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CHAPTER 11

CONCLUSION AND THEORETICAL AND POLICY IMPLICATIONS
11.1 Introduction

This study was undertaken to identify how donor-promoted public sector reforms in poor countries could be improved, in order to generate outcomes that are more beneficial. Donor programs offer great potential for Yemen, in terms of improving its administrative institutions, but the country has experienced many cases of failed and uncompleted development programs. The country suffers from high rate of poverty, corruption, economic, social and political unrest, and more recently security concerns. Empirically, this dissertation is primarily concerned with the identification of why donor-promoting public sector reforms programs in Yemen are not effective, especially those which are expected to build the capacity and capability the higher education sector. This question is not limited to the Yemeni case, but it extends to many poor nations, for which the outcomes of foreign aid activities are the same as in Yemen.

To deal with this complicated question, this research has taken an in-depth look at the factors affecting success of development projects, through a review of existing theoretical and empirical literature. The study found that the public choice perspective (PCP) with its economist scholars and experts is the prevailing explanation, for the ineffectiveness of donor-promoting public sector reform. The PCP approach has publicized two main causal explanations: (1) the multiple goals of donors for providing aid, and (2) the poor policy environments in poor nations themselves. Theoretically, this dissertation has argued against the public choice perspective (PCP) and its presupposed causal mechanisms of aid intervention ineffectiveness, by hypothesizing an alternative explanation of aid (in) effectiveness. This explanation is that aid projects and programs can certainly work and achieve satisfactory results, despite the poor quality of governance in host countries, and with the existence of multiple goals among donors for providing aid. To do so, however, aid practitioners in the field and those in charge of development policies at the highest institutional levels, should be in touch with reality and start incorporating local knowledge (LK) with a careful project design and/or implementation and adopting delivery mechanisms to ensure the effectiveness.

Consequently, in this dissertation, I have explored the extent of the role played by the “Local Knowledge Syndrome”, as a potential cause of the low performance of donor-promoting public sector reforms programs in poor nations. This dissertation has taken a look at the factors influencing the incorporation of information on local knowledge during aid policymaking and implementation, through the purview of implementation and policymaking theories and other theories such as institutional theory, cultural theory, the actor network perspective and explicitly its development associability approach. Based on these theories, two propositions on institutional change were developed and tested in this study, and I have sufficient evidence to permit the assessment of the hypotheses presented. These hypotheses are:
(I) Incorporation of local knowledge in the policy design, integrating formal and informal institutions and organizations in host governments or organizations, increases the effectiveness of aid programs.

(II) Incorporation of local knowledge during the implementation stage leads to greater openness to local realities not foreseen in the design stage, and reduces the probability that aid programs or projects need redesigning, thus increasing their effectiveness.

A few studies have touched upon the LKS problem (see for example Voeten, 2013, Baimyrzaeva, 2010; Scarf, 2010; Jenkins and Plowden, 2006), but to my knowledge no more studies have extensively investigated this topic and its relation to the ineffectiveness of donor-promoted public sector reform in poor countries, including Yemen1. In the previous chapters, I showed that the incorporation of information on local knowledge can occur on the ground. I applied a grounded mixed research methodology, in order to develop conceptual clarity of LKS at the micro level. The method allowed us to describe the processes of capacity building (as part of the public sector reform process), based on the interaction between the formal and informal institutions (LKS) in the specific place and time of aid intervention, as well as yielding theoretical and policy implications, and pinpointing possible topics for further research.

11.2 Summary of the Key Findings of the Theoretical and Literature Review

This study started by mapping and analyzing the record of the causal factors of the ineffectiveness of donor-promoted public sector reform in poor nations. In Chapter 2, I reviewed the literary and some concepts which are applicable to the main argument of this study. I saw that the foreign aid discourse has been marked by two important contradictory research approaches: (1) the public interest perceptive (PIP) which argues that foreign aid does work and that it should be continued, to overcome the poverty trap in poor nations; and (2) the public choice perspective (PCP) which argues that foreign aid does not work and moreover that it has harmed poor countries instead of helping them, and thus should be stopped. I ignored the public interest perspective (PIP) here and instead focused on the public choice perspective PCP. The public interest perspective states that aid is justified, because aid flows by donors to recipient countries are needed to fill the financial gap that poor nations suffer from. It regards the financial gap as the main cause of the depressed situation in poor nations. Undoubtedly, the financial gap needs to be covered, especially in the particularly poor countries. However, I do not fully agree with this argument, because a condition for the effectiveness of this aid is that there should be a local knowledge on how to use this money in an effective way. As we have seen in the case of Yemen,

1 - This study is the first study is dealing with the foreign aid programs at a whole in the context of Yemen, as there is no a single academic study with the topic of foreign aid was conducted.
more than US$18 billion has been allocated to the country, but there is a big question mark about its effectiveness.

In this dissertation I isolated the explanation of the public interest perspective and instead focused on the public choice perspective. The PCP states that foreign aid is ineffective in achieving its ultimate objectives: prompting developments, growth and reducing poverty in poor nations. Moreover, it argues that foreign aid actually harms rather than helps the poor nations, and suggests that foreign aid flows should stop to avoid such harm. The PCP approach scholars have divided the factors of why foreign aid is ineffective into two main strands. The first strand, based on macro studies, argues that poor policy environment, such as weak and corrupt policies and institutions, is the main cause of the shortcomings of foreign aid programs. The second strand, based upon country level analysis, argues that the problem is that most donors tie their aid to political, strategic, commercial, cultural, and religious self-interest. The donors, it is argued, are highly motivated to achieve these self-interests, but less interested in holding recipient countries accountable for achieving anything productive with the aid. The egoistic interests of donors often work against the altruistic objectives of providing aid and might lead to corruption of the aid projects’ outcomes, thus reducing the effectiveness of aid interventions.

As discussed in Chapter 2, the researcher does not agree with much of what has been mentioned and proposed by previous writers on this subject, especially the economic scholars and experts related to the PCP approach, including Burnside & Dollar (1997, 2000, and 2004) and Easterly (1998, 2005, and 2008). This study argues that aid projects and programs can certainly work and achieve satisfactory results despite a “poor quality of governance in host countries” and with the “presence of manifold objectives” among donors for providing aid. Economists lack the relevant background knowledge to understand the full complexity of the social dynamics and deep-rooted values and patterns of behavior of the poor. They do not focus on behavioral issues and the motivation of the key organizations and individuals that they are dealing with in the public sectors of poor nations.

This dissertation has sought to confirm an alternative explanation that the “Local Knowledge Syndrome” is a cause of the ineffectiveness of donor-promoting public sector reform programs. The main idea behind this explanation is that the knowledge and ideas that inform donor reforms programs and projects can serious affect their outcomes and their level of effectiveness. If I look at the body of aid policies, there is clearly a growing appreciation that policy depends on local knowledge for implementation—but no one has figured out how to incorporate LK successfully in inhospitable or poor political and social climates.

