

Review

Inquiry on self-interested foreign aid: Insights from the ODA-migrations link in SSA countries

Muhindo Mughanda

University of Siena, Via Valdimontone 153100 Siena (SI), Italy. E-mail: muhindo@unisi.it. Tel: +393285648988.

Accepted 6 December, 2010

This paper is an attempt to assess the broadly confirmed self-interested mood that drives donor States in allocating aid to poor countries. It specifically argues that Official Development Aid (ODA) makes African people move from their poor contexts to more wealthy ones with which donor countries expect to have more profitable relations. This reasoning leads to wonder whether the more ODA a poor country receives, the more its migration outflows. In this vein, on the one hand, this paper makes an inquiry on the self-interested mood commonly attributed to ODA policies (I). On the other, it performs an empirical assessment on Sub Saharan African countries -considered as crucial cases for ODA- using an OLS analysis in order to control whether ODA can be considered as one of the determinants of migrations (II)

Key words: Foreign aid, official development Aid, sub Saharan African.

INTRODUCTION

After the Second World War, Official Development Aid (ODA) has been considered not as an end in itself but as an instrument of foreign policy (Packenham, 1966). Common wisdom suggests that during the Cold War, ODA has been provided to recipient countries not for development but for political and strategic motives (Shraeder et al., 2001). After bipolar era, foreign aid was expected to evaporate or at least become diverted to focus on new and urgent demands (Hook, 1995) like poverty, democratization and terrorism. However, empirical studies have already suggested that, instead of alleviating poverty, ODA has worsened the situation (Erixon, 2005). It has been demonstrated that ODA worsens the state building processes (Goldsmith, 2001), decreases governance levels, does not promote democratic accountability and increases corruption. It then goes without saying that what could have been the new orientation of ODA is failing. Since despite the failure ODA continue to flow, it seems reasonable to expect that ODA policies are rather designed and executed in pursuing hidden agendas.

This paper argues that foreign aid makes African people move from their poor countries to more wealthy

ones with which donor countries expect to have more profitable relations. This reasoning is based on the assumption that in case ODA works well in poor countries, instead of reducing migration flows; it is rather likely to put at people's disposal means they did not own before for moving. What makes possible their migrations is therefore, the money put in their pockets by an ODA minimally effective. The study also assume that since people tend to migrate toward better places, ODA can seduce people and lead them perceive donor countries, or countries alike, as places where it is more convenient to live. Finally, the study assume that in case donor States generally provide aid in a self interested mood, they are likely to use ODA in order to divert working force from poor countries to more wealthy ones.

Since no officials dealing with foreign aid policy can clearly state that ODA policies are designed in such a way to maximize donor's interest, it is common to see that scholars studying foreign aid look for answers using indirect sources. Taking the same path, the study would like to see the extent to which foreign aid provided to sub Saharan African countries- considered here as crucial cases for ODA- leads people to move from their countries

to neighbor or extra continental and healthy contexts, with which donor countries are more likely to entertain more profitable relationships. Thus, the self interested mood of states in providing aid and to explore the relationship between ODA flows in and migrations outflows from Africa got to be elucidated.

Self interested foreign aid

The self interested mood of foreign aid allocation can be assessed in several ways. In this paragraph, the study will look at the commonly displayed determinants of foreign aid, the behavior of some donors (especially some of the major ones) and search for confirmation in the IR debates about ODA. For the length of a working paper, these are not very reasonable ends for they cannot be achieved in a few pages. This is only an attempt to answer quickly the questions: why rich States help poor ones? How do they behave in doing so? What are the main explanations provided by the IR debate?

Determinants of foreign aid and self interested foreign aid

There are six groups of determinants usually quoted in the literature: humanitarian need, strategic importance, economic potential, cultural similarity, regional proximity and ideological stance. Empirical studies have already demonstrated that donors' aid allocation can be explained better by donor interest variables such as colonial ties, political similarity, and global strategic interests, which have very weak relationship with poverty reduction, policy soundness, or effective development strategies (Watanabe, 2006).

The same results can be found in a study made by Alesina and Dollar in which they discover considerable evidence that the direction of foreign aid is dictated by political and strategic considerations, much more than by the economic needs and policy performance of the recipients. In the same time they find that colonial past and political alliances are the major determinants of foreign aid (Alesina and Dollar, 2000). This literature clearly witnesses the self interest mood in aid allocation and further allows guessing that ODA can be used by donors for the displacement of working force from poor to wealthy countries.

