in relation to headquarters, are smaller and have limited decision-making power. Once host-country employees hit their field office's career ceiling (which admittedly, is higher in DFIs than in state aid agencies), they are not, unlike their deployed colleagues, offered a continued trajectory at headquarters or in another field office. In the domain of consulting, local practitioners

have restricted access to donor-country clients, who prefer hiring firms of their own nationality or from 'like-minded' donor states. Moreover, the Covid-19 pandemic showed how during a market recession, local firms are forced to downsize and many go out of business. Companies owned by citizens of donor countries, meanwhile, have the option to try riding out the downturn by relocating 'home', giving them access to their home country's broader social security systems, advanced digital infrastructures and/or alternative job markets.

Kenyan consultants' and DFI staff's inferior employment terms, lesser professional voice and greater distance from the global centers of power and opportunity in their lines of work, point to the limits of changing organizations' national owner- or stewardship as an 'equalizing' force. Though many consulting firms and DFI field offices today are run by Kenyans rather than Europeans or North Americans, inequalities between the former and the latter evidently persist. It brings to mind Hannah Appel's (2023) analysis of the growth of pan-African banks following the global financial crisis in 2007. While the rise of Pan-African banks paralleled a decline in European and American banks in Africa, Appel writes, this structural change of bank ownership did little to challenge America's monetary sovereignty on the continent. This is so because all local currencies, including in African-owned banks, are subordinated to the US dollar. It forces African actors to borrow money in dollars and maintain dollar reserves to pay off debts, effectively making the US dollar a form of colonial 'hut tax'.

Essentially, the monetization of aid raises questions about what kind of localization it may advance. Even if the coming years see a growing share of development professionals and organizations from, for example, Africa, this does not necessarily mean a transfer of power, authority or professional recognition from donor- to recipient country actors, epistemologies or ways of working. Development consulting in the UK, for example, has been observed to increasingly involve merely executing clients' orders, offering consultants little influence over project design (Mawdsley et al. 2023). The least power is usually afforded the many firms and freelancers now joining tenders as subcontractors, owing to the parallel growth in size of many consultancy contracts. As I have tried to show, the role of subcontractor is precisely that in which Kenyan firms are over-represented in the international consulting market.

Importantly, hiring local firms primarily as subcontractors mirrors an alternative meaning of aid's localization. It is one also found among local DFI staff, whose technical, supposedly international expertise is likewise meant to intermingle with and dominate over any skillset considered local. This version of localization entails the incorporation of local experts into professional realms dictated by donor-country knowledge, logics and norms. Like the tenet of locally-*led* development, it emanates from OECD-DAC countries, but rather than reflecting donor discourse, it mirrors rationales advanced in, for example, industry and academic circles concerned with human resource management in multinational companies (Hailey and Harry 2008; Hickey 2017). In this version of localization, replacing deployed staff with local ones is less a means to invest in local expertise (as donors' localization narrative holds), and more a matter of training locals to do 'international' work,

while also cutting staff costs by replacing expat salaries with local wages. To the extent localization in DFIs and consulting entails merely substituting dispatched personnel with in-country ones, while, simultaneously, giving the latter less compensation and professional credit, it counteracts the core objectives of aid's localization—notably to transfer resources, as well as recognition and power over knowledge production, from donor- to recipient country actors.

As commercial regimes of aid grow, it is not unlikely that this business approach to localization will do the same. Several broader analyses of development finance and private sector aid disclose how profit pursuits and de-risking regimes tend to strengthen the power and influence of developers at the expense of local ownership (see e.g. Chiapello, Engels and Gresse 2023; Gabor 2021; Hart, Russon and Sklair 2021). Commercially oriented aid actors are not alone in effecting this alternative version of localization, however. It is likely found among most public and non-profit foreign organizations employing university-educated, white-collar workers in-country. Tanzanian grants managers working for foreign state aid agencies constitute one such example, in that they similarly carry out much of the same 'international' work as their dispatched colleagues, while being paid considerably less.

But my research also alludes to ways in which development finance and the consultancy world differ from mainstream (or grant-based) public and third sector aid work by way of *exacerbating* inequities among industry professionals. They indicate how the monetization of aid may further concentrate power and resources in donor countries, in conflict with aid localization principles.

