Foreign Aid and Democracy in Africa: Framework, Concepts, and Mechanisms

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Why Aid and Democracy?

- **Normative motivations**
  Prevention from participation in one’s political community constitutes major human deprivation

- **Instrumental reasons**
  Large body of scholarship indicates democracies more concerned about development outcomes of citizens

- **Policy relevance**
  2011 Busan High Level Forum: ‘Promoting human rights, democracy, and good governance are an integral part of our development efforts’
Why Aid and Democracy?

• Existing cross-country studies offer mixed and contradictory findings
  – Rely on disparate time periods and country samples

• Single case studies can be idiosyncratic and selectively chosen

• Existing research aggregates all foreign aid together
  – Problematic since development aid and democracy assistance communities have different views on the importance of democracy and the means to achieve it
Democracy Aid to Africa

Source: OECD, Creditor Reporting Database
Our Approach

• Disaggregate foreign aid into democracy and development assistance

• Quantitative, cross-country analysis from 1991-2008 and case studies of seven electoral democracies

• Focus on both transitions to multiparty rule and consolidation of democracy
Democratic Consolidation

- Continuous concept with both negative and positive “poles”

<table>
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<tr>
<th>Avoiding breakdown</th>
<th>Avoiding erosion</th>
<th>Deepening democracy</th>
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<tr>
<td>Preventing return to one-party regime or a cessation of leader selection via elections</td>
<td>Preventing deterioration in civil liberties and human rights, disrespect for key institutions and laws, averting elections that are not ‘free and fair’</td>
<td>Strengthening vertical accountability, reinforcing institutions that provide horizontal accountability, and creating competitive party systems</td>
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Developments aid has played a role in *some* democratic transitions

- Mechanism: precipitating discontent through economic reforms or demanding political reforms

Source: Dietrich and Wright, 2012
Breakdown and Erosion

- Democracy aid appears to discourage elites from certain decisions in the first place
  
  - High levels of democracy aid associated with lower likelihood of multiparty breakdown, particularly in countries with higher levels of party institutionalization
  
  - Risk of term-limit violations drops from 40% to less than 5% at high levels of democracy aid
  
  - Example: Oasis Forum in Zambia
Breakdown and Erosion

• Development aid could be used as a means of preventing breakdown by addressing structural inequalities (e.g. Mali)

• However, it is more frequently used as an *ex-post* tool to reverse elites’ decisions
  – Examples: G19 donor strike in Mozambique; 3rd term bid in Malawi
  – Corruption and electoral violations are priorities while violations of civil liberties are addressed much more erratically
  – Issue of coordination is key for effectiveness
Vertical Accountability: Elections

• Democracy aid significantly effective at promoting free and fair elections
  – Electoral support essential for civic and voter education, monitoring elections, ballot papers, electronic voter lists, and preventing election postponements

• Key concerns:
  – Elections still seen as an event rather than a process
  – Some aspects of elections deemed too costly
  – Lack of EC autonomy, esp. in dominant party regimes
Vertical Accountability: Civil Society

Source: OECD-CRS Creditor Database
Vertical Accountability: Civil Society

- Democracy aid emphasizes capacity and fundraising rather than the legislative environment.

- Greater consideration of CSO representivity
  - Development community uneasy with trade and labour unions.

- Budget support viewed as reducing CSOs' knowledge of, and input into, donor activities.
Horizontal Accountability

• Democracy support essential for strengthening judiciaries, parliaments, audit offices, and anti-corruption bureaus
  – Notable successes:
    • Public Accounts Committee in Ghana; Anti-corruption commission and MP constituency offices in Zambia

• Consistent finding: General budget support further marginalizes the role of parliaments
Competitive Party Systems

• Party assistance receives least attention but extremely valuable for opposition parties
• Development aid tends to reinforce incumbent advantages, especially in dominant-party regimes

Source: Dietrich and Wright, 2012
Key Findings

• Democratic consolidation ultimately internal affair but external actors do play an important role

• Democracy and development aid have different levers of influence over the democratization process

• Democracy aid will remain pivotal given Africa’s changing development landscape

• Addressing how to reconcile trade-offs between the democracy and development communities remains a major policy priority