Self interested foreign aid and some major countries' aid allocation

The self interest in providing foreign aid have been proved by several studies looking at major donors such

as the United States, France, Sweden, and Japan. The only case contradicting the self interest argument is the Swedish one. Indeed, for the United States, the dominant view of the qualitative literature is that ideologically inspired cold war interests, most notably containment of the spread of communism, served as the cornerstone of U.S. foreign aid policies in the Third World. It is generally agreed that a recipient country's ideological stance (that is, as anticommunist) and willingness to participate in a host of strategic alliances directed against the former Soviet Union and its allies were the driving forces of a foreign aid program that led to the transfer of nearly \$500 billion in funds from 1945 to 1995 (Hook and Spanier, 1998; Schraeder, 1992). In the post bipolar era the United States were expected to abandon the finance of the cold war and to give more weight to new challenges such as poverty, Human rights and terrorism. Nowadays, considered as hegemonic, the USA are expected to provide ODA in order to establish an acceptable hegemony using its soft power (Nye, 2004) and channel aid flows to virtually every developing country. In any case the self-interest mood in US aid allocation will not be disproved.

In the case of France, the qualitative literature underscores the importance of two sets of factors. First, the overwhelming consensus is that French policymakers sought to promote the rayonnement of French culture, most notably the French language (Kolodziej, 1974). Often referred to as French "cultural nationalism" or support for la francophonie (a greater French-speaking community), such a policy ensured that a large portion of foreign aid was directed to former French colonies and protectorates as well as to other countries where French constitutes one of the national languages (such as the former Belgian colonies in Central Africa). The literature also suggests that economic interests were perceived by French policymakers as both parallel and integral to the promotion of French culture (Grosser, 1965).

In the case of Sweden, the consensus of the literature is that Swedish foreign aid policy was principally driven by humanitarian goals (Karre and Swensson, 1989). Swedish aid is also described as being driven by ideological concerns. In sharp contrast to the negative ideological and military goals of anticommunism and containment of the former Soviet Union pursued by American policymakers, however, Swedish aid policies are described as driven by a more positive "solidarity tradition" that resulted in the cultivation of relationships with progressive socialist and Marxist leaders (Stokke, 1989). Swedish ODA reflects its unique domestic social welfare heritage. In addition, Sweden's distinctive role within the foreign aid arena is attributed to its special status as a middle power within the international system. Enjoying a higher level of socioeconomic development than most countries but still lacking the financial resources of the

great powers, Sweden cannot afford to provide foreign aid to all regions of the world (Stokke, 1989). Like other middle powers, Sweden is forced to carve out an international niche by focusing its foreign aid on carefully selected regions or individual countries (Pratt, 1990). Its national interests could be viewed mostly as derivative of internal socio-cultural factors rather than international capability or position.

The consensus in the case of Japan is that economic self-interest was the critical motivating factor of foreign aid policies during the post-World War II period. (Hasegawa, 1975). As a rising economic superpower with the world's second largest gross national product (GNP), Japan clearly sought to use foreign aid in its quest for global economic supremacy. According to Stirling, Japan conducted a "business foreign policy" in which overlapping groups of governmental and corporate actors have actively coordinated an "industrial policy" targeted at enhancing exports through concessional aid (Stirling, 1981). Furthermore, Scalapino found that, due to the freedom of maneuver offered by Japan's protection under a U.S.-led military umbrella, Japanese leaders were among the first in the postwar era to reconstitute "national security" in largely economic terms (Scalapino, 1992). In short, Japanese policymakers were able to pursue a neomercantilist foreign aid strategy that concentrated on "securing Japan's regional geo-economic interest while skirting any political entanglements." (Nester, 1992).

Self-interested foreign aid and IR debates

The self-interested mood of aid allocation is further confirmed in IR debates. Relying on the literature on foreign aid, the paper finds three main fields (Zimmerman, 2007). The first looks at the effects of foreign aid, the second at the allocation of aid and the third at the determinants of aid. The respectively faced questions of these fields are the following: (1) which have been the effects of foreign aid? (2) Why do some donors give more aid than others? (3) Who gives aid to whom and why? As far as this paper seeks to assess whether aid has been provided to SSA countries in order to generate people's propensity to move, it is concerned more with the third question. The discussion about such a question has been made around the humanitarian versus national interest explanations (Pratt, 1989). The best-known proponents of these "explanations" are Edward G. Banfield and Hans J. Morgenthau (Packenham, 1966). These views of the state of the discussion propose to understand the determinants of ODA with the lens of IR debate between realists, idealists, neo-Marxists and constructivists. None of this approach excludes the self interest behavior of states when they provide ODA to poor countries.

In the classical formulation of realism it was found out that Morgenthau (1973) and Waltz (2001) which discard unselfish actions in international relations. Many other scholars go the same path. Schraeder et al. (1998), for instance, dispel the rhetoric of aid as an altruistic tool of foreign policy and show empirical data demonstrating that ideological, strategic and trade interests prevail in the process of deciding ODA policies. The same paths go Alesina and Dollar (2005), Woods (2005) and Watanabe (2006). The realist point of view on aid allocation can be properly summarized by what Morgenthau said when he stated that "a policy of aid is not different from diplomatic policy or propaganda. They are all weapons in the political harmony of the nation". The realist paradigm assumes that aid policies are driven primarily by the strategic interests of nation-states. International interactions occur in a Hobbesian state of nature in which national security and self-preservation are the primary, if not the exclusive, objectives. As a result, foreign aid is perceived as only minimally related to recipient economic development and the humanitarian needs of recipient countries are downplayed.