Chapter 3 addressed the theoretical agenda of the study. Based on many institutional theories, I started with a basic definition for Local Knowledge Syndrome and its relation to foreign aid effectiveness. Local Knowledge Syndrome (LKS) is
defined as the relative lack of formal institutions and organizations in poor nations’ public sectors compared to informal institutions and organizations. Neither the rule of the game within public sectors nor wealth are generated, transmitted and practiced through the state’s formal institutions and organizations. The power of formal state institutions and organizations is far less than it appears on paper, and they are broadly subservient to the interests of the informal institutions and organizations. The research found that LKS reflects donors’ ignorance of the role of informal structures and instead rely on (weak) formal institutions for capacity building. It is essential for the development community to realize that informal institutions and their “implicit-knowledge” are as important, if not more, than formal institutions and organizations’ “explicit-knowledge” for the effective promotion of public sector reforms processes in poor countries. The informal system or structure sets the main rules of the game by which most of the recipient government bodies are administrated and controlled. If aid participants are aware of this system, they can successfully design and promote reforms and “institutional change” in non-transparent environments (see for example: Polanyi, 1958 & 1966; Bernard, 1968; North, 1990; Ostrom, 2005).

In Chapter 4 I saw that to comprehend the dynamics of the Yemeni public sector, one must look beyond written laws and regulations and institutional rules and procedures to examine the informal rules of the game that govern the organizational and individual behavior. These informal institutions and organizations’ influence is reflected in Yemeni government officials’ distinctive and informal style of decision-making, management functions and interpersonal relations. The researcher found that the function of civil servants in Yemen, especially managerial behavior, is heavily influenced by society’s social-political structure and by the values, norms and expectations of its people. For instance, the function of the civil servant within his or her community and organization is shaped to a considerable extent by the expectations of tribesmen, relatives, friends and employees. The top tribal leader, by virtue of his position in the organization, sees himself as the “top man” of a tribe and not a formal organization that has formal rules and regulations. Thus employees are perceived as members of that tribe.

Despite the complexity and sensitivity of LKS, public policy theory argues that clear understanding and positive interaction between formal and informal institutions is a pre-condition for identifying the problems and formulating sound policies, for building and improving managerial capacity of administrative systems in poor nations. Such information on local knowledge was missing in all three waves of aid policies since the 1950s: (1) Capacity development of organizations and individuals (1950s-70s); (2) Reorganizing the public and private sectors (1980s – mid-1990s); and (3) reshaping the whole governance system (late 1990s onwards). During these three waves, donors’ aid policies, towards all recipient countries including Yemen, incorporated scientific knowledge and theories of development that have been mostly
developed and tested in western countries with a thriving modern society. These idealized models of governance have rarely had much to say about the practicalities of bringing about change in a recipient country.

In addition to the deficiency in practical knowledge, I found that aid policies are still dominated by two main unsubstantiated assumptions. The most important of them, is a strong belief among aid policymakers in the potential of Western knowledge and expertise to take poor nations out of their backward situation into modernism. The other is that institutions in developing countries should be based on the Western lines, as Western models are universally relevant and superior to local institutions in recipient countries. Due to the prevalence of both assumptions and the deficiency in practical knowledge, donor agency plans for an enormous number of recipient countries, have been based on the infamous one-size-fits-all formula. These projects have not worked in recipient countries, because there are varying local conditions.

The social-engineering model of James Scott (1998) provided a clear theoretical explanation of why aid policies formulated by using assumptions and not focused on the social contexts of their policies, resonates in the simplification policies from the twentieth century on centrally-planned social-engineering projects in high modernist states. Scott (1998) explained the simplification policy by looking at the interactions between scientific knowledge holders and practical knowledge holders. Local societies are complex and it is not that easy to understand them. In addition, states exercise a “high-modernist ideology”, which is about having a strong faith in scientific, technological and human progress. Carriers of such faith often see progress in visually aesthetic terms. To simplify or to create “legibility” of complex phenomena, states have used the authority of scientific knowledge and its tendency to disallow other competing sources of judgment in its developmental agenda. The result has been either a massive failure of these developmental agendas or the imposition of orders that isolate and simplify the societies that they seek to administer and develop.

I also found in this study that aid policy implementation has mostly followed the top-down approach. This approach is an externally-determined approach to aid policies, which tries to transfer skills and formal aspects of institutions or organizations planned and implemented by foreign professionals into recipient countries. Fortunately this approach is falling out of favor, at least in policy rhetoric.

Another significant finding from this study is that development should begin from the grassroots level, in the specific place and at the specific time of the aid interventions. This is because, local knowledge is much linked to context, and time specific. This was demonstrated in the case of Dutch-Yemen NPT (Netherlands Programme for the Institutional Strengthening of Post-secondary Education and Training Capacity) program, which I looked at in Chapters 7, 8, 9 and 10. I provided empirical evidence that at NPT policy level the implementation of (almost) internationally-standardized programmes, makes local knowledge a footnote in the
different country programs.

For middle management, focusing on one or two sectors - and in the case of NPT on the higher education sub-sector - local knowledge should have been important, but they relied on international reports and censured workshops, so LK was not taken into account. Consequently information on local knowledge remained an unopened and invisible black box until the operational level. Contactors either successfully opened this black box or were unable to open it. This explains some aid projects in our study failed, while others succeeded.

In this dissertation, I have also looked at the ‘associability development approach’ (see Scoot-smith 2013), which derived from the main ideas of the actor network perceptive, as an alternative approach to address the LKS. The network perceptive provides an original lens for the analysis, and allows closer insights into the dynamics of the development process in the related projects. The advantage of the network perceptive for examining project success and failure allows me to move beyond the narrow concern with stated aims, and to look at the local knowledge of the specific context such as ideas, formal and informal institutions, individuals, and objects that all contribute to the development activities during “the translation process’. It also gives me much-needed skepticism, about any claim that development projects have an inherent, objective validity, but it has an adaptable and associable validity to the local context. Once again, the network perceptive lens provides a conceptualization tool that was epistemologically challenging; combining the ‘real’ outcomes of aid project (positivism) with how humans formally and informally interact, perceive, respond and react to events and to one another (constructivism) in order to mobilize the different allies of the project and to exchange aides and information on local knowledge during the implementation process.

The associability development approach describes how networks emerge and how interactions among the actors involved take shape around the aid project in order to exchange ideas, local facts and capture the local reality. It is not a static description of nodes and hubs, rather it is descriptive and explanatory as the development has to be studied in action, focusing on the dynamics rather than on the stability of the relationships (Voeten, 2013). The development associability model suggests two sub-models to explain the success and failure of aid projects: (1) The associability harmony model and (2) The associability conflict model. The first sub-model reflects the process of implementation of the aid project through harmonized interactions, which lead to the incorporation of local knowledge. The second sub-model reflects conflicting interactions between the contractors and their counterparts, meaning the failure to incorporate local knowledge and therefore jeopardizing effective project implementation.

