



EXPATRIATE AID SALARIES IN MALAWI: A DOUBLY DEMOTIVATING INFLUENCE?

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Abstract — Despite the rising cost of expatriate aid, we still know very little about its effectiveness, especially in sub-Saharan Africa. Education is a major objective of technical cooperation, and at the University of Malawi we surveyed both locally paid Malawian ($N = 29$) and expatriate lecturers ($N = 29$). Malawians emphatically agreed that aid salaries demotivated local lecturers, while the expatriates may have been resolving guilt about their greater pay by convincing themselves of their superiority, which could also result in their own demotivation. Aid salary differentials might therefore be demotivating *both* host and expatriate lecturers. © 1998 Elsevier Science Ltd. All rights reserved

INTRODUCTION

The problem

At least one-fifth of all overseas development assistance is spent on technical cooperation (TC), much of it in the form of educationally-focused expatriate personnel. Each expatriate can cost up to US \$300,000 per annum, a sum that could alternatively provide a great many pencils, papers, and books (Dore, 1994). This level of investment in human resources is, however, rarely examined or evaluated in any detail, especially in the educational sector. The most comprehensive, and perhaps the most optimistic, estimates of TC project success rates have been derived by Cassen (1994). His global figures include 10–15% of TC projects failing outright, and half to two thirds evaluated as satisfactory, of which 33% or more have been judged fully satisfactory (p. 167).

On the face of it, these figures are quite good, and there have certainly been some clear successes in particular TC sectors and places, notably engineering and population policy in Asia. However, what must also be borne in mind is that the benchmark for outcome tends to be set in the short- rather than long- or intermediate-term, while the evaluation itself is often done in-house (see, Picciotto and Rist, 1995). There is special cause for concern in sub-Saharan Africa, which

has both the worst record in TC [e.g., *negative* effects in pastoralism, and in Haiti (Cassen, 1994, p. 148, p. 175)] and receives the highest regional proportion of aid (one-quarter, or Sterling £3.2 bn) devoted to it (Dore, 1994).

The present study explores the possible effects of expatriate personnel in the formal education sector in Malawi, a country which has made extensive use of expatriates (Hewitt and Kydd, 1984). In particular, our analysis focuses on the often uncomfortable and unspoken potential impact, on work motivation, of the salary differential between expatriate and host counterpart. Expatriate staff are commonly paid well in excess of local staff, and this may be attributable to factors such as the expatriate being paid from the home country (a more developed economy) and currency devaluation in the host country (a less developed economy). But this does not detract from the possibility that large salary differentials may strain the expatriate-host counterpart relationship. This human factor has generated a rich and clandestine folklore (Gow, 1991), which surely reflects the commonsense notion that good relations between expatriate and host counterpart are crucial for good project outcomes (Gergen and Gergen, 1971; Sahara, 1991; World Bank News, 1996). Thus, salary differentials could be undermining development cooperation efforts.

There are already some indications that demotivation may be occurring in TC projects. As in the commercial sector (Balsiger, 1989), local people

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frequently 'resent the [imposed/tied] presence of highly paid foreigners' (Cassen, 1994, p. 158), earning a salary that can be '10 times higher than that of the most senior cabinet minister' (Dore, 1994, p. 1432). In the management literature (e.g., Argyle, 1989), inequitable pay is frequently a source of dissatisfaction and demotivation. In the development studies literature, there are complaints of: The expatriate doing a job without mentoring, or ever selecting, a local counterpart; upstaging a local person by being more influential towards others; blocking the host national's career path by staying too long and failing to report on the assignment (possibly interrelated); selecting a counterpart too late in the life of a project; the local person being too busy with more immediate demands; and the local person quitting the job (Cassen, 1994).

In each case it seems that the local person is losing out. However, the expatriate staff may also become demotivated in such a relationship. Elsewhere, we have suggested that salary gaps may in fact be fostering a *double* demotivation process (Carr and MacLachlan, 1993; MacLachlan and Carr, 1993). Our prediction is based on a range of theory and research in social and organizational psychology, the key elements of which we now reiterate and refocus with respect to the situation of TC expatriates in developing countries.