Although, classical realists traditionally conceive security in terms of alliances and military strength, neorealist, scholars more recently, have underscored the equal if not greater importance of understanding the economic dimension of national security. In short, whereas classical realists argue that aid priorities are driven primarily by perceptions of the political-military strategic importance of recipient states, neo-realists also underscore the point that the recipients' economic potential is critical to understanding changing global balances, and therefore serves as one of several factors potentially affecting northern aid priorities.

The idealist paradigm and its neo-idealist offshoots challenge realist assumptions in virtually every respect, advancing a vision that is more positive regarding the motivations of individual and state actors and more optimistic about their potential for cooperative relations. To idealists, a conception of interstate relations based on relentless competition both ignores the record of cooperation that emerged in the late twentieth century and serves as a self-fulfilling prophecy of future conflict. When the debate between realists and idealists moves in the area of foreign assistance, scholars were seen operating within the idealist paradigm and its neo-idealist offshoots asserting the overriding importance of humanitarian need as the cornerstone of many foreign aid programs. Unlike their realist counterparts, these scholars are particularly optimistic about the potential utility of foreign aid for ameliorating Third World poverty and promoting broadly shared economic development.

A third, more broadly defined, neo-Marxist paradigm is based on assumptions about the centrality of economic interests in the foreign aid calculations of donor states.

Unlike their neorealist counterparts, these theories—ranging from dependency to world systems to classical Marxist—share assumptions about the role of capitalist exploitation in enhancing the power of elites in both industrialized and developing countries. Most importantly, neo-Marxist scholars argue that foreign aid constitutes an extension of highly exploitative North-South relationships that either preserve or widen economic disparities between wealthy states and Third World countries.

Constructivists aim to go beyond the former positions displaying cooperation and national interest as social constructs. They argue that ideational factors like culture, norms and ideas are decisive in shaping the way by means of which states define own interests. Ruggie (1996), for instance, focus on transnational networks of advocacy experts in diffusing ideas and shaping interests. He also states that “there can be no mutually comprehensible conduct of international relations without mutually recognized constitutive rules resting on collective intentionality” (Ruggie, 1996).

It seems for the purpose of the analysis that realist, idealists and neo-Marxists do not disprove the self interest mood in aid allocation. One could expect the constructivist approach to make the difference. However, even if national interest has its ideational factors, ideational factors have also their interests for they tend to be contextually constructed. This leads to sustain that, in the end, even in the constructivist perspective; “national interest” is likely to prevail.

Realists, idealists and neo-Marxists may find an agreement on the fact that ODA allocation is made for donor interest. They are however, very likely to diverge on the way this interest is pursued. In case ODA can be used in order to create reservoirs of working force in more wealthy nations, realists and neo-marxists are more likely to share the calculation made in the preceding reasoning. And constructivists considering interests and cooperation as social constructs, could underline the complexity of the phenomenon of ODA giving more weight to ideational factors. They will not therefore exclude the possibility that states behave in such a way to activate perceptions in recipient countries.

While the first three (realists, idealists and neo-marxists) approaches are more likely to stress on the intentional and structural dimension of ODA, the fourth one is more comprehensive. So does also the framework proposed by Carneas (2001). He designed a meta-theoretical matrix for the purpose of clarifying approaches to foreign policy analysis in terms of their most fundamental ontological and epistemological analysis. Arguably, he discovers that in foreign policy, “the game the actors play” (Scharf, 1997) is always a combination of purposive behavior, cognitive-psychological factors and structural phenomena characterizing societies and their environments. According to Carneas (2001), explanation

of foreign policy actions must perforce be able to give accounts that do not by definition exclude any of these types of explanans. He then conceptualized such an analytical framework in terms of a tripartite approach consisting of an Intentional, a dispositional and structural dimension of explanation. In such a framework realists, idealists and constructivists can help at once in assessing states’ selfishness in aid allocation.

The aid-migrations relationship in Sub Saharan Africa

Hypotheses and its relevance

The self interested mood of donor countries in providing aid to poor countries broadly confirmed in the literature can be further controlled looking at the relationship between aid and migrations from recipient countries. Indeed, if self interest is the mood in aid allocation, it cannot exclude that such a tool can be also used in order to make people move from poor country to more wealthy ones which are likely to entertain more gainful relations with rich donors. It is also reasonable to expect that, in case ODA has some effects on people daily life, it has the potential to put money in pockets of those who were previously enabled to move because of their poor conditions. This is especially true for those countries in which a lot of people live under the poverty line.