This research considers many factors that can influence human interactions and which can lead to the harmony model or conflict model of networking. The most
important of these factors are: building trust, openness, commitment, mutual understanding, cultural differences, unequal representation, rate of rotation of staff, and the number of actors involved in the aid project during the actual implementation process. In Chapter 4, I also argued that the above mentioned factors can come into play because, of the lack of attention among donor implementers that their counterparts might work in disagreement with their skills, styles, perform functions and techniques. Consequently there is not only the expected culture shock, but it is also difficult for implementers to understand the “rule of the game” which the recipient organization functions are mainly based on.

11.3 Methodological Approach and the Main Empirical Findings

The researcher focused on research design and mixed methodology to empirically argue against the saliency of past analyses of aid project ineffectiveness based on the PCP approach. As I mentioned above, PCP studies and scholars argue that foreign aid ineffectiveness occurs because of self-egoistic interests of donors by providing aid to poor nations and poor policy environments in poor nations.

The methodology approach was designed to test if the LKS is a causal mechanism, among others of course, determining the effectiveness (or otherwise) of aid projects. I used Dutch-Yemen development co-operation, to provide macro-policy analysis in order to test whether the existence of multiple egoistic goals of aid giving are the main cause of ineffective aid interventions. I selected Dutch development activities in Yemen, as the Netherlands is historically one of Yemen's biggest foreign aid donors. In Chapter 6, I used secondary and available sources of data to provide a brief historical background of the Netherlands' development aid history, determinants, and its role in Yemen. I found that the egoistic/strategic interest of the Netherlands for assisting Yemen, is to achieve security and stability in the country. However, I also found that the Dutch implementers do not have the “local knowledge” to accomplish their strategic aim. Yemen has yet to witness dramatic improvements in terms of development outcomes, that have meaningful impacts on security and stability, and in fact has turned into an almost failed state.

I then used to the methodology approach to analyze one policy area in depth. I selected education sector reform, because more than 40% of Dutch foreign aid goes directly to the education sector at all levels. The Dutch NPT program included 14 projects implemented in different higher education institutions in Yemen. In this study, I selected just four projects (N=4) by using a Most Similar Case Selection strategy. These projects are MPA-NIAS (Yemeni National Institute for Administration Sciences), MBA, WEC, and WRTC², which are all similar, because all the projects are

2 - In detail, the projects are: (1) Establishment of an Executive Masters in Public Administration (MPA-NIAS) degree at the Faculty of Commerce, Sana’a University and Institute of Administrative Sciences (NIAS); (2) Establishment of an executive Masters in Business Administration and an MBA Degree Project at Degree at Faculty of Commerce, Sana’a University; (3) Developing a diploma programme in Gender Studies at the Women’s Research and Training
funded and implemented by the Dutch government for the same recipient (HE sector in Yemen) and especially Sana’a University, within approximately the same timeframe. All the selected projects had specific objectives to build the institutional capacity and capability of the host organizations, by building their organizational and administrative structures and increasing the quantity and quality of the staff members. The aim was to provide training services for promoting capacity development within the Yemeni public, private and non-governmental sectors as the overall objective of the Dutch program in Yemen. These projects are comparable in such a way that it allows some level of control of the other variables.

In Chapters 7, 8 and 9, I applied the “development validity approach”, conducting micro/quantitative analysis to reveal the level of effectiveness of the selected NPT projects in achieving their overall and specific objectives. At this stage, a survey questionnaire was used as the main data source of evidence to identify the opinions of the participants. The questionnaire was designed on the basis of the local knowledge aspects in Yemen, the ideal model for capacity building within public sector in Yemen that was developed in Chapter 4, and the objectives of the Dutch NPT program reviewed in Chapter 6. The importance of the findings of this stage of enquiry, should be judged in the light of the strengths and limitations of the methods by which the data were collected and analysed (see Chapter 5).

To assess the level of effectiveness of the selected projects in achieving the overall objective of the NPT program between 2004 and 2012, different sets of variables were used. The first variable was the demographic profile and background of the participants, used as a proxy to measure the contribution of the aid projects in building the capacity within the public sector. This variable includes different measured items to look at the following questions in regards to capacity and capability building: (1) What are the target group(s) and which administrative level should they belong to?; and (2) What are the appropriate criteria for participants’ enrollment, which may be appropriate to some degree to the place/time circumstances of the respective organizations? The results based on across case analysis suggest that the WRTC and WEC are more successful than MBA, NIAS, and MPA in selecting appropriate participants for attending the training process.

The main objective of the second set variable was as proxy to explore the contribution of the selected projects to building their participants’ managerial skills. Thirty-two measured items were tested, and the aim was to find relationships between the level of effectiveness of the selected aid projects and the different measured items which were improved by attending the training process. For this, manager skill development was divided into four categories, based on the ideal model for capacity building within the public sector in Yemen that I developed in Chapter 4. These four

Centre (WRTC) of Aden University; and (4) Strengthening the Water and Environment Centre of Sana’a University and its Program in Integrated Water Resource Management (WEC).
categories are: (1) improving corporate policies and strategies, (2) effective human resources management, (3) building leadership skills, and (4) establishing and building their communication skills. One interesting issue which emerged is that in reality the identified managerial skills are so overlapping that it is difficult to make a clear-cut distinction between the first three categories.

The third proxy variable was used to explore the efforts made by the selected projects and the respective target organizations, to transfer training to work settings. It would be impossible for a donor intervention to set up a self-sustainable civil service training system, by merely tackling the supply side or focusing on building skills for civil servants. There should be there a rational strategy which will provide structure and guidance, for subsequent implantation and budget allocation discussions. This should go alongside a strategic human resource management framework guiding the development of the civil service in Yemen and providing clear mechanisms, for transferring training to work settings. Capacity building processes will not be complete until the transferring process is achieved.

The quantitative results of these three variables varied among the selected projects. The quantitative analysis revealed that the MBA and WEC were more effective than MPA and WRTC, and that NIAS was in the middle. The cross case analysis results suggested that MPA and NIAS must focus on developing the managerial skills of their participants, while at the same time eliminating the obstacles which are hindering the processes of training and skills transference.

I found that the Dutch-Yemen NPT program did not provide all necessary conditions for effective capacity and capability building process, within the contexts of MPA, NIAS, and WRTC. The same capacities and capabilities which the NPT ought to have reformed or developed still represent the obstacles and weaknesses facing the less effective projects. MPA, NIAS, and WRTC all resorted to earlier practices during the NPT process and so change was not picked up.

To discover the obstacles of the selected projects to realize the overall objective of the NPT program, I analyzed the process of building capacity within the targeted organizations. Twenty-one measured items were tested. Here I divided the obstacles into three categories: the organizational and administrative settings; the quantity of the teaching staff; and the quality of the teaching staff. The quantitative results showed that the MPA and WRTC have less effective organization, management and qualified leadership than MBA and WEC. Respondents in the NIAS place their institution in the middle, with partly effective organization and management and qualified leadership. Similarly, MPA, NIAS and WRTC were found to have less sufficient and qualified teaching staff than the MBA and WEC.