The lower paid

Equity theory states that workers often compare the ratio between their outcomes (pay, benefits) and inputs (skills, hours, etc) to those of their fellow workers (Adams, 1965). Even comparatively minor discrepancies between them often appear unreasonable, and have been linked closely to dissatisfaction (e.g., Berkowitz *et al.*, 1987). In order to redress the balance, underpaid workers may find various ways to reduce their own inputs, including working less hard or less well, absenteeism, and other forms of withdrawal, including resignation. In development settings, where the gaps are often far wider, it has been reported that host nationals are often demotivated (Rondinelli, 1986), absent (Munene, 1995), reluctant to socialize with expatriates (Kealey, 1989), and 'disengaged' from work roles (Craig and Porter, 1994), including voluntary exile (Southern African Economist, 1993).

Equity theory is a Western model based on individualistic values, and we should be wary of overgeneralizing to non-Western populations (Shamir, 1990). There is a good deal of evidence

to show that many non-Western peoples allocate resources more on the basis of collective need than on the basis of individual reward (e.g., Markus and Kitayana, 1991; Segall *et al.*, 1991). In development settings, this may have the effect of reinforcing a collective sense of *social* inequity, namely by contrasting well-off individual expatriates, as a group, with impoverished locals, as a group. Under such circumstances, cross-cultural research has clearly shown that non-Western peoples placed *more* emphasis on equity than did Westerners (e.g., Hui *et al.*, 1991; Leung and Bond, 1984). In a Zambian context, for instance, turnover, absenteeism, tardiness, and restriction of effort were all especially associated with tribalism and corruption, and 'would appear to be attempts to resolve inequity' (Machungwa and Schmitt, 1983, p. 40).

The higher paid

One mechanism by which those who are initially focused on the money may become demotivated is known as 'self perception.' This is particularly likely when one is relatively uncommitted to an issue or activity, or during the period when one is forming an attitude towards it (Bem, 1972). As Kealey (1989) found, TC expatriate motives can actually range from 'wanting to help others,' to 'going because the money is great,' with the latter being linked directly to poor performance in the field. Self-perception here would involve observing one's behavior and using it to infer one's own motivation. Those aid expatriates who ventured overseas largely for the money and/or were forming an attitude towards their new job may have increasingly reasoned, implicitly perhaps, backwards from the money, i.e., 'I am relatively well paid, therefore I must be doing this primarily for the money.'

Many aid expatriates however are probably motivated primarily by more altruistic concerns (e.g., O'Dwyer and Woodhouse, 1996). These people are most likely to have a keen sense of social justice and equity (Littlewood, 1985). One way of restoring equity when being overpaid is to work harder, attempting to match one's superior outcome with superior effort — which would be consistent with some of the complaints against expatriates. However, even this 'raised effort' response frequently cannot be maintained (Carrell and Dittrich, 1978), especially when one is earning ten times the local salary! In this case, a more realistic option, perhaps, would be to

convince oneself that one's *inputs* are higher, e.g., 'I earn much more, but I am a much better employee.'

One of the most influential models in social psychology, namely cognitive dissonance theory (Festinger, 1957), predicts that people who realize inconsistencies (dissonance) between their beliefs and/or behavior, especially over issues that are important to them, are likely to distort some of the beliefs (past behavior cannot be changed) to create (apparent) consistency. In so doing, they manage to avoid the discomfort of cognitive dissonance. This is especially so when they feel helpless to rectify inequities and are continually reminded of that fact by having to work alongside a person who is less fortunate than themselves (e.g., Kipnis, 1972; Lerner and Simmons, 1966).

This very combination of visibility and relative advantage often characterizes the expatriate-host relationship (Carr *et al.*, 1996), suggesting that relatively well-paid expatriates may begin to develop a sense of superiority as a way of reducing guilt, as well as reducing vital social contact, i.e., disengaging from the relationship with their host. Consistent with these suggestions, the development literature contains reports of expatriates derogating the abilities of, as well as dissociating themselves from, their host counterparts (respectively for example, Fox, 1994, MacLachlan, 1993a, 1993b; Kealey, 1989).

Experimental evidence recently gathered in Australia firmly implicates comparative overpayment as a causative factor in demotivation (Carr *et al.*, 1996). The research has been based on a methodology first devised by Deci (1975), and designed for looking at the causes of demotivation. This paradigm involves paying people to work on an intrinsically interesting puzzle or problem, a task that would normally be undertaken voluntarily, i.e., for free. What Deci found was that payment actually *reduced* and *undermined* willingness to 'stay behind' after the experiment, to work on the puzzle without payment. Financial reward, it seems, reduced intrinsic motivation. It had reoriented people towards the money.