This reasoning deserves however, to be tested with accurate empirical studies assessing whether the more aid an country receives, the more emigration rates it registers. This relationship has been explored by scholars who do not however, deal with the effects of ODA on emigrations. Denis Cogneau and Sylvie Lambert studied the interactions between aid and three other major North-South flows: international trade, Foreign Direct Investments and migrations (Cogneau and Lambert, 2006). Though, they did not directly deal with the question whether migrations were positively affected by Foreign Aid. Even Slobodan Djajic who examines the effects of foreign aid on emigration and welfare do not deal directly with the main question because he focuses on the impact of foreign aid on remittance flows and total foreign exchange earnings in the recipient country (Djajic, 2006). The pioneering work of Gaytan-Fregoso and Lahiri examining the impact of aid on illegal immigration covers only one aspect of the question (Lahiri and Fregoso 2000). The same could be claimed for the study of Tikva Lecker whose paper suggests that foreign aid can be used as a discipline of illegal immigration imposing fines on the countries from which illegal immigrants originate rather than on illegal immigrants or their employers (Lecker, 2000).

From a theoretical point of view the relevance of the

hypothesis is explained by the fact that even if today, when dealing with foreign aid, the self interest argumentation tends to prevail the premises of the reasoning is still under discussion. Even scholars like Rose argue that „Foreign Policy is best understood as the product of a country’s internal dynamics (Rose, 1998:148) and many others are convinced that even if there are a lot of approaches to foreign policy analysis, there is no doubt that most contemporary forms of realism fit this bill best (Carlsneas, 2001), the discussion remains open and needs further controls.

In addition, the relevance of hypothesis linking ODA flows and international migrations from recipient countries seems straightforward in a period of globalization. Indeed, in global games such a link deserves particular attention in order to discipline the distortions of globalization processes.

Econometric specifications: Case and variable selection

The empirical analysis to be performed aims to control whether foreign aid makes people move. Since, it is known by common sense, that people move to places where they stay better, in case foreign aid makes Africans move, it will be reasonably expectable that foreign aid policies can be designed in such a way to make people move towards more healthy places with which donor countries have more suitable relations. This reasoning to get a scientific importance needs an econometric study investigating whether ODA is relevant in explaining the variability of the workforce outflows across the Sub-Saharan countries. Using data from the OECD and the UN databases, the study runs Cross-country OLS regression analysis which seems well-suited for the purpose. Although, panel estimation analysis could have been more appropriate, the study was compelled by the data availability to implement cross-section estimations only. However, in so doing, the study makes sure that it is using homogeneous avoiding, accordingly, eventual invalid inter-countries comparisons.

The study analysis focuses on African countries. It starts from Africa in assessing the relationship between ODA and migrations because “any African countries received substantial sums of aid over a sustained period and thus, became a laboratory for various donors and development theories. Nowhere else in the world has the aid-to GDP been high as in Africa, particularly in sub-Saharan Africa. So the historical experience of the effect of aid to Africa is therefore, of great relevance when assessing the potential outcome of proposals to increase aid yet again” (Erixon, 2005).

The choice of Sub-Saharan African countries is also motivated by the fact that data for the main variables the

study was interested in (ODA flows and migration flows) are available for almost all of them. It then goes without saying that the sample is composed by 48 countries.

As dependent variable, the study choose the country-specific emigration rate (*ER*), referred only to those aged more than 15. This is likely to be a good proxy for the workforce outflow rate. In the purpose of the research consider the workforce outflow rate as a function of the total net ODA (in US dollars) received by the specific country weighed, however, on its total population (*DA*) and of a set of control variables. In this vein, the study also include in the vector the number of internet users as percentage of the entire population (*INT*) to control the eventual role that the individuals’ access to international news and political and economical information can play in their migration choice. The paper takes into account the GNI per capita expressed in PPP international dollars (*GNI*) to control the effects of the country’s general economic conditions on migration propensity. It also considers the merchandise trade as percentage of GDP (*TR*) for it can help in grasping the country’s international economic openness effects. Also, it uses the number of hospital beds every 10000 individuals (*HOS*) as a proxy for the public health system. The adult illiteracy rate as percentage of individuals aged more than 15 (*ILL*) has been introduced in the analysis for it helps in assessing individuals’ capabilities to use textual communication tools and to perform bureaucratic procedures necessary for visa and expatriation applications. A set of variables measuring the people’s deprivation: the percentage of the population without access to improved water source (*WAT*), children under weight as percentage of children aged less than 5 (*CHI*), the human poverty index (*HPI*) and the human development index (*HDI*) were also taken into account. Moreover, the study introduces in the analysis the military expenditure as percentage of GDP (*MIL*) as a proxy for the probability of war and insecurity that could lead people to move. At the end, it considers a set of dummy variables to control for the effects of colonial ties (Portugal, Spain, UK, Belgium, Italy, and France).