11.4 Local Knowledge Syndrome through Qualitative Analysis
In the second stage of the microanalysis, I turned my attention to some local
knowledge elements, which were not incorporated during policymaking and/or policy implementation, and explained why there was variation among the selected projects based upon the quantitative analysis in the first step. The main source of data was the oral interviews, NPT documents, participated-observations, and related articles and books. This stage therefore, attempted to address the knowledge deficiency through a synthesis of empirical investigation, drawing from multiple data sources to propose an explanation as to why the Dutch-Yemen NPT program is not that effective in operating in the Yemini local environment. Different local knowledge elements presented in Chapter 4 were employed in Chapters 9 and 10 for the analysis.

Regarding the LKS explanation, I found that the reform content of the Dutch-Yemen NPT program has been largely based on ambiguous or inadequate information of the informal institutions within the Yemeni direct and indirect recipient organizations, and several unjustified and systematic projects on capacity and capability building and institutional reforms. The Dutch-Yemen NPT program based itself on the Western assumption, that the Ministry of Higher Education in Yemen should be the highest decision-making level for the higher education sector. The reality was, however, that the University Presidents were at the same bureaucratic decision level, as the Minister of Higher Education. Selecting the Vice-Minister to be the overall NPT Project Coordinator for Yemen caused problems during the implementation of all projects, since he could only advise the Rectors of the universities to take the necessary steps to improve the project performances. The NPT could have taken another direction, if they would have known that the management and staff of the Ministry of Higher Education, and the Yemeni universities and faculties were not convinced of being reformed. The isolated position of the universities within the world of work, did not push the university staff to adapt to a changing environment that was taken place in the society. The Ministry did not establish a clear mandate in the higher education sector. Moreover, perhaps most Dutch contractors related to the NPT program had a poor understanding of what institutions are and how to build/redesign effective institutions.

It is really difficult to understand all the intricacies of the complex institutional reform processes or the institutions of a traditional country like Yemen, such as nepotism and personal connections. These informal managerial methods start from the selection of the directors of the aid projects, to the selections of the trainers and trainees. Donor contactors went along with the traditional vision of the top men of the respective universities. In doing so, ECs were created without building administrative systems to run them. The assumption was that the Rectors would like to establish a western-style model of university, where lecturers would have freedom to do research, study and to undertake services for the community. However, most Rectors were appointed to control the university, so the will to develop a new style of ‘open’ management was not in their direct interest. The Rectors went along with the
NPT demands, but most of them refused to take a leading role in the reform activities. They often remained the ‘judge’ in case of conflicts between the Dutch and Yemeni partners. At lower levels, Deans are in control of staff and students, and a free exchange of ideas, knowledge and skills, could threaten their positions. Inviting professional, students to participate in new programs with new methodologies and management was for many deans a step too far. Furthermore, the assumption that faculty staff were motivated to learn about new ways of learning and teaching, and new subjects and services was too Western-based.

In the public administration sector the civil service managers had no clear idea why they had to change their systems, and why they had to follow upgrading programs at university. Most University staff members, having no experience with civil servants, but only with regular BA students from different sciences, did not have an idea what to teach them. There was a two year period put in to bridge between the two, before the Master’s program started. The assumption was that teachers would be very motivated to step into the NPT projects, based on the principle that each academic would be very happy to learn additional knowledge and skill. However this did not work out in the Yemen context. Most teachers were happy to give their lectures to regular students, reading their often-outdated materials and not integrating the modern developments in their subjects too much. Stepping into the project meant additional work and that should be paid. Since payment through the project was not allowed, most teachers abstained from the NPT project activities.

The ECs suffer from a lack of integration and coordination with the organizational and administrative structures at the university level, or middle management level. Instead they have individual connections with the rectors or the top men in the universities. Furthermore, there are no synergy or coordination mechanisms among ECs. ECs still suffer from inadequate selection and evaluation of staff members. The existing curricula, especially in MPA and WRTC, are old and far removed from modern science. Furthermore, there is low-level of female participation as trainers and trainees in the institutions or the selected ECs.

As I have seen, MBA and WEC achieved a reasonable level of effectiveness. The projects had comprehensive visions, guiding methodologies, educational and training packages to achieve the required balance between theoretical and practical aspects, effective administrative systems, and effective capacity building among their participants, ensuring participants transferred skills and knowledge back to the work setting. MPA-NIAS and WRTC, on the other hand, failed to reach a reasonable level of effectiveness. I considered various theoretical perspectives to understand the above variation in the level of effectiveness, among the four selected aid projects, by focusing on factors that affect the incorporation of information on local knowledge during policy making and/or implementation.

The policy-making process of the Dutch NPT program, accorded more or less to
internationally standardized programmes, using western theories of good governance to identify the problems and to formulate the NPT program in the infamous one-size fits all policy. Thus LK was entirely sidelined in the process. Middle management relied on international reports and censured workshops, so LK was not taken into account, and all experiences with LK were shifted to the operational level of implementers. In global development policies there seems to be little room for deviation. The identification process is mainly focused on finding recognizable problems within the recipient country to which new policies can be directed. Middle management is charged with identifying the right institutions and people to carry out these interventions. Counter-information might be available, but is not systematically collected because it will not serve the interests of the policymakers.

None of the existing analytical frameworks of these theories were able to address why there were more and less effective projects and how this related with the LKS. This is especially as I mentioned above the selected aid projects were all developed under one heading, namely the Dutch NPT program and they were all implemented in one sector that is the higher education sector in Yemen. Therefore as an alternative analytical tool, I employed the associability development approach, drawn from the ideas of the network perspective. As mentioned above, the implementers of the Dutch aid projects are confronted with black boxes of information on local knowledge during the actual policy implementation. The main idea of this approach is that the LKS (opening the black box), can be solved through direct and indirect interactions with all actors involved in the actual process of implementation. It suggests that the success of the interactions, depends upon the extent of mobilization of the alliances both inside the project, and outside, with the beneficiaries of the project. The more actors work to maintain the network, the more successful it will be. This idea was significant in this dissertation, because it detaches thinking of how to solve the LKS within the aid arena from objectively measurable validity.

The associability development approach is divided into the harmony model of networking and the conflict model of networking. The harmony model describes the MBA and WEC projects, which witnessed effective mobilization of allies, such as government, the private sector and other stakeholders. They were able to build alliances by not challenging formal and informal powerful structures and powerful actors, but rather by bringing them on board. This occurred by using both formal and informal economic ties and tools for the MBA, and formal and informal social and political ties for the WEC. The private sector was greatly involved in the MBA project and the water sector was strongly involved in the WEC project. Thus, the direct beneficiaries of both projects were able to exchange local knowledge information on their capacity development needs. There were significant and strong actor-network interactions between the donor contractor and its experts and the Yemeni counterparts, and among the Yemeni counterparts themselves at the departmental
and organizational levels. Thus they were able to open the black box of local information. The more harmonized the interactions, the greater the incorporation of local knowledge, and the greater the effectiveness of the aid projects. The ultimate goals of better functioning in the private sector, and thus competing better at a global level (for MBA), and better provision of a scarce commodity like water (for WEC), convinced the participants in the projects to overcome cultural and personal differences.