Higher and lower paid considered together

Building on this research, we have recently explored the effect of salary differentials. In a variation of Deci's original paradigm, we introduced various unexplained and thereby unreasonable inequities into the experiment, designed

to mimic the effects of salary differentials in TC projects. Specifically, some participants were paid either AUD \$1 or \$2, and either knew or did not know what others were receiving. Importantly, those who worked *with* the knowledge that they were being underpaid or overpaid were given no reasonable explanation for this 100% differential. This was intended to represent, or be analogous to, the nature of pay differentials locally contracted and expatriate lecturers experience.

Those who received payment without knowledge of inequity, as in Deci's original studies, became demotivated. Regardless of the level of pay, there was a very significant drop in the amount of time freely devoted to the task in hand, compared to those participants in a control condition where they were given no payment at all. Evidently, payment had undermined intrinsic motivation, possibly by reorientating people towards the money ('I only work when I am paid'). Moreover, introducing knowledge of pay differentials (e.g., 'I am being underpaid by 100%' and 'I am being overpaid by 100%') each produced an *additional sharp decrement* in motivation. This drop in intrinsic motivation may have been caused primarily by anger among the underpaid and guilt on the part of the overpaid (Carr *et al.*, 1996).

Laboratory simulations can inform us about causation but they are always open to the criticism that they may lack external validity. Hence we next explored the effects of pay differentials among Australian workers. One hundred and twenty six randomly sampled employees were asked whether they would leave their current job if they had the financial opportunity to do so. This technique has been extensively used in international surveys of work motivation (e.g., Harpaz, 1989; Meaning of Work International Research Team, 1987). In our study, we had equal numbers of employees who reported being (1) equitably paid compared to others in the same job, (2) underpaid, and (3) overpaid. Such differences in pay, for doing essentially the same job, have come about in this otherwise egalitarian country (Cox, 1995; Feather, 1994) through recent industrial reforms - in particular enterprise bargaining and individual contracts. Such reforms, as Cox notes, are not confined to Australia and are socially divisive (1995, p. 47).

Compared to the control group who felt equitably paid, those who felt either under- or overpaid were significantly more likely to want to leave

their current job. Here was evidence for a (perhaps counterintuitive) double demotivation as a result of salary differentials. Chief among the reasons given for this demotivation were angry frustration (from 46% of the underpaid), plus pity and perplexion (from 43% of the overpaid). Interestingly, none of the overpaid group (unlike their underpaid counterparts) reported any feelings of exemption from responsibility (e.g., 'out of my control'). Meanwhile, 35% of the overpaid *did* report feelings of relative gratification, or 'bravado.'

These findings could, conceivably, be reflections of a certain amount of guilt-reducing denial, combined with guilt-reducing feelings of superiority. That is, demotivation on the part of an overpaid (Western) group would be signalled by a combination of feeling guilty and feeling superior, as predicted by equity and dissonance theories. Such feelings have the potential to impact on the *interaction* between expatriates and local counterparts, as it unfolds over time, and indeed

we have stressed elsewhere the importance of the social *dynamics* of double demotivation (Carr *et al.*, 1996). More recently, we have brought dynamical systems theory to bear on the double demotivation prediction (Carr *et al.*, in press).

Figure 1 describes a systems archetype known as 'Escalation' (Senge, 1992, pp. 384–385). According to Senge's management approach, this system classically involves two individuals or groups, each of whom acts defensively but appears to the other side to be acting aggressively, prompting a vicious circle of conflict. His examples include escalating price wars that eventually bankrupt both companies concerned, as well as arms races between nations. We envisage a similar possibility with respect to double demotivation, namely an escalation between expatriates' (ego) defensive derogation of local counterparts coupled with increasing disengagement by the hosts themselves. Each side would thereby be reacting defensively, although each side would *appear* to be