A first example of this is found in one of the arguments put forth in development finance, which favors profit-making aid schemes over grant-based assistance. It purports that only when developers expect to have their aid dollars returned to them with a surplus do they treat the targets of development efforts as equals. Profit-making aid is hence assumed to create partnerships that are more levelled, respectful and mutually invested, in contrast with grants that affirm a relationship of inequality, belittling recipients as objects of disengaged charity and trapping them in patronage relations through donors' conditionalities and implicit expectations of gratitude. This argument poses an obvious challenge to localization efforts. If development work's agents are now also deemed rightful beneficiaries of aid, it gives them little incentive to hand over the reins to actors in aid recipient countries. Why relinquish power and resources if one can continue managing and steering development work while also being sanctioned to profit from it (see also Slim 2021[1])? The revenues accrued by donor-country organizations involved in development finance and consultancy contracting have been well documented (see e.g., Karwowski 2022; Musthaq 2021; Roberts 2014; Slim 2021). As noted in Chapter 5, over half of OECD-DAC funds spent on procurement goes to domestic contractors hailing from the aid-providing country (OECD 2022;

1 Slim argues that Northern organizations' resistance to localization is partly owing to fears of budget cuts and job losses (as a consequence of their organizations having to restructure from implementation to partnering/funding).

Whitty et al. 2023). Two thirds of Kenyan consultants said they had experienced how bilateral donors preferred contracting compatriot firms and many had given up tendering for assignments procured by organizations representing a single donor nationality. Importantly, few believed donor-country consultants were necessarily more qualified but were selected on the basis of social relations, a sense of shared identity and/or imperatives to support donor-country markets and businesses. Similarly, many major bilateral DFIs favor in some way supporting or partnering with compatriot companies. Among my DFI interlocutors, this was partly rationalized as helping their organization achieve development goals, but also as supporting their DFI's national economy, and as motivated by convictions about nationally specific expertise. Neither Kenyan nor donor-country DFI staff took issue with this fact, and few voiced concern about potential trade-offs between development goals and their DFI's profit imperatives. Similarly, though some Swedish and Kenyan consultants bemoaned donor clients' preference for contracting compatriot businesses, they acknowledged the political economic logic of tied aid—that is, spending donor tax money on donor businesses—more so, at least, than they accepted contracting based on friendship relations. Several Swedish consultants, especially, expressed support of efforts to advance Sweden's 'national brand' in the global consulting market. This, I believe, exemplifies the resilience of the 'win-win' assumption about profit-making aid, which sanctions the national and corporate self-interests of donors/investors as an intrinsic condition for, if not engine of, development impact (see also McGoey 2021).

Another way in which efforts to capitalize on aid work may counter localization agendas concerns the strong emphasis in profit-making work on cost efficiency and measurable outcomes. Localization is likewise about results, but it is also about process. It stresses the importance of asking questions about how, by whom, on what terms and according to what knowledge and norms, development labor should be carried out (Baguios et al. 2021; Slim 2021). For-profit actors like DFIs, on the other hand, have been shown to be concerned mainly with financial performance (Attridge et al. 2019; TUDCN-RSCD 2016). As noted in Chapter 6, among both Kenyan and donor-country DFI staff, as well as some consultants, profit-making aid was often deemed a rational, technical form of assistance, unencumbered by questions about the intents or efforts of donors/investors or possible trade-offs between development and economic objectives. Their reasoning mirrors neoliberalism's self-portrait as a value-neutral, non-political system of economic governance (Miller and Rose 2008).

One example of how private sector aid's elevation of efficiency and results compromises localization imperatives is found in DFI staff's preference for partnering with businesses from their own country. As I described in Chapter 5, this preference derived less from any formal mandate to support donor-country markets and more from the fact that it was perceived to make 'everything easier'. Collaborating with 'like-minded' businesses rather than unknown foreigners was conceived of as making investment operations run more smoothly (and it is certainly not contradicted by assumptions about technical expertise as mainly emanating from the OECD-DAC community). Similarly, we can recall from Chapter

7 how a state procurer like Sida as well as its various contractors believed efficient assignment execution depended on having teams of consultants who were 'known' and 'trusted', both by the managers or leads of tenders and amongst each other. Results- and efficiency imperatives, in other words, may disincentivize donor-country actors from widening their circles of employees and partners to unknown territories. As such, it works against localization agendas intended to strengthen the international development industry's representation by organizations and experts from aid recipient countries.