The conflict model of associability describes the MPA-NIAS and WRTC projects, which witnessed ongoing conflicts and poor consultation between allies. The conflicted interactions showed that there were remarkable differences in the motives, power position and dominance of the implementers, which decreased the incorporation of local knowledge (i.e. the black box remained closed), and thus made these projects less effective. The Dutch contractors and their counterparts, failed to develop mutual trust to get to know each other’s approaches, capacities and interests. Nearly all actors around the projects had no or little commitment towards, the activities of the project, particularly how to involve the public sector (for MPA-NIAS), and how to involve the related sectors for women's affairs (for the WRTC project) and thus incorporate the respective sectors’ needs in the training courses. It is very strange that the clients were not consulted even during the policy making stage or the operational stage. In both projects, there was a climate of interpersonal conflict, and absence of trust, commitments, and mutual understanding among the networks actors. The conflict situations prevented the teams from getting the beneficiaries’ opinions and informing them about the projects. Consequently, the main managerial skills for promoting the capacity and capability of the respective sectors within the Yemeni government were not specified and local case studies were not incorporated into the training courses.

The associability model provides a conceptualization and analysis tool to overcome LKS, taking account of how humans interact and respond to the views, ideas and norms of each other. The model shows how to mobilize different allies concerned with aid intervention. As effectiveness of aid projects is linked to the process of incorporating information on local knowledge, the associability model of development considers empirical remedies to the LKS endemic. It accords high importance to the role of interactions, between all actors around the aid project during the implementation process. This means there is a good match between the theoretical basis on LKS and the empirical evidence, namely effective capacity building to promote public reform process in poor nations.

The qualitative analysis results in this study were in line with the results of quantitative analysis, showing that MBA and WEC were more effective than MPA-NIAS and WRTC in achieving their specific and overall objectives. Given the compatibility between the results of quantitative and qualitative analyses, I can say
that the results of this study are strong enough for us to generalize that there is a
deficiency of broad understanding of local knowledge and a failure to apply local
knowledge during project implementation.

It was assumed that the opposite would take place, as the incorporation of local
knowledge should be greater at the policy making level than the operational level, as
that local knowledge itself is more important at the policy making level than the
operational level. However, contractors who implement the aid programs often have
no institutional stability, meaning that their involvement in the implementation
process is based on a competitive selection among numerous contractors. At
policymaking level, on the other hand, the organizations are institutionally stable, as
the same organizations in a donor country are responsible in forming its aid polices.
There should be lessons learned about the accumulation of knowledge through
previous aid practices in recipient countries. However, there is a lack of information
on local knowledge practices on online networks. There is a lack of institutional
memory within donor countries, and also the diplomatic language and development
jargon used in the interactions between actors during policy making prevents the
black box of LK from being opened at the policy making level. Furthermore, in
recipient countries there is often no tradition of archiving reports or other documents.

In chapter 10, I found that Dutch policymakers just went along with the global
donor approach, ignoring local knowledge during the policy-making process, and
adapting complex and unpredictable NPT policy as presented in section 11.3. The
comprehensive, wide and social engineering development approach or top-down
approach used by Dutch policy makers could not detect the hidden obstacles or
solutions of local knowledge. It is interesting to note that evaluation reports on the
reforms of five Ministries supported by the EU Commission were not made public,
because the results were not very positive. For Dutch policy makers such reports
would have probably given an opening to Yemen LK. The same is true for the World
Bank reports on the first Basic Education Development, which were also not
published. Consequently, the donors had to use secondary materials that stated the
need for reform according to the global donor approach.

At the middle management level, which is responsible for the planning of
implementation (POI) of the NPT program, I have seen the pervasive evidence that
the process of POI includes little local knowledge of the local situation and also little
understanding of the technicalities of reforming Yemeni public administration. My
approach has been to look at the ideas of the Dutch and Yemeni interviewees, who
were part of the POI to see how LK was downplayed. I looked at the process in three
phases: (1) demand identification, (2) demand articulation, and (3) the tender
procedure adapted by Nuffic. In each of the phases I have seen many factors preventing
the incorporation of LK. Time and money pressures, prevented LK from being
incorporated in the demand identification phase. Moreover, the identification and
articulation phases were more or less at the same time, thus not giving the Yemenis sufficient time to consider this newly-acquired information on NPT and come back with feedback. Both Northern and Yemeni parties trusted information given by a small group of top men claiming to represent the whole HE sector. From their side, the Yemeni top men trusted that their Northern partners would be sufficiently flexible to permit all kinds of changes in aims, objectives and activities during the implementation. It made the whole POI exercise an adventure where neither side knew what to expect from the other. Before the implementation, Yemen remained uncharted waters for Nuffic, and similarly for the Yemeni partners there was no preparation to get knowledge about the contractor.

11.5 The Study’s Contributions to the Theoretical Understanding

This has been a multidisciplinary study, employing disciplines including public administration, political science, sociology, public policy, policy implementation and economics. It has mapped the arguments about foreign aid ineffectiveness provided by researchers with different scientific backgrounds in order to link public administration, public policy and institutional analysis with development studies. Most studies on the ineffectiveness of foreign aid have been done by economic scholars, and social and behavioral sciences have been neglected.

This study makes several theoretical and empirical contributions to the literature on donor prompting public sector reforms in poor nations. Firstly, it is an essential contribution to studies of international development administration in fragile states where the global interest because of concerns over security, poverty, and political and social unrest. Although Yemen is very important for international stability and security, and the country has received almost US$18 billion of aid commitments, there has to my knowledge been no systematic academic case study of aid effectiveness. This is an area where this country has so far has received inadequate attention by researchers.

Second, in terms of theoretical contribution, this study has shown the blind spots in theories and the limitations of a macro economic analysis of foreign aid ineffectiveness. A major part of this study was to dispute with the PCP approach and its leading scholars. They debate based on Western theories and assume that aid is homogenous. Consequently they argue that aid is harmful to recipient countries. One of PCP’s explanations is that the self interest of donors often works against the altruistic objectives of aid assistance and can lead to corruption of the aid projects’ outcomes, thereby reducing the effectiveness of aid interventions (e.g., Lancaster, 1999, 2006; Easterly 2006, Lindsay Whitfield, 2009). In this study however, I have seen evidence that self interest is not the homogenous causal explanation for foreign aid ineffectiveness. I have to move away from using such a generalized explanation of aid ineffectiveness. Donors in fragile states often intend to build recipients’ governance
systems, but they lack the local knowledge of how to do so in practice. The second explanation of the PCP approach is that the poor policy environment, such as weak and corrupt policies and institutions, is the main cause of shortcomings in foreign aid programs (see for example: Burnside and Dollar, 1998 & 2000; Ear, 2005 & 2006; Alesina and Dollar, 2000). The problem however is not a poor policy environment itself, but poor aid policies formulated with a lack of synthesis, research and institutional analysis to understand the poor policy environment.