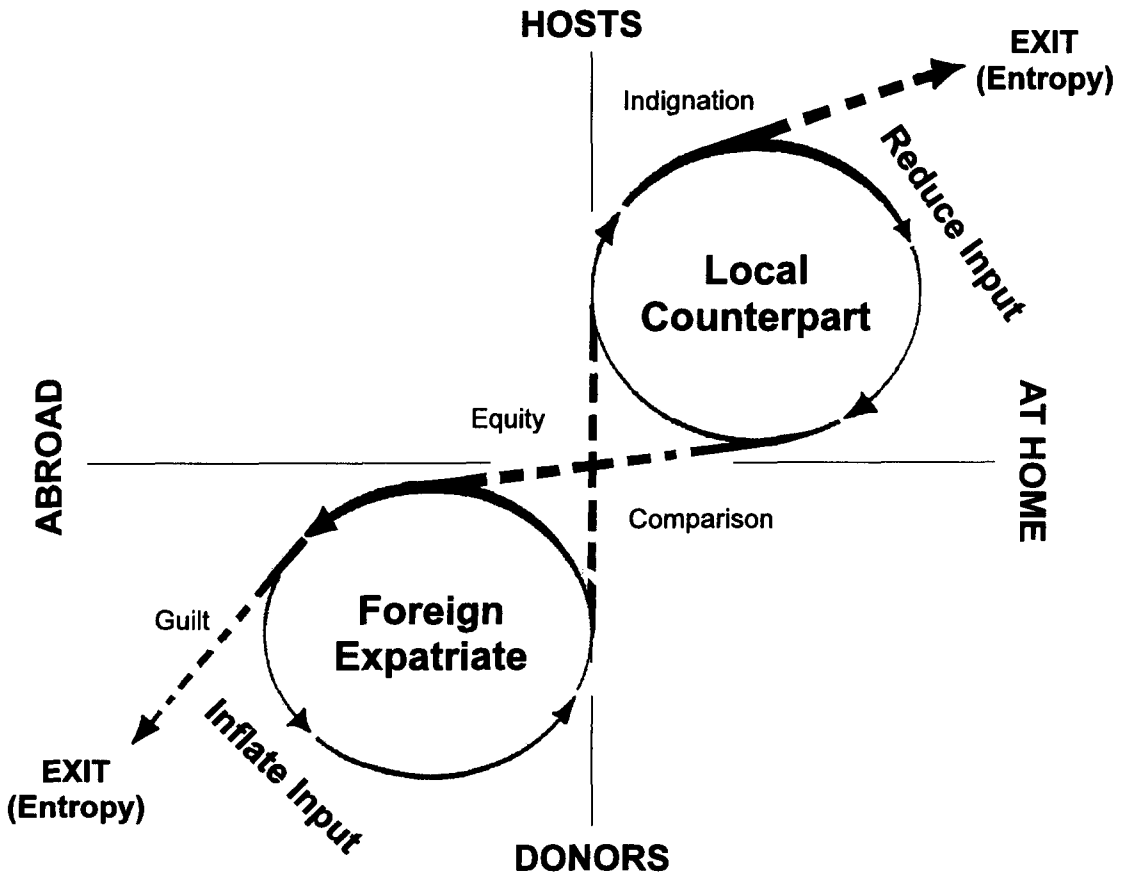


Fig. 1. A double Pygmalion effect (adapted from Senge, 1992) (Source: Carr *et al.*, in press).

acting towards the other in an essentially non-cooperative manner.

How might this unfold in the course of time? Elsewhere, we have suggested that expatriates' disparagement of local counterparts may produce a 'Pygmalion effect,' whereby locals will eventually conform to the (low) expectations of them (MacLachlan, 1993b). Senge's systems theory perspective offers us an additional possible insight into how this process might work in the case of expatriate aid. From Figure 1, technical cooperation could in effect be creating a *double* Pygmalion effect, whereby economic circumstances conspire with several human factors to produce in each group defensive reactions, based around the knowledge of pay differentials, engendering an air of non-cooperation.

The escalating social process allows us to envisage a cyclical 'freefall' into 'development,' which in this case is represented by an over-reliance on expatriate aid. We can also see perhaps how pay differentials may partly encourage locals living abroad to remain withdrawn or to seek exile as part of a 'brain drain,' while misperceptions that local colleagues are inept, or lazy, or surly, may encourage the expatriate to cast himself or herself in the role of an 'heroic innovator,' with predictably *negative* consequences for working him- or herself out of a job, or creating any form of sustainable development. Such predictions would be consistent with many of the problems identified with regard to the expatriate-counterpart relationship.

To sum up, a range of both research studies and theoretical perspectives begin to raise serious questions about the influence of pay differentials that exist in many aid projects. We therefore sought to explore these effects in a real educational setting which involves substantial expatriate personnel and significant salary differentials between expatriate and local university lecturers.