An additional example of how a preoccupation with efficiency and results among actors involved in profit-making aid may counteract localization, concerns the increasing use of framework agreements in consultancy contracting. These contracts, we can recall, allow donor clients to buy services in bulk, partly in order to reduce in-house staff hours spent on procurement. But the big size and complexity of these umbrella contracts exclude many companies from aid recipient countries that are found to lack the required expertise, financial muscle or administrative capacity to meet donors' extensive requirements. Effectively, it makes them ineligible to compete for work in any role other than that of subcontractor, which, as mentioned, generally offers firms less influence, recognition and revenues. A comparative observation has been made in humanitarian, non-profit aid. Koch and Rooden (2024) describe how an unintended outcome of localization pursued in a context of international NGOs' stricter partnership requirements has been to privilege local actors that are larger in size and based in capital cities. As smaller, community-based organizations are outcompeted or disqualified, this risks transforming the realm of local NGOs 'from being constituent-driven to being donor-driven' (Koch and Rooden 2024: 356).

Moreover, framework agreements, as well as DFIs, illustrate how efficiency imperatives in commercially based aid reduce transparency in ways that offset localization efforts toward a more equitable distribution of power and resources across donor- and recipient states. Market actors and models of assistance reinforce and champion the value of competition as an organizing principle in development work. From a pro-market perspective, formalizing competition can make more visible, and thus fairer, the numerous ways in which development actors, in practice, contend for limited resources. Swedish consultants, for example, lamented the opaque processes through which Sida selected its partners among Swedish civil society organizations and other public agencies. These partnerships were not forged in open competition and were closed off to consulting firms, however some of them entailed paying government institutions and CSOs for services that consulting firms also provided. In a similar vein, many Kenyan consultants found the market of international development murky, where bilateral actors were especially known for sourcing companies from their own country on grounds that did not necessarily correspond to meritocratic logics. Success in the foreign aid field rather hinged on one's firm having some type of permanent representation of a person from a donor country. Tellingly, the few Kenyan firms that regularly serviced bilateral development organizations as independent contractors (rather than as subcontractors) were mainly run by persons from Europe.

If these selection processes were subject to more open, regulated competition, some held, it could remove (or at least make public) informal factors involving personal relationships, nationality or racialized identities which likely shaped contract awarding and other partnership formations. Formalized and transparent competition, in other words, could engender a more democratic and merit-based distribution of resources and economic opportunities within international development collaborations.

At the same time, exposing aid work to competition on the open market, by way of outsourcing it to private sector actors, has been observed to make development work less, rather than more, transparent (Stanger 2009[2]). Similarly, DFIs score considerably lower than public aid agencies on transparency indexes. They, as well as contracted consulting firms, have proven to be notoriously difficult to penetrate owing to their appeals to business confidentiality (Forster 2021; Oxfam 2018; Publish What You Fund 2025; Whitty et al. 2023). Comparable transparency challenges have been observed in the wider field of corporate philanthropy (see e.g. McGoey 2021). My own difficulties in gaining access to DFI practitioners and records during my field research are a testament to this. As commercial businesses, consulting firms and DFIs are less obliged to demonstrate their compliance with principles of transparency, equity and fairness, than are non-commercial, public actors. In part, this applies not only to how they carry out projects but also to how they recruit staff, subcontract companies and forge partnerships with other market actors. Sweden's DFI, Swedfund, for example, though wholly state-owned, is not subject to national laws on either public procurement, public sector employment or popular access to official records (Lawline 2019; Swedfund n.d.). Though Sida, as a state authority, is covered by all of those laws, its increasing use of framework agreements relegates a lot of its contractors' competition for work from the level of procurer–contractor relations (subject to considerable public scrutiny) to that of the myriad relations between private contractors and subcontractors (an inherently *private* market affair). Hence, the involvement of commercial actors such as consulting firms and DFIs, combined with state agencies' efforts to raise efficiency when exposing aid work to competition by consolidating contracting into framework agreements, implies that a large (r) share of development partnerships is forged both in less transparent and regulated ways and by less transparent and regulated actors.

