

MEETING SUMMARY

ReCom results meeting on Democracy and Fragility

On 3 May 2012, policy makers, researchers and members of the public gathered in Stockholm for the second results meeting of ReCom – Research and Communication on Foreign Aid programme. Following from the [first results meeting on aid and growth held in Copenhagen](#), this meeting focused on democracy and fragility under the Governance and Fragility theme. The event focused on the impact of aid on democratic transitions and key aspects of consolidation, especially in sub-Saharan Africa, and on larger issues of governance, such as corruption. Below is a short summary of the research results reported during the event. More information can be found from the ReCom website www.wider.unu.edu/recom including [further reading](#), [interviews](#) and [WIDER Working Papers](#) on the topics discussed.

Donor approaches to governance can be divided into at least two main areas. One area involves economic governance, including public financial management and regulatory reforms. A second key area focuses on the institutions and processes associated with political governance, including parliaments, elections, and the rule of law.

This Results meeting focused specifically on the various effects of foreign aid on political governance on it. (For more on the definition of good governance go [here](#))

Development aid and democracy assistance: impacts on transitions and consolidation in Africa

Development aid, which aims to improve growth, reduce poverty, and promote broader social well-being, is the dominant form of foreign aid. Democracy aid, by contrast, supports those actors and institutions that are concerned with promoting greater political liberalization in their polities and is on average only about 3 per cent of total foreign aid. Democracy and development aid have different perspectives on and degrees of leverage over governance processes, with the latter tending to have more influence than the former.

Democracy and development aid were examined with respect to their different impacts on the transition to multiparty rule and the subsequent democratic consolidation in a number of African countries throughout the 1990s and to the present.

For countries with a non-military one-party regime, development aid played a key role in democratic transitions in the 1990s by precipitating discontent through economic conditionalities (including in Benin and Zambia) and also through donors directly demanding political reforms (Kenya and Malawi).

In terms of democratic consolidation, democracy aid is an *ex ante* tool which discourages elites from making certain decisions in the first place. Development aid, by contrast, serves as an *ex post* tool that can reverse the undemocratic decisions of elites by often threatening to withdraw aid or offering incentives to reform. Generally it can be said that donors have been more willing to use development aid in this way for issues of corruption and electoral violations, rather than for human rights violations. However, for development aid to be effective, co-ordination between donors is important as this kind of financial pressure can only work if the threat of the potential loss of development aid is big enough.

Building vertical accountability: elections and civil society

Electoral assistance is a key focus of democracy aid and is often essential for civic and voter education, election monitoring, ballot papers and electronic voter lists. In some contexts though, democracy aid is criticized for undue attention on elections, with donors treating elections as a single event rather than as a process. This means that aid has not significantly contributed to the development and sustainability of electoral commissions that can ensure free and fair elections continue over time.

Building civil society is another favourite activity of democracy aid. However, who does civil society represent? What real leverage does it have? Does it have the ability and power to promote change? The latter is particularly important because democracy aid to civil society has tended overwhelmingly to support the urban elite. Thus far, the development community has been more uneasy about supporting trade and labour unions, which do often have strong grassroots ties with society but who may place demands on governments for salary and wage increases that contradict donor preferences for macroeconomic prudence.

Supporting horizontal accountability and political parties

Democracy support is essential for strengthening institutions of horizontal accountability, including legislatures, judiciaries, audit offices and anti-corruption bureaus. Strikingly, however, parliamentary assistance remains a small part of overall aid in many African countries.

Moreover, certain development aid modalities undercut the role of parliament in the larger political system. For example, when Poverty Reduction Strategy Papers are drafted, parliaments frequently are not consulted. General budget support meanwhile further marginalizes the role of parliaments through its focus on the finance ministry. At a minimum, parliaments need to be informed of donor interventions and policies. Donors need to communicate to parliaments and incorporate the imperatives of the budget calendar into their engagement so that members of parliament have substantial time to scrutinize the budget.

A focus on parliamentary 'hardware' needs to be complemented by work on the 'software', including work on political tolerance and cross-party dialogue. It is important to change power relationships and the political culture rather than just focusing on rules and institutions, which can subsequently be ignored or subverted. Political debate programmes for instance, can change public culture towards democracy. These could form one aspect of parliamentary strengthening programmes as well as contribute to building competitive party systems.

Party assistance receives among the least attention by the democracy aid community, but it could prove pivotal for strengthening opposition parties. Development aid, by contrast, tends to inadvertently reinforce incumbent advantages, especially in dominant-party regimes. Donor support to health sector in Benin, for instance, enabled the government to strategically release malaria drugs just before the last elections.

Reconciling tensions between the democracy and development communities

Reconciling key trade-offs between the democracy and development communities remains a major policy priority. The development community for instance, stresses the idea of country ownership. However, who speaks for a country under a non-democratic system? More generally, it may be

impossible for a single set of actors to reflect country ownership. In addition, the emphasis on ownership often sits uncomfortably with donors' expectations regarding how governments should treat their citizens and conduct elections.

Another principle of development assistance is donor co-ordination. The involvement of too many development actors burdens weak country systems, but too much co-ordination restricts the number of choices available to beneficiaries. It is difficult to encourage democratic pluralism through a single co-ordinated approach. Democratic reform sometimes means working with a plural perspective and from multiple angles.

The political nature of development

Many donors claim that they are apolitical. However, transformation and development ultimately are political processes and involve power struggles during which certain interest groups win or lose. Donors and the development agencies need to be more aware that they are political actors and to incorporate political analysis into their interventions, including economic and good governance reforms.

This is particularly true with regard to corruption. During the 1990s, corruption was viewed as the result of institutional weaknesses and a lack of knowledge and capacity. Donors in turn offered 'technical responses', including bureaucratic reform to constrain the behaviour of bureaucrats and established anti-corruption commissions. Increasingly, however, there is growing recognition that corruption is inherently political. As such, donors are focusing more on power asymmetries and targeting impunity, not just at the national level, but also on the international stage, to provide political incentives for elites to change. The latter includes cross-national prosecutions and asset recovery.

Final thoughts

Democratic consolidation ultimately is an internal affair, but external actors do play an important role. Democratic change and the