Three groups not two

The national University of Malawi employs both indigenous and expatriate (foreign) lecturers. However, the expatriate community there also includes both aid salaried and locally paid lecturers. This latter 'middle' group, differing from the aid expatriates in terms of remuneration and from the Malawians in terms of cultural background, might assist us in teasing out the effects of pay from culture. We therefore set out to test the following hypotheses, based on our double demotivation model.

Hypotheses

Firstly, and independently of cultural background but not pay (i.e., from the perspective of Malawians and locally paid expatriates), Malawian lecturers will be demotivated by the international salaries that some expatriate lecturers receive.

Secondly, among the internationally salaried expatriate lecturers only, there will be a pattern of elevated guilt and self-regard, reflecting a potentially defensive demotivation.

METHOD

Participants

These were recruited from constituent colleges of the University of Malawi. One hundred lecturers were contacted by mail and asked to participate in a study on 'work behavior.' This mail-shot was followed up by a researcher (Rose Chipande, an undergraduate student) visiting lecturers' offices to arrange a suitable time for them to complete a short questionnaire in the presence of the researcher (Chipande), who would be available to clarify any questions that they might have. A total of 58 lecturers agreed to take part in the study.

The respondents comprised internationally salaried expatriates ($N = 16$), locally paid expatriates ($N = 13$), and locally paid Malawians ($N = 29$). Although this reflects an even mixture of expatriates and local personnel, as well as representing both internationally salaried and locally paid expatriates, it also overrepresents the expatriate populations as a whole. The actual proportions, out of a teaching complement of 385, were: 10% internationally salaried expatriates, and 5% locally salaried expatriates; with the remainder being Malawian (University of Malawi, 1993). Our semi-stratified sample was therefore necessary, in order to enable us to make comparisons that were statistically meaningful (see, Mac-hungwa and Schmitt, 1983).

Apparatus and procedure

A chief advantage of using anonymous survey forms over face-to-face interviews is that the former tend to produce more disclosure on socially sensitive issues such as the one we were investigating (Rossi *et al.*, 1983). We therefore decided to use a survey methodology. Since this was also the first research of its kind, a questionnaire survey form was designed and constructed locally. We used a five-point Likert scale, ranging from

Strongly Disagree (1) to Strongly Agree (5), with a mid-point (3). It has been argued that scenario measures are more appropriate to, and tend to reduce social desirability response effects in, research conducted within developing countries (Sinha, 1989). Each of the three groups was therefore asked to indicate how a person/representative of their own group (e.g., 'Mphatso (a Malaŵian, paid a "local salary"') would respond to each of the 15 statements provided in Tables 1 and 2.

The questionnaire contained two final items. On a scale from 1 (very demotivated) to 5 (very motivated), participants were asked, 'How motivated are you to achieve the objectives of your job?' They also indicated how long they had been employed in their present job. We did not ask them to indicate their age or gender, so as to retain confidentiality in the sample, which was drawn from a small and closely knit academic community. The confidentiality of responses was assured in the initial mail-shot, and was retained between the participants and the student researcher. Participants were informed that co-researchers, who were staff members, were 'blind' to the source of individual responses.

RESULTS

Across all 17 variables, BMDPAM was used to check for univariate and multivariate outliers, within each of the three salary groups. Adopting a cutoff criterion of $p < 0.001$, no outliers were detected. Of the 58 cases read, 51 had no data missing ($N = 14, 11, 26$, respectively for expatriates on higher salaries, expatriates on local salaries, and Malaŵians - all of whom were on local salaries).

Inspection of the mean years of service across groups revealed that Malaŵians tended to have been university lecturers for a longer period (9.0 years on average) than either internationally salaried (3.2 years) or locally salaried (3.0 years) expatriates. This variation across the three groups was significant ($F[2,55] = 7.79, p = 0.001$), in particular between Malaŵian employees on the one hand and expatriates on the other (Tukey's HSD, $p < 0.05$). In subsequent analyses therefore, years of service was entered as a covariate.

An Analysis of Covariance (ANCOVA), with group as the independent variable, revealed that years of service did not predict self-reported levels of motivation ($p = 0.79$). However, the same analysis revealed that self-reported motivation varied significantly across groups ($F[2,53] = 3.70, p = 0.031$). A post hoc Tukey's HSD test ($p < 0.05$) indicated that there was a significant difference between the responses of internationally salaried expatriates on the one hand (mean = 4.63/5) and Malaŵians on the other (mean = 3.86/5): Malaŵians reported being significantly less motivated to achieve the goals of their job than did internationally salaried expatriates. Locally paid expatriates reported an intermediate level of motivation (mean = 4.46/5), one that was *not* significantly different from the mean level reported by *either* of the other two groups.