Unable to meet the high requirements of framework agreements and other large donor contracts, the aid-funded assignments Kenyan firms obtain on their own (that is, not as subcontractors) are often smaller in size and the result of direct sourcing, rather than open, competitive bidding. Direct sourcing means, again, non-transparent (but for procurers, 'leaner') forms of contracting, where success hinges on consultants' inclusion in networks through which donor clients

2 Similar observations of how market contractors undermine transparency have been made of public sector outsourcing in general; see e.g. Oxford College of Procurement and Supply https://www.oxfordcollegeofprocurementandsupply.com/ico-calls-for-greater-transparency-in-public-sector-outsourcing-but-why-and-how/

communicate about assignment opportunities and hand-pick contractors. Overall, most Kenyan consultants asserted that success in attaining contracts with foreign development clients or subcontracting opportunities with foreign firms, depended greatly on one's inclusion in such networks, rather than or in addition to one's formal qualifications.

To compensate for their lack of any or all of the mentioned competitive advantages in the international consulting market, Kenyan consultants resort to 'underdog' strategies, involving offering services at a cheaper price and with more flexibility, accepting unpaid overtime, last-minute changes and payment delays. But in doing so, they once again signal how their labor and expertise is somehow worth less than that of foreign companies.

The importance of networks in the marketized vicinities of international aid work also highlights the role of trust in development partnerships. International aid is a field of practice known for its 'trust issues' (Pomerantz 2004; Sundberg 2020; Swedlund 2017; Vähämäki 2017). Aid's localization and monetization bring to the fore some of the core sources of state donors' distrust and how overcoming them partly depends on individual practitioners' relational work. In Chapter 4, I outlined how Kenyan DFI staff and consultants, as well as Tanzanian public grants managers, use their ties to the domestic development industry to help their foreign employers and clients identify prospective partners, negotiate the terms for partnerships, 'see through' the assumed facades of local partners and build rapport with them. Thereby, they are vital for creating and sustaining inter-organizational collaborations and optimizing donors' deployment of aid funds. The same local resources and ties, however, threaten these brokers' professional credibility and careers if they are perceived by their managers or clients to give them a 'local bias'. In Chapter 5, I described how some staff in public aid agencies like Sida have similar trust issues with development organizations run on a commercial basis, although their involvement with financial institutions and instruments and their contracting of consultants, mean they often need to collaborate with such for-profit actors. This distrust affects the persons in charge of brokering Sida's private sector collaborations. Kenyan consultants exemplify practitioners who undertake a double form of brokerage—between the local and the international, *and* the public and the private. They are local and commercially based and often contracted to mediate relations with other local, private sector actors with which their foreign clients collaborate. By tying themselves to two partner collectives that public (predominantly grants-oriented) donors like Sida distrust, notably those from aid recipient countries and those chasing the bottom line, they expose themselves to two grounds for suspicion of disloyalty. These suspicions are compounded by donor-country actors' concerns about widespread corruption in aid recipient economies. Effectively, they indicate the key roles but also heightened vulnerabilities of experts operating at the junctures of aid's localization and monetization.

Processes of financialization, Ballestero, Muehlebach and Pérez-Rivera (2023) write, do not follow a unilinear trajectory (see also Ho 2023). Rather, they vary in their manifestations and outcomes. The growth of development finance could be

said to exemplify this, and so could other elements of aid's monetizing, such as contracting commercial consulting firms to carry out development work. Together, they show how for-profit models of assistance discard some, reproduce others and exacerbate yet other colonially imbued hierarchies in aid work, and how they also create new ones which are not based on nationality but rather, for example, professional subfield. In Chapter 5, I relayed how Sida's growing use of private sector instruments and collaborations has created new stratifications among employees at headquarters in Stockholm. Some recently recruited guarantee experts with a background in finance enjoy higher salaries and a status as savvy, capitalist 'elites', raising envy (as well as skepticism) among their colleagues working with conventional, grant-based assistance. Sida employees with a past in consulting, meanwhile, do not seem to enjoy the same status or privileges. They insisted that Swedish consultants work harder for less pay compared to Sida employees but are nevertheless treated by the latter as less knowledgeable and credible (their humanitarian ethos assumed to be rivalled by their profit pursuits).

Interestingly, a Swedish Sida employee with a past in consulting, we may recall, likened the position of Swedish consultants to that of Sida's partner organizations in aid recipient countries: both were beneficiaries of aid, both were tasked with carrying out developmennt work more or less dictated by Sida and both were often blamed when this work did not go as planned. Perhaps this indicates how stratifications brought about through public–private (or non- and for-profit) collaborations may not coincide with the hierarchical binary of donor- and recipient country worlds, but they are still made sense of by likening them to that binary. It would allude to the latter's continued salience as a reference for understanding various and changing inequalities between Aidland's inhabitants.