Ultimately, this study draws attention to the impact and importance of Local Knowledge Syndrome as a key factor limiting the effectiveness of donor-promoted public sector reforms in poor nations. This syndrome has not received sufficient attention in the literature. This study has looked at Yemen, but the information on local knowledge applies to many tribal and traditional states. Having said that, I should of course bear in mind, that each society has its unique aspects and should be dealt as a unique case.

This study showed how the formal and informal institutions interact within the Yemeni public sector, and how the rules of the game formed in the Yemeni public sector, encouraging the donor’s experts to compare local knowledge aspects with whichever society they were most familiar. There were two reasons for this type of approach. First, I were trying to deal with the dearth of systematic research on local knowledge in order to open a black box of rich local information for policy makers to formulate sound policies of reform, that fit and are tailored to local contexts. Donor policy makers have been struggling or neglecting to open these black boxes of local knowledge, since the inception of aid activities in the 1950s. Second, the information provided on local knowledge may help outsiders such as aid contractors and aid policy implementers, to overcome difficulties in dealing with their southern counterparts during the implementation of their aid programs in the field. The donor implementers normally apply Western management principles, practices, managerial styles, skills, and knowledge, which differ from the informal, traditional and specific managerial functions in a traditional civil service system. Aid policy implementers need to be aware that this local knowledge, might not accept these imported principles and practices. Donor implementers are often not aware of the local rule of the game, and only experiencing these in conflict situations during implementation (for example, see the cases of the MPA-NIAS and WRTC).

This contribution to the current literature of international development administration and the local knowledge explanation lead us now to the study’s potential contributions to policy and practice.

11.6 The Study’s Potential Policy Implications

It is commonly recognised that a best practice model of how to incorporate local knowledge, does not exist, and donor-promoted public sector reforms in recipient
countries need to focus on informal systems and institutions, and need to be tailored to the context and actual needs of recipient countries and organizations. Until now the best practice model is still thriving partly because no better alternative has been proposed.

This study offers a reflection for aid policy makers and implementers, on how to incorporate information on local knowledge, and how they can open the black box of both formal and informal institutions. The framework elaborates on key components of the actor network perspective as well as some elements of public policy theory. The model is named the “development associability approach” and defines the development process, as reliant on the durability of alliances it creates around the aid project or intervention in a specific context and time during the policy implementation. As I have said, information on local knowledge at the aid policymaking level consists of footnotes and unsupported assumptions. The aid policy implementers must therefore incorporate local knowledge at the operational level. Consequently, the success and failure of the aid project is highly unpredictable because it is difficult for aid policy implementers to control and materialize the outcomes of an aid intervention. The responses of the actors at the operational level is unknown and it can lead either to success through the harmony model of development, or failure through the conflict model of development (see Chapter 10).

Given the normative nature of local knowledge, the “associability approach of development” claims that information on local knowledge can be incorporated, through the direct and indirect interactions with all actors involved in the actual process of implementation. In other words, the implementers (contractors) of aid programs and projects are “players at the heart of the aid intervention process” because; they can overcome the LKS through their direct and indirect interactions with donor and recipient actors. In order to have effective interactions, alliances must be built around the project. Rather than challenging powerful structures and powerful actors, the focus should be on bringing them to the table. This requires actors, especially the donor contractors or aid project implementers, to be more practical during the interactions with their counterparts, to achieve respect and develop trust and commitment. Observing and questioning what is not clear, and asking for clarifications on why counterparts act in a particular way facilitates discussion on which actions should be taken by the program and which should not. The actors in this sense can see what is right and what will succeed. The actors should keep in mind that projects will not succeed by accepting dominant assumptions and ready-made objectives that have nothing to say about the local context, but rather by being adaptable to the local context. They need to form a cooperative and harmonized team which forges alliances with powerful actors.

The associability approach of development is important to ensure effective aid projects in poor policy environments, and to highlight the need to encourage shared
responsibility. In the poor policy environment, the structure of power and the rule of the games within the government organizations are not accomplished through the state's formal institutions and organizations, but mainly through the informal institutions and organizations. In such a situation, government organizations are not well institutionalized. Decisions made by high government officials, whom donor policymakers often rely on during the aid policy formulation process, are not based on institutional strategies or general policies. Such government organizations are governed mainly by top men who make decisions based on their personal judgments and their social and political ties. Those decisions will not necessarily be in favour of a development project. Top men normally just go along with ready-made aid policies that are unable to deal with the source of the problems in their organizations.

A donor has accountability expectations, which force them to compare the relative effectiveness of multiple aid projects they are involved in. The more projects vary to adjust for LKS, the more difficult it becomes from this perspective to compare projects and hold each project accountable for the purposes of validity evaluation. Until now, this ‘development validity’ approach, which judges the success or otherwise of a project, using certain quantitative indicators has held sway. This approach is not valid in our opinion, because it is difficult to provide good quantitative evidence in some cases. I argue that a good development project is a valid one, rather than a project that is designed a certain way by policymakers out of touch with reality. Seeing success in terms of the associability approach presents development as a controllable intervention, contributing towards a set of aims that are widely approved and accepted in the local context. This can be done by contractors who should adjust to the local context or environment to ensure effective interactions.

**Establishing a `Local Knowledge Information Bank´ (LKIB)**

In my view the most effective way to help donor policy makers, aid agencies and contractors incorporate local knowledge is to establish a `local knowledge information bank´ (LKIB). An LKIB will provide a practical means for advancing the contribution of the South to support the development dialogue and agenda between not only North and South, but also within the South itself.

In Yemen, an LKIB could review the final reports of completed aid projects over the past 20 years, analyze them, and record and archive the lessons learned. It could focus on conflicts and solutions according to the sector, region and national level. Although more than 10,000 Yemeni civil servants at all levels and in different government sectors have been attended short term and long-term courses, workshops and seminars, there has been no overall evaluation done on how far these capacity building exercises have helped to improve the civil service. The LKIB would bring in some Yemeni researchers to work alongside the donor experts to clarify the specific LK that played a decisive role in the outcomes of the projects or programs. This can
be done though training the Yeminis, that already deal with and work in the different projects. For example, Sana’a University has many development centers: the Dutch alone have helped to established five. It is good to have these centers take a role within the LKIB, to share in doing rigorous research and institutional analysis of past aid interventions.