Sample size ruled out a factor analysis of the 15 scenario-type questions, so we conducted a Multiple Analysis of Covariance (ANOCOVA), with years of service as the covariate, 'group' as the independent factor, and questions 1 to 15 as the dependent variables. In order to protect against multicollinearity and singularity, we chose

Table 1. Statistically invariant item means

Item	Mean
Expatriates stand a better chance of learning new methods	2.6
A project is more likely to be sustained if an expatriate is in charge	2.4
In a case where two people can do the job, you should pick an expatriate	1.7
Salaries should be based on jobs and qualifications	4.3
I get the feeling that locals are being exploited	3.5
Local people are jealous of the large salaries that some expatriates earn	3.7
It would be understandable if local workers resented the larger salaries of some expatriates	4.4
Local workers feel helpless and sit back	3.3
Some expatriates are demotivated by their large salaries in comparison to their local colleagues	1.7
I feel that I don't deserve what I am earning	2.8

Note: The scale ranged from 1 ('Strongly Disagree') to 5 ('Strongly Agree'), with '3' representing an 'undecided' response.

Table 2. Salary group and significantly varying item means

Item	Expatriate (aid salary)	Expatriate (local pay)	Malawian (local)	<i>F</i> [2,47]	Prob
Local people are demotivated by the large salaries that some expatriates earn	2.9	4.4	4.2	8.11	0.001
Expatriates who work abroad should work under the same terms and conditions as the local people	2.2	2.7	4.1	5.75	0.006
Most companies are unfair to their local employees	3.3	3.3	4.6	7.71	0.001
Some expatriates on large salaries feel guilty because they earn much more than local workers	3.4	3.0	2.0	7.55	0.001
Expatriates are better employees than their local counterparts	2.7	2.2	1.6	7.83	0.001

Notes: Emboldened means are significantly higher than their non-emboldened counterparts. The italicized mean for the last item (i.e., 2.2) differs from neither of the other two.

BMDP4V for the analysis. This computes pooled within-cell tolerance (1 — SMC) for each dependent variable (DV), deleting any DV with insufficient tolerance (Tabachnick and Fidell, 1989, p. 380).

The ANOCOVA revealed that years of service bore no overall relation to the dependent variables ($p = 0.74$). 'Group,' however, did produce significant variation on the dependent variables as a whole ($F[30,66] = 3.72, p = 0.001$). The items statistically independent of (unaffected by) this group factor are presented in Table 1. With Bonferroni correction to control for the increased possibility of Type I error, there were five significant univariate *F*-tests ($p < 0.05$). These items, along with their corresponding *F*-ratios, are presented in Table 2.

From Table 1, regardless of group membership, participants tended to disagree with statements that expatriates are any more open or able to learn new methods, or more likely to help an aid project to sustain. Not surprisingly perhaps,

they disagreed with selecting an expatriate before an equally able local candidate, and were equally emphatic that salaries should reflect jobs and qualifications (in equity theory terms, 'input'). Each group of participants endorsed (beyond the mid-point) statements about perceived exploitation, jealousy, and (especially) resentment among local people who may sometimes have felt helpless and sat back. Each group clearly disagreed that some expatriates are demotivated by their higher pay, yet members of that same group, like both their counterparts, tended towards being *undecided* on whether there was some kind of mismatch between actual and deserved earnings.

Table 2 shows the statements on which our three groups gave significantly different responses. Here, both Malawians and locally paid expatriates tended to agree that Malawians were demotivated by salary differentials. That tendency contrasted significantly with the view held by internationally salaried expatriates (Tukey's HSD,

$p < 0.05$), who tended to disagree that Malaŵians were demotivated by the large salaries that some expatriates were earning.

The next two items in Table 2 each assert that there should be more equity for local employees, and in both cases the Malaŵians' responses were significantly more in agreement than those made by either group of expatriate colleagues (HSD, $p < 0.05$), whose ratings did not differ significantly from each other. Expatriates as a whole tended to be more equivocal, but tending toward disagreement with regard to making terms and conditions for local people identical with those for expatriates.