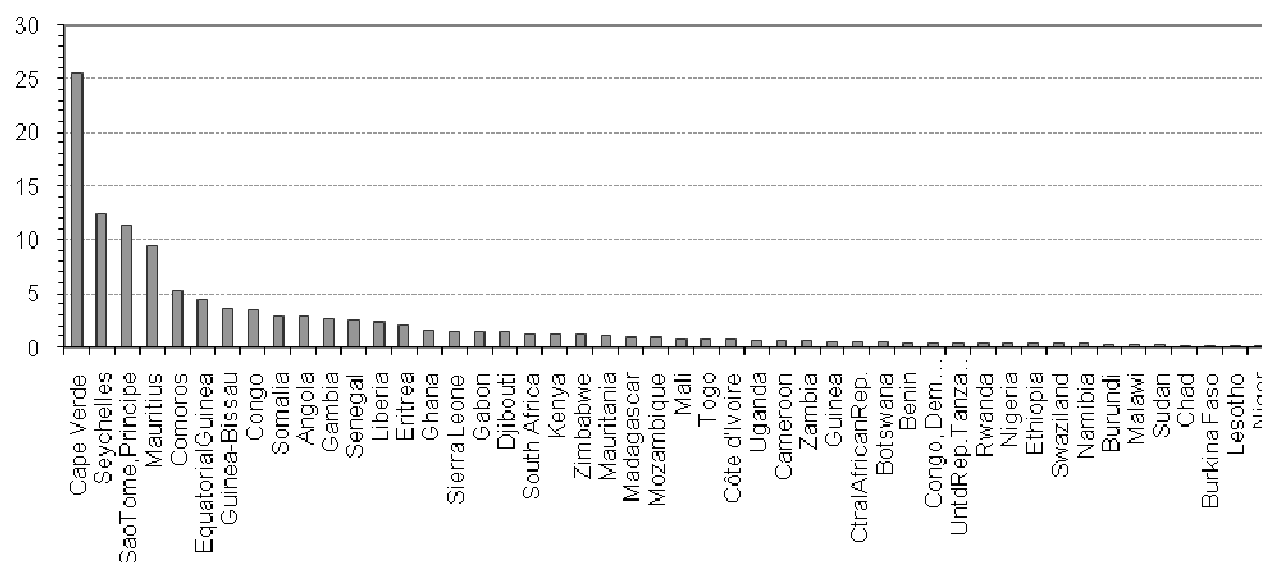
Data description

As Table 1 shows, the average emigration rate of Sub-Saharan countries is 2.3%. Considerable differences are however, registered across countries (Figure 1). Capo Verde registers the highest emigration rates (25.5%) while at the bottom of the list it finds the Niger (0.09%). Only 5 countries (Capo Verde, Seychelles, Sao Tome, Mauritius and Comoros) have an emigration rate greater than 5%.

The net ODA per capita is also broadly variable across countries: Capo Verde registers the highest value (\$289)

Table 1. Sample description.

Variable description	Name of the variable	Mean	(St.Dev.)
Emigration rate	<i>ER</i>	2.32	(4.35)
Net ODA per capita (US \$)	<i>DA</i>	54.57	(49.6)
Internet users (%)	<i>INT</i>	2.58	(4.68)
GNI per capita	<i>GNI</i>	2419.55	(3077.26)
Trade (% GDP)	<i>TR</i>	63.61	(32.25)
Hospital beds (10000 idvs.)	<i>HOS</i>	13.43	(10.61)
Human develop. index.	<i>HDI</i>	0.51	(0.11)
Human poverty index.	<i>HPI</i>	37.36	(10.56)
Illiteracy rate	<i>ILL</i>	38.25	(19.27)
No impr. water source (%)	<i>WAT</i>	34.77	(17.26)
Under weight children (%)	<i>CHI</i>	24.27	(9.31)
Military exp. (% GDP)	<i>MIL</i>	2.62	(3.46)

**Figure 1.** Sub-Saharan countries and emigration rate (pop. 15+), year 2004.

followed by Sao Tome (\$222) and Seychelles (\$125). Deserves mention also the fact that relatively big countries as Cote d'Ivoire and Nigeria locate at the bottom of the distribution with a net ODA per capita lower than \$10. (See also Figure 2).

