

Why countries offer foreign development assistance? The case of Latin America

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Foreign development assistance has been widely used for the last 60 years. Despite changing conditions in international politics, especially after the Cold War, aid has evolved along with it, acquiring greater salience in the international scene. In recent years, the number of donors has multiplied. Most countries around the globe participate in the foreign aid regime, either as recipient or as donors and frequently as both. Emerging countries, that until not long ago were recipients of overseas development assistance (ODA), are rivalling the aid offered by traditional donors.

Despite outstanding rates of growth in recent years, the distribution of income in the emerging world is extremely unequal. Tiny pockets of wealth are surrounded by oceans of poverty, and yet emerging nations are increasingly active offering ODA to other developing nations. What are the drivers behind foreign aid policies of emerging donors, especially when these countries still have endless domestic challenges to overcome? Is emerging countries' ODA driven by similar factors than traditional donors? Some argue that new donors use aid to improve their international image, while others believe that aid represents genuine international solidarity.

In the same way that domestic and external factors affect foreign policy, they shape ODA too. The evolution of the international context and changing domestic conditions play a key role in the definition of the national interest of a country, which in turn impacts the formulation of national policies, including foreign policy and foreign aid. In reality, the objectives of foreign aid policies are frequently entwined with international and domestic elements. This paper will present a comparison of the motivations behind ODA policies of traditional and emerging donors. The analysis is based on IR and IPE theories.