The main aim of this LKIB should be to create an open online network to feed policy makers (donors) and recipients about local knowledge, thus allowing sound policies to be formulated and allowing the LKS to be overcome. Furthermore, the LKIB will provide essential information to independent researchers who are interested in the development process in Yemen. Yemeni stakeholders, currently passive recipients of scientific knowledge or development assumptions, would be empowered by the LKIB to be active knowledge providers. Further reasons why an LKIB is important are as follows:

1. In the foreign aid arena there is no systematic method to analyze lessons from past experiences and apply them to future proposals. Official literature and reports are full of ideas on what should be done, but fail to consider actual implementation of aid polices based on lessons learned. Oral interviews from donor or recipient sides commenting on these interviews are not or hardly documented.

2. Donor documents use development terminology or jargon such as governance, empowerment, people-centered development, and bottom-up development, without clearly defining meanings. This jargon negatively impacts on effective interactions at the policy level because policymakers in Yemen cannot overcome the ambiguous use of jargon by the donor side. And knowing that a Frenchman would explain, for example, ‘governance’ differently from an Englishman or a Dutchman, it is sake that for each larger program the terminology should be spelt out well.

3. There are few researchers from Yemen who have published on capacity development in the public sector. Even when local researchers have been used, their publications have not appeared as independent contributions, but have been integrated in the overall development approach. There is a very rich literature on North-South partnerships in development, but it is very poor of including aspects of the local knowledge (see e.g. Barnard 2003; Drew 2003; R. James 2001 in Scarf 2010). Most of the publications and information of donors still work with their certain sets of shared norms and assumptions. New ideas are spread among donors without taking into consideration findings from the local experts and researchers.

4. An online network would represent the non-human objects of interactions between the south and the north, and could provide local information to the macro-level decision-making processes about the
subjective perceptions and opinions of the community members, their attitudes, mental models, cultural patterns and the informal institutions. Most online networks thus far have been established by donor agencies or rely on their patronage, and thus exclude local knowledge, experience, and ideas from the south.

(5) Until now, there have been no discussions among regulatory bodies such as parliaments, chefs de cabinet, civil society organizations and other related governmental organizations in donor countries on why aid programs failed and how to propose programs that are more applicable. Even where those at the top genuinely want to take actions and change the aid system and process, advisers can be unrealistic about institutional realities, and too easily take at face value assurances with little substance behind them.

The call for an LKIB to incorporate information on local knowledge in the resolution of international development challenges anticipates that the main elements of the LKIB are the collection of local knowledge data, research and analysis. LKIB should have basic groups who are critical researchers. Furthermore it should have access to past reports for further analysis, complemented by extensive oral interviews with past and present participants in the programs. At the level of a recipient country, the LKIB should be attached to the council of ministers, because all the sectors are combined in this structure. As I mentioned above, the LKIB should be an independent organization under the heading of the prime minister that combines local and foreign staff to know which the local knowledge and national ingredients and to know where the local knowledge start.

Recommendations for the Selected NPT Projects in this study

This study makes a number of specific recommendations for the NPT projects I have studied. Firstly, the ECs need qualified leadership and need to develop institutional and organizational structures and regulatory frameworks. The ECs should be specifically designed to meet the participant-related aspects of their job effectively. I would suggest that to ensure the success and continuation of these ECs, the host organizations should commit themselves to the development, and see where they can find a win-win situation in the capacity and capability building process. To ensure the success and the continuation of these ECs in term of development, they should be integrated within the structure of the host organizations (SU and AU) as part of capacity and capability processes.

Overcoming the weaknesses in quantity and quality of training staff, should be one of the main targets of the ECs. They can do that through organizing some special and practical courses, in particular in adult education methodologies, case study development, e-teaching and learning modes and presentation skills. I would also suggest the following changes are implemented: (1) recruitment based on job
descriptions and qualifications, and a transparent selection process; (2) Appointment on a contract basis; (3) Tackling the fallacy amongst current staff that new staff coming from outside are competition, and then they can open the market for the new staff; and (4) Offer positions to people funded by the projects to complete master’s and/or doctoral programs in Dutch and other foreign universities (e.g. the WRCT has five new Ph.D. holders who cannot get a position in the EC.)

It is essential for ECs to have a more structured policy of admission for participants from the respective organizations. As we have seen, the policy of admission has been dependent on an open-door policy, which has left participants the freedom to attend the ECs. Admission has been without reference to the priorities of capacity and capability building plans. Participation has to be on a mandatory basis in a coordinated effort between their organizations and the ECs. They must produce a new generation of qualified leaders, with a clear policy of reassigning the graduates to different administrative levels. The absorptive capacity of the ECs must be raised so they can train the largest possible number from various agencies and institutions. If the ECs were under the Council of Ministers they would be protected from all kinds of individual attacks from University staff. On the other hand, this could create a problem with the degrees, because here the ECs are depending on the universities. So I think it is better to place the ECs administratively under the Rector, but the Board of the ECs can recruit the best staff from all over the country or from abroad. It is important to note that the Chairman of the Board of Directors is often the Rector him/herself.

Only a few women have attended the training process within the selected ECs. A special commitment is needed to enroll more women, to develop their managerial skills and to generate a generation of female managers. For the effectiveness of this training, I suggest that the ECs could, in consultation with the private sector and public institutions, stimulate the take up amongst women by reducing tuition fees and organizing special women-only intakes, in keeping with local practice and custom. Moreover, ECs should focus on training young officials at the unit level as part as the strategic capacity building process of the targeted organizations.

There is a particularly urgent need for ECs to concentrate on problems outside of the major cities (Sana’a and Aden). Yemen still suffers from qualitative and quantitative deficiency concerning capacity and capability building efforts, in different organizations around the country, especially small cities and semi-rural and rural areas. The ECs should have a strategic link with target groups throughout Yemen from both central and local administrations. In my view, that does not mean the ECs should have branches everywhere, but they need to establish co-operation with other universities in Yemen and with NPT education centers sited in different cities. The main ECs, in cooperation with their Western counterparts, should establish local centres where students can gather for classroom teaching which they will do in
combination with individual and group e-learning modules.

Additionally, there is a need to develop specialist training curricula based on methodological and intellectual training frameworks. The ECs have struggled to design curricula which have a good balance between theory and practice. Especially in WRTC, opportunities for practical application and field training in the respective organizations are rarely made available. There is not a translation of the needs expressed by women organizations into practical training offered by WRTC. For that reason, the WRTC program is still too academic and not yet offering a practical Master’s program in Gender.

As I mentioned in section 11.3 and in Chapter 4, the ideal model for capacity building within public sector in Yemen, involves the development of curricula which work on four basic managerial skills. Such skills would allow course participants, when they return to their work, to improve corporate policies, strategies, effective human resources management and communications, in line with the local environment, if the structure permits. Alongside curricula-based skills development, the training process should incorporate case studies from daily practice in Yemen's public sector. Northern universities are increasingly putting their Master lectures on the internet, in many cases free of charge. The translation of the lectures to the Yemeni context will increasingly demand lecturers, who can coach Master’s students to understand the lectures, develop practical projects and find literature and other materials.