Internet is ill-diffused in the Sub-Saharan countries. On average only, there are 2.58 internet users per 100 individuals. Only three countries have more than ten internet users every 100 individuals (Seychelles, Sao Tome, Mauritius). The average GNI per capita is \$2400 with a considerable variability across countries. Seychelles locate at the top of the list with more than \$11000 while at the very bottom it finds Liberia and

Democratic Republic of the Congo (\$240). On average, Sub-Saharan countries do merchandise trade for more than 60% of their GDP, but only four countries (Equatorial Guinea, Lesotho, Mauritania, Seychelles and Swaziland) trade for an overall value greater than their GDP. The synthetic indexes of human development and poverty are generally low with a mean of 0.51 (while, for example, for all the European countries it is greater than 0.9). Differently from the other variables, the military expenditure as percentage of the country's GDP is in general similar among countries (the mean is 2.62%) with the only exception of Eritrea (24%). Considering colonial ties, it finds 19 countries that have been colonies of United

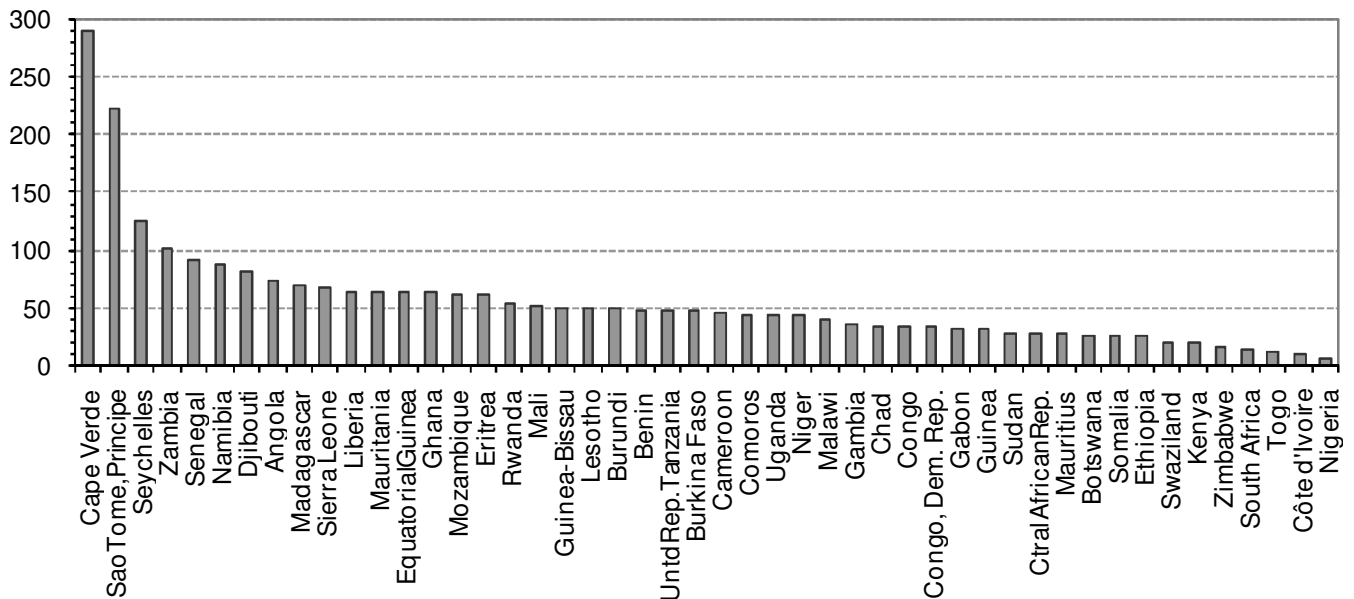


Figure 2. Sub-Saharan countries and net ODA per capita (US \$), year 2004.

Kingdom, 18 for France, 5 for Portugal, 3 for Italy, 3 for Belgium and 1 for Spain.

Regression analysis (Multiple OLS Regressions)

Formally, the following relation will be tested:

$$ER_i = f(DA_i, X_i)$$

where ER_i and DA_i have the meaning above mentioned, X_i is the vector of controls and i is the country. Multiple OLS regressions are the suited empirical tool to test such a relation, as were underlined in previous paragraphs.

As a first step, it was calculated that the correlations between the regressors to check for possible multicollinearity problems (Table 2). The results of such a procedure have allowed to reject the hypothesis of strong correlations (that is, greater than 0.5, in absolute value) between the covariates, with the only exceptions of *HDI*, *HPI* and some of their components or related variables (*ILL*, *WAT*, *CHI*, *GNI*, *HOS*). These exceptions lead, in a second step, to perform the estimations using multiple specifications in which it was put separately the correlated variables in different models. The study then estimated seven multi-varied models. In a first group of models, it considered separately *HDI*, *HPI* and the subset of the mentioned variables and without taking into account the colonizer country variables (model 1, 2 and 3). In a second group, instead it introduced the colonial ties dummy variables (model 4, 5, 6 and 7).

Taking into account the country-specific characteristics, it comes out that the net ODA per capita still has a positive and statistically significant effect on the emigration rate in all the undertaken models. Indeed, in OLS regression the estimated coefficients allow to state that an increase in the average ODA per capita of \$100 raises the emigration rate of about 5%. Consistently with the previous result, model 7 unveils the positive and statistically significant role played by the HDI on the emigration rate.