Turning to the item about guilt, internationally salaried expatriates tended towards believing that people like them felt guilty about their salaries, in contrast to the views of Malaŵians, who tended to disagree that internationally salaried expatriates felt guilty. This disagreement on the part of Malaŵian participants contrasted significantly with both expatriate groups ($p < 0.05$), whose ratings did not differ from one another. Internationally salaried expatriates were less emphatic in disagreeing that expatriates make better employees than were Malaŵian participants ($p < 0.05$). Locally salaried expatriates' ratings on this item did not differ significantly from the ratings given by either of the other two groups.

DISCUSSION

The common empirical 'backdrop' for testing our hypotheses is to be found in those items on which there were no group differences. Essentially, the common understandings were: That expatriates are *no* more able than local counterparts; that salaries should be based on input; and that existing salary differences were exploitative as well as a cause for jealousy and resentment. Respondents as a whole also tended to agree that 'local workers feel helpless and sit back.' TC expatriates were generally not seen to be demotivated by their comparative salaries in regard to local colleagues, but all three groups were unsure of whether there might be a discrepancy between actual and deserved earnings.

Our first hypothesis was that, in the eyes of both Malaŵians and locally paid expatriates (i.e., *independently* of cultural background), Malaŵians would be perceived to be demotivated by international aid salaries. This hypothesis was clearly supported by the data. Independently of cultural background, the internationally salaried expatri-

ates were the only group of participants not to agree that local people had become demotivated by the large salaries that some expatriates were earning. The veracity of the Malaŵian and locally paid expatriates' perception, rather than that of the TC expatriates, is supported by the finding that self-reported levels of motivation were in fact significantly lower among local lecturers than among TC expatriate lecturers.

The level of motivation among locally salaried expatriates was intermediate. One possible interpretation of this finding is simply that the locally paid expatriates had just not been in service long enough (3 years on average) to become as clearly demotivated as their similarly-paid Malaŵian colleagues (9 years of service on average). However, we found that years of service, when analyzed as a covariate, was not directly related to levels of self-reported motivation. Alternatively therefore, something else may have been preventing locally-salaried expatriates from reporting levels of motivation equivalent to those given by TC expatriates.

In that regard, our second hypothesis stated that there would be an elevated pattern of guilt plus high self-regard among the TC expatriates. On the question of whether TC expatriates felt guilty, there was a clear difference between the responses of TC expatriates themselves compared to their Malaŵian counterparts. These TC expatriates, as expected, were more likely to agree that TC expatriates felt some guilt. Comparing the same two groups of participants, and again as expected, Malaŵian participants were more emphatic than their TC counterparts that expatriates were *not* better employees than their local counterparts. The TC expatriates' mean response level (2.7) was just below the mid-point of the five-point scale, with six of the 14 TC expatriate participants agreeing with the item in question, and two of them choosing the mid-point. It is worth noting here perhaps that any social desirability effects would have acted to suppress true levels of agreement with the item, thereby giving us a conservative estimate of TC expatriates' true feelings.

We had anticipated that the inclusion of locally salaried expatriates would be useful in teasing out the effects of pay from culture (locally salaried expatriates generally originating from non-African, 'Western' cultures, as did most internationally salaried expatriates, but not having the same pay as the TC expatriates). On the item

about TC expatriate guilt, locally salaried expatriate participants converged with the responses given by their TC expatriate colleagues, and diverged from the responses given by Malawian lecturers. Shared backgrounds may have been more influential here than pay level (local vs. international salary). That might have occurred because the locally salaried expatriate participants, with their partly shared Western values and outlook, were more 'attuned' to the real thoughts and feelings of the TC expatriates. On the item about expatriates' job performance generally, the views of locally salaried expatriate participants were not distinct from those held by the locally salaried Malawian participants, namely that expatriates did *not* make better employees. To that extent here, a shared level of pay may have influenced social perceptions of (in)equity.

On the other hand, on the same item, the locally salaried expatriates could also not be clearly differentiated from their TC expatriate colleagues — suggesting an influence for shared background. That quasi-concordance is consistent however with the lower levels of motivation actually reported by the Malawians themselves, as well as with findings from elsewhere that unjust underpayment typically produces more demotivation than overpayment by an equivalent amount of money (Perry, 1993). As we saw, there was a complete absence of group differences on the question of Malawians' *ability* (Table 1, item 1), with a clear difference between TC expatriate and Malawian participants emerging on the question of expatriates making 'better employees.' With ability effectively perceived as equal across groups, our data suggest that the lack of difference between locally-salaried and TC expatriates, on the question of the quality of expatriate employees, may be attributable to less stable factors, i.e., demotivation caused by under-payment in one's current job.