Aside from these changes within the ECs, a new strategy for directing and guiding the Government of Yemen, and the behaviour and choices of its organizations in capacity building process, needs to be adopted. This strategy will provide structure and guidance for subsequent implementation and budget allocation discussions.

Let’s now look at how to link the above recommendations with the LKIB. From the long-standing assistance from the WB, the EC and bilateral donors to the various ministries in Yemen, a research of all public and non-public reports could be requested, to learn why none of the ministries were able to reform their structure according to the aims and goals agreed upon. What are the reports telling us about the strong and weak points met during the implementation, what were the lessons learned, what were the recommendations made and which recommendations were taken into account in new programs? The results from the research should form the basis for a dialogue between the donor and the Yemen Government about the conditions which need to be satisfied for assistance to be given. Since the LK is different per sector, region and government level, the dialogue should be held per subject. For the Higher Education sector, Nuffic could play a role in stimulating this research and use the results to have a more thorough dialogue on which sub-sector to stimulate with what kind of assistance. It would give Nuffic a more important role during the policy and planning phase and from the Yemeni side it would necessitate
the mobilization of manpower and financing in a more serious way. It would request that the Yemeni counterparts would share the information and decisions with not only the top men, but also with the subordinates, who will become more responsible and thus more committed to the implementation of the program or projects. The policy and planning can lead to particular strategies for human resource development. An overall vision and mission could be established to set a minimum standard, but for each intervention the basis of the strategy will be the outcome of the dialogue on what LK to take into account.

This approach is asking for more flexibility, which is against the trend of increasing standardization of inputs and results. In the case of NPT (or now NICHE, the de facto successor to NPT), the overall vision and mission could be established by the Ministry of Foreign Affairs, but Nuffic should be able to participate in the dialogue for the subsectors. The Ministry will request that Nuffic changes from an administrative office into an organization that will attract researchers for assessing and analyzing reports and finding the LK in the areas of interest. By doing this work, Nuffic will get the trust of the Yemeni partners and the contracts signed for further development will be taken more seriously. A number of lessons learned from the NPT assistance are that a period of three to four years is in the Yemeni context not sufficient to build up a trusting relationship. A commitment with a ‘strange company’ should be for a longer time to overcome the NPT rule that the winning company offers quality against the cheapest price.

Another issue is that in their ambition to link up with the world developments, Yemeni universities are very eager to establish links with Dutch universities, since the latter are among the 200 best world universities. Through the assistance of Dutch universities, the Yemeni universities are able to establish commercial Education Centre's where Master programs are offered. The combination of a Master Degree from a Yemeni university with the cooperation of a Dutch university is a much sought-after. Again it is important that the Dutch university gets the time to set up the programs and train the Yemeni staff, rather than changing to a cheaper Dutch institute after three or four years.

The political situation in Yemen requires another form of donor assistance to higher education. Staying in the country as a foreigner will become increasingly difficult in the short term and in the supply of education programmes, more attention could be given to blended programmes offering e-learning combined with classroom teaching. This will of course be a flexible approach where for each program a strategy is developed based on LK. This strategy should exist alongside a strategic human resource management framework, guiding the development of the civil service in Yemen. The strategy should supply a vision of how the civil service should be organized and according to what model, and outline the model required for decentralized government. It must determine whether public organizations can freely
contract ECs for training or if there should be a centralized approach. It will also outline which particular staff requires additional knowledge or skills. This strategy and implementation plan should be rolled out simultaneously to all other central ministries and their sub-organizations in Yemen (especially the higher education ministry and the ministry of planning), and possibly agencies and decentralized government institutions as well. Each ministry could then build its plans and activities according to the overall strategy. The strategy must develop coordination mechanisms between the high levels in Yemen’s public administration system and its direct organizations to ensure effective use of inputs and good outcomes. Finally, the strategy should meet the requirements of transferring training to work settings. Capacity building processes will not be complete until the transfer process is achieved.

Positive action could be initiated by commissioning a research team to look into the real factors, which influence the attitudes of civil servants towards capacity building. This could be done in cooperation with the LKIB as proposed above. Solutions could consequently be formulated to tackle complacency or address the difficulties appropriately through support or authorizations. Those who are charged with promoting public sector in Yemen must continue to reiterate the importance and urgency of the task of equipping the nation with the necessary skills, to enable it to face the future with confidence. They must make sure that the role of ECs will be promoted as a high profile issue for the future of Yemen.

11.7 Areas of Future Research

There has been little research and writing on the subject of local knowledge syndrome and the effectiveness of donors promoting public sector in recipient countries. This subject is new in the context of building the capacity and capability of higher education in Yemen. Consequently there is a need for more studies to be carried out in the future.

One piece of research that could be conducted is to explore the influence of the local knowledge syndrome, on the level of effectiveness of donor promoting public sectors in other recipient countries. This is important to show donor policy makers that they must stop relying on unsupported assumptions and Western theories in formulating aid policies. There is also a potential research to be done in the context of Yemen, to look at other policy areas that are supported by other donors. Such studies and research will help to solve the endemic of the LKS that aid policy makers and implementers have been trying to solve since 1960s. They will also help to argue against economist and their prevailing explanation of poor policy environments as the reason for foreign aid ineffectiveness.

There is also a need to further research the associability development approach, which I looked at here. Additionally, the argument I have made here that Western knowledge and experience on capacity building is not applicable for public sector in
Yemen necessitates more empirical studies, focusing on the issue of how to adjust the Western theories to be applicable, and how such adjustments can be incorporated in the policy formulation process.

Building the capacity of civil servants, especially in management training, is a new field of study in Yemen. Research is needed to develop a paradigm, basic principles and a guiding strategy for capacity development within the Yemeni context. This research should explore informal behavioral and management aspects within Yemen's civil service, by considering interaction between formal and informal institutions. Despite the complexity and sensitivity of the issue, a clear understanding and positive interaction between formal and informal institutions is a pre-condition for identifying the problems and formulating sound policies to build and improve managerial capacity. Such information on local knowledge, has been missing from all three waves of donor-promoted public sector reforms in developing countries over the last six decades, and has led to poor outcomes.

For example, in this study I have explored some aspects of the functions of the civil servants in Yemen based on the LKS explanation: (1) the top man syndrome; (2) the decision-making process (3) conflict management; (4) interpersonal style; (5) attitudes towards time and managerial behavior; and (6) attitudes towards women in management. My approach has been to view the civil servants as part of the social system, which, in turn, is embedded in the wider environment. This environment is made up of socio-cultural values and norms and social structural elements (institutions, groups and sets of social relations and roles). In each of the preceding chapter, I have witnessed how the environment (despite its diversity and variety) influences the behavior of the civil servants. I would like to make it clear that this work brings just a little light to a very dark cavern, as there are many other aspects that need to be explored and the aspects that are explored here need to be discussed in more detail. This is a future work for me or other researchers who are interested in the topic.