

New book examines global trends in environmental aid

By Cheryl Ntuny

(AXcess News) Washington - [Denmark](#) gives more in environmental aid funding than other countries, according to a new book unveiled Wednesday at a lecture in the Woodrow Wilson International Center for Scholars.

The book, "Greening Aid? Understanding the Environmental Impact of Development Aid," analyzes the environmental impact of development aid and is based on a database called Project-Level Aid, created by the authors in response to the limitations of existing [data](#).

Between 1995 and 1999, Denmark increased environmental aid funding from 11.2 percent to 21.9 percent of its total bilateral aid package, the book reports, while the U.S. went from 5.3 percent to 11.2 percent in the same time.

The study indicates that environmental aid has increased between the 1980s and 1990s, while what the authors call "dirty aid" - aid for industrial activities such as mining, logging and dam construction - remained relatively the same.

Robert Goodland, former environmental adviser to the World Bank Group and a speaker at the lecture, condemned the bank for increasing finance for projects that harm the environment. "World Bank Group is de-greening itself fast," he said.

He accused the World Bank of funding projects such as industrial logging and livestock production and blasted the organization for its lack of transparency. He also lamented the trend toward funding "methane-producing dams" and "dams which displace people."

In a time when the world is battling a food crisis, Goodland said, "The bank makes cows fly," by funding cheese production in [India](#), he said, and flying the products to Japan "to supply Pizza Hut."

The World Bank responded in a statement, saying the bank has in place a group of policies "considered by many to be the gold standard when it comes to environmental and social safeguards surrounding development." The statement added that the policies "are the cornerstones of projects that developing country governments decide to implement with the support of the World Bank" and "identify and then prevent or mitigate undue harm to people and their environment in the development process. We stand by these policies and work daily to see that they are applied faithfully."

The authors gave some examples of development projects that had a positive effect on the environment, including reforestation, the conservation of biodiversity and the exploration of renewable energy.

"Greening Aid" was written after about five years of work by Robert L. Hicks, associate professor of economics; J. Timmons Roberts, chancellor professor of sociology; Michael J. Tierney, associate professor of government, and Bradley C. Parks, research fellow, all of the College of William and Mary, Williamsburg, Va.

In selecting recipients for aid, Parks said evidence exists that environmental aid is being allocated according to "eco-functional criteria," which he said differs according to the recipient country's environmental situation. He also said, however, that factors such as political loyalty and previous trade relationships appeared to "loom very, very large in the environmental aid process."

When the authors compared actual aid with Agenda 21 prescriptions - a document designed at the 1992 Earth summit in Rio, calling for an increase in aid for environmental issues - they discovered that some types of projects received less than 10 percent of the recommended funding. In addition, the study found that several of the poorest countries received less environmental aid funding combined between 1990 and 1999 than [China](#), which received almost five times more.

The book also analyzed several donor countries to "try to explain which ones are the most green and why that might be," Tierney said. Potential factors in determining a country's interest in environmental projects include national wealth, environmental groups or groups that might benefit financially from projects and international environmental policy preferences.

Another issue discussed at the lecture was tied aid, foreign funding that must be spent on products made either in the donor country or another country selected by the donor. Tierney said that supporting local businesses would be more effective for the recipient country than buying from the donor, but there are political concerns as well.

"The principle is we should untie aid," he said, but "there's a double edge on this sword."

The authors admitted there are flaws in their study and said they would welcome further research into the subject. They said that one of the main reasons for their research was a need for accountability.

Parks said that donors "make a lot of claims" about how much they fund environmental projects. "There needs to be some sort of independent evaluation of what's going on," he said.

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