Furthermore, with respect to the social conditions of Sub-Saharan countries, model 1 show that the material deprivation has a negative effect on the emigration rate when it is considered as an interaction of its main dimensions (using the HPI). Moreover, model 7 also shows a negative and statistically significant effect of being colonized by United Kingdom on the dependent variable. The latter result is not surprising in the purpose, given that the countries colonized by United Kingdom, on average, receive net ODA per capita equal to \$45, while the mean across all the Sub-Saharan countries is \$55 (the difference is about 20%).

Other interesting results deserve mention. The internet use by individuals has a positive and statistically significant effect in all the models considered, this implying that also the access to information on the web play a role in determining emigration decisions of individuals.

At the end, as a diagnostic procedure, the study performed the F-test on all the considered models. The test results allowed to reject the null hypothesis (H_0) of joint non statistical significance of all the parameters.

Table 2. Multi-varied OLS regressions results.

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7
	Coeff. (Std.Err.)	Coeff. (Std.Err.)	Coeff. (Std.Err.)	Coeff. (Std.Err.)	Coeff. (Std.Err.)	Coeff. (Std.Err.)	Coeff. (Std.Err.)
DA_i	0.0599 (0.006)***	0.0587 (0.007)***	0.0638 (0.007)***	0.0555 (0.008)***	0.0498 (0.009)	0.0594 (0.009)***	0.0485 (0.009)***
INT_i	0.2709 (0.076)***	0.3518 (0.083)***	0.3711 (0.124)***	0.3172 (0.083)***	0.2527 (0.099)	0.3435 (0.138)**	0.2092 (0.094)**
TR_i	0.0017 (0.002)	-0.0059 (0.011)	-0.0061 (0.011)	0.0028 (0.011)	-0.0075 (0.011)	-0.0011 (0.013)	-0.0052 (0.011)
HDI_i	-	-2.1628 (1.976)	-	-	6.2062 (3.258)	-	6.9449 (3.239)**
HPI_i	-0.0447 (-0.04)***	-	-	-0.0301 (0.026)	-	-	-0.0381 (0.025)
GNI_i	-	-	0.0001 (0.000)	-	-	0.0001 (0.000)	-
ILL_i	-	-	-0.0244 (0.025)	-	-	-0.0193 (0.029)	-
WAT_i	-	-	0.0181 (0.025)	-	-	0.0029 (0.033)	-
CHI_i	-	-	-0.0268 (0.050)	-	-	0.0024 (0.064)	-
HOS_i	-	-	-0.0861 (0.052)	-	-	-0.0472 (0.069)	-
MIL_i	-0.0410 (-0.041)	-0.0615 (0.098)	-0.0009 (0.109)	-0.0474 (0.102)	-0.1800 (0.105)	-0.0538 (0.139)	-0.1382 (0.106)
$BELGIUM_i$	-	-	-	-1.2363 (1.824)	-3.8744 (1.858)	-1.3523 (2.332)	-2.9695 (1.921)
UK_i	-	-	-	-1.0482 (1.234)	-3.9384 (1.412)	-1.1672 (1.571)	-3.0530 (1.505)**
$FRANCE_i$	-	-	-	-0.4063 (1.242)	-3.4710 (1.329)	-0.6102 (1.580)	-2.3609 (1.149)
$SPAIN_i$	-	-	-	1.4008 (2.679)	-1.4908 (2.827)	-0.0850 (3.427)	-1.0105 (2.797)
$PORTUGAL_i$	-	-	-	0.7307 (1.779)	-1.4557 (1.693)	0.2537 (1.861)	-0.4585 (1.788)

Table 2. Contd.

No. Obs.	48	48	48	48	48	48	48
R ²	0.8233	0.7982	0.8327	0.8379	0.8468	0.8382	0.8558
Adj. R ²	0.8027	0.7747	0.7941	0.7952	0.8064	0.7715	0.8100
F-test (H ₀)	Rejected	Rejected	Rejected	Rejected	Rejected	Rejected	Rejected

Statistical significance level: "*" 10%, "***" 5%, "****" 1%.

CONCLUSIONS

This paper is a control of the over stated self interested mood in aid allocation. It assessed whether foreign aid is one of the eventual determinants of migrations in SSA countries (working force) and controlled the validity of available theories of international relations. The literature on the commonly displayed determinants of aid; the literature on some major donors behavior in aid allocation and the debate in IR theories on foreign aid, gave to believe that the self-interested thesis should be seriously taken into account.

The empirical analysis didn't disprove the possibility that states can allocate ODA in such a way to displace working force from poor settings to richer ones. Positive and statistically significant relationships between ODA and migrations; negative relationships between deprivation variables and migrations; and positive relationships between good HDI and migrations confirmed the expectations.

The shift from those relations to self-interested aid allocation could seem inappropriate. However, if there is no doubt that almost all donor countries allocate ODA in a self interested mood, it should not exclude that such an aid can be also be used in order to displace people from one country to another, if this displacement is perceived by donors as gainful. Furthermore, since aid programs, with respect to the official declared aims are failing, and notwithstanding flows of ODA continue to be directed towards poor countries, work-force displacement could be one of the hidden agenda behind this obstinateness.

REFERENCES

- Alesina A, Dollar D (2000). Who gives foreign aid to whom and why? *J. Econ. Growth*, 5(1): 33-63.
- Carlneas W (2001). Foreign policy in Carlneas, W., T. Risse (eds) and B.A Simmons, *Handbook of International Relations*, Sage Publications, London.
- Cogneau D, Lambert S (2006). L'aide au développement et les autres flux Nord-Sud: complémentarité ou substitution ?, *Développement, Institutions et Analyse de Long terme (DIAL)*, Paris.
- Djajic S (2006). *Foreign Aid, International Immigration and Welfare*, the Graduate Institute of International Studies, Geneva.
- Erixon F (2005). *Aid and Development. Will it work this time?* International Policy Network, June 2005.
- Goldsmith A (2001). *Foreign Aid and Statehood in Africa*. *Int. Orga.* 55(1): 123-148.
- Goldsmith A (2001). Donors, dictators and democrats in Africa. *J. Modern Afr. Stud.*, 39(3): 411-436.
- Grosser D (1965). *French Foreign Policy under de Gaulle*, Little, Brown, Boston.
- Hasegawa S (1975). *Japanese Foreign Aid: Policy and Practice*, Praeger, New York.
- Hook SW (1996). *Foreign Aid Toward the Millennium*, Lynne Rienner, Boulder.
- Hook SW, Spanier J (1998). *American Foreign Policy since World War II*, 14th ed., D.C.: CQ Press, Washington.
- Karre B, Svensson B (1989). The Determinants of Swedish Aid Policy, in Olav Stokke, ed., *Western Middle Powers and Global Poverty: The Determinants of the Aid Policies of Canada, Denmark, the Netherlands, Norway and Sweden*, Scandinavian Institute of African Studies, Uppsala, Sweden.
- Lecker T (2000). Foreign Aid as a Discipline on Illegal Immigration, *Int. Adv. Econ. Res.*, 6(3): 571-577. August
- Morgenthau H (1973). *Politics among nations*, Knopf, New York.
- Morgenthau H (1966). *Politics in the Twentieth Century*. 3 vols. Chicago
- Nester W (1992). *Japan and the Third World: Pattern, Power and Prospects*, St. Martin's Press, New York.
- Nye J (2004). *Soft Power: The Means to Success in World Politics, Understanding World Politics*, Cambridge University Press, Cambridge.
- Nye J (2004). The decline of America's Soft Power, *Foreign Affairs*, 83(3): 16-20
- Packenhams (1966). *Foreign Aid and the National Interest*, *Midwest J. Polit. Sci.*, 20(2): 214-221. (May 1966).
- Pratt C(ed) (1990). *Middle Power Internationalism: The North-South Dimension*, McGill-Queen's University Press, Montreal.
- Pratt MG (1998). To Be or Not to Be: Central Questions in Organizational Identification, Whetten, D.A and P. C. Dogfrey (eds). *Identity in Organizations. Building Theory Through Conversations*, Thousands Oaks: Sage:171-207.
- Rose G (1989). Neoclassical Realism and Theories of Foreign Policy, *World Politics*, Vol. 51, No. 1, pp. 144-172.
- Ruggie J (1996). *Winning the peace: America and world order in the new era*, Columbia University Press, New York.
- Scalapino R (1992). The Foreign Policy of Modern Japan, in Roy A. Macridis, ed., *Foreign Policy in World Politics*, 8th ed., Englewood Cliffs, N.J.: Prentice-Hall.
- Schraeder PJ (ed) (1992). *Intervention into the 1990s: U.S. Foreign Policy in the Third World*, Boulder, Colo, Lynne Rienner.
- Schraeder H, Hook S, Taylor B (1998). Clarifying the Foreign Aid Puzzle: A Comparison of American, Japanese, French, and Swedish Aid Flows, *World Pol.*, 50(2): 308-309
- Stirling J (1981). Japan and Asia: A 'Business Foreign Policy,' *Asian Affairs (July-August 1981)*, 8(6): 353-363.
- Waltz K (2001 [1959]). *The Man, the State and War*, Cambridge University Press, Cambridge.
- Watanabe Y (2006). *What determines bilateral aid distribution?*

Evidence from major donor countries, Oregon University.
Woods N (2005). Explaining International Relations since 1945, Oxford University Press, Oxford.

Zimmerman R (2007). Determinants of Foreign aid, Draft version, University of Amsterdam, Political Science Department.