But it could also be taken as exemplifying the naked power of money: how the one holding the money bag is taken to call the shots. Given how gaining (more) money is becoming a legitimate pursuit among donor-country actors—that is, those already holding the money bag—it makes a weak case for the likelihood of aid's monetization significantly contributing to a structural redistribution of resources, power or recognition toward actors in aid recipient countries. Rather, perhaps, it will merely nuance existing hierarchies by further stratifying them according to the power of money but not necessarily of racialized identities. The possible introduction of a new pecking order between Sida headquarters staff engaged in either 'innovative finance' or grant-based aid is one example of this. Perhaps another resides in this book's empirical focus within the broader landscape of development workers from aid recipient countries. Through the cases I have presented, showing how profit-making organizations offer their local practitioners opportunities generally off limits to local staff in foreign NGOs and state aid agencies (such as greater authority, mobility and job security), I ultimately spotlight privileges enjoyed by 'cosmopolitan' and 'national' elites in Africa's development industry (Swidler and Watkins 2017). As examples of for-profit organizations' greater adherence to localization tenets, in other words, they are largely limited to the transfer of power and resources to actors belonging to their local Aidlands' highest socio-professional strata. They bring to mind a broader

critique of DFIs as failing to show how they may impact conditions for those other than the comparatively credit-worthy (Attridge et al. 2019).

My book leaves unanswered, then, the question of whether for-profit aid within the OECD-DAC mainly empowers professionals from aid recipient countries who already have a strong position in the development industry, just as blended finance tends to benefit countries, sectors and groups that are better off than those targeted by grant-based aid (Attridge and Engen 2019) and commercial assistance models further enriches those already in a position to give aid. If that is the case, the subsequent question arises as to whether we should expect localization efforts to eventually 'trickle down' the aid chain, just as DFIs hope their investments will someday spill over to those still unworthy of their credit. Similar to Spratt, O'Flynn and Flynn's (2018) caution about the many 'if's' in DFIs' theory of change, that may be more of a wish than an empirically informed prediction. Even in the higher echelons of the development industry which I have studied, where local and posted experts and expertise are less sharply differentiated, in-country recruits struggle to attain the same recognition, power and economic opportunities enjoyed by their donor-country counterparts. Also, though varied in its outcomes, aid's monetization in these 'elite spaces' seems, on the whole, better at sustaining and even sharpening, rather than countering, such hierarchies and inequalities between actors from donor- and recipient countries.

This raises a related, even more pertinent question, which I also leave unanswered: What potential, then, has localization to refocus monetized aid toward its *primary* beneficiaries—that is, people living in poverty in aid recipient countries? How could it possibly assist in (de-)monetizing aid in the sense of qualifying it more on the needs, rather than the commercial potential, of investees, or, at least, safeguarding the populations most in need of assistance from some of monetized aid's detrimental effects? Can we expect a greater representation of local experts in DFIs, contracted consulting firms, or, for that matter, impact funds, multilateral development banks, or the trade- and finance sections of state aid agency missions, to effect changes in policy and practice that would hold foreign creditors accountable for the rising debt-servicing costs crippling African economies? Or address the devastating effects that consequent austerity policies have on those among their fellow citizens who already live on the margins (Hatab, Riaz and Orkoh 2024)? Or bring attention to the colonial continuities of for-profit aid as examples of, rather than ruptures with, European imperialism, if considering the latter's capitalist exploitations rather than merely its civilizing mission? Perhaps that would also be unlikely. Perhaps it is an unreasonable expectation to have on any person recruited to manage OECD-DAC aid meant to generate financial surpluses. But it is, admittedly, an empricial question that deserves further investigation.

Importantly, studies probing the organization and everyday practice of for-profit development work should help to not only identify these global, colonially rooted inequities but also find ways to remedy them. Among state aid agencies

and DFIs, examples of such remedies involve reforming the sharp distinction between headquarters and field offices as decision-makers, employers and managers of human resources; clarifying the purposes of recruiting and contracting locally; and regulating, or at least demanding more transparency in, subcontracting and partnership arrangements among tenderers when sourcing aid work from the open, international market.

Such reforms may stop short of strengthening, in any direct or measurable way, impact objectives that recenter people living in poverty as primary beneficiaries. But at least they could give donor-country developers a harder run for their money as *they* increasingly claim the position of both agent *and* beneficiary of development work.

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