There were other signs of shared views between the two expatriate groups. Both of them were comparatively unsure that expatriates should work under the same pay and conditions as local people, and that most companies (in Malawi, often multinationals) were being unfair to their local employees. It may have been that these expatriates, with their eye more on recruitment realities in the West, viewed straight parity between TC expatriate and host national groups as impractical rather than immoral. As Allen (1987) has suggested, the pragmatics of recruitment may dictate that 'the overall position of an expatriate

in respect of . . . benefits shall not be less favorable than if the expatriate had continuous service in his home country based on his home country salary' (1987, p. 3).

Internal validity

One possible objection to our findings regarding the differences between internationally- and locally-salaried expatriates is that they are due to poor recruitment and selection processes (e.g., Gurstein and Klee, 1996). This would locate the cause of any demotivation among aid expatriates in their aptitudes and personality, rather than to salary gaps. The aid *system* would be at fault, for recruiting and/or selecting perhaps the 'type' of person who is likely to become unduly and negatively influenced by salary inequities. We have recently found, for instance, that 'equity sensitive' individuals are likely to become demotivated by overpayment (McLoughlin and Carr, 1997; see also, Brockner and Adsit, 1986; Kealey, 1989).

When we examine the present data more closely however, an interpretation based on faulty selection by the international aid agencies (or at least those that pay international rather than local salaries) begins to appear somewhat unlikely. There were no significant differences between groups about the importance of equity in principle, the existence of inequity in practice, the level of demotivation among TC expatriates, and the sentiment of a possible mismatch between actual and deserved pay. Moreover, there was some overlap between internationally- and locally-salaried expatriates, not only over the pragmatics of having complete parity between expatriate and local employees, but also on the matter of guilt at being paid more than local counterparts.

Another possible objection to the internal validity of our study might focus on our interpretation of TC expatriates' relative tendency to believe that locals did not make as good employees as expatriates. As we ourselves have just argued, this perception could be partly veridical, simply on the basis that Malawian lecturers believed that Malawians were demotivated by salary differences, and that underpayment often demotivates more than overpayment by an equivalent amount. If so however, what we have interpreted as a feeling of 'superiority' on the part of TC expatriates may simply have been a pragmatic assessment of hard reality, namely that locals tend to be relatively demotivated and therefore to make not-so-good employees compared to expatriates.

If that were the complete explanation of our finding, then we would have to ask, Why did the Malaŵians not agree? One possible retort is that the latter were displaying a 'self-serving bias' (Nisbett and Ross, 1980), whereby one's own failings or shortcomings, for ego-preserving reasons, are not admitted. Such an individualistic account is not consistent however with a great deal of cross-cultural research on collectivistic value patterns (see, for example, Carr *et al.*, in press; Smith and Bond, 1993). Moreover, the Malaŵians may not even have been *thinking* of 'demotivation' when they gave their beliefs about the relative *abilities* of local and expatriate lecturers.

An obvious improvement then for future studies (and one that has been widely recognised in cognitive psychology) would see the wording of test items changed, to assess separately beliefs about latent ability, or 'competence,' and beliefs about demotivation, or 'performance.' Due to the constraint of a small population, we were not able to factor analyse our questionnaire. This obliged us to analyse responses on single items, which was bound to reduce the representativeness of our measures of belief. Beyond that, and despite the relatively 'behavioural' grounding of the scenarios, there are many factors that can intervene between one's attitudes and one's own behaviors (Eagly and Chaiken, 1993). We have not as yet gathered data on actual motivation and performance at work, and in that sense our evidence remains indirect.

External validity?

One way of assessing this is to rely on the method of construct validation, namely deriving certain external predictions on the basis of our (internally supported) construct of double demotivation. If our findings have external validity, then we should expect, on the basis of Figure 1, to find evidence from elsewhere that TC expatriates 'think a great deal of themselves' and 'hog the limelight,' while locals are typically 'non-committed' and 'unreliable.' These are precisely the complaints that we learned in our introduction are heard about TC the world over. As Cassen suggests therefore, it may be time that such anecdotes are studied more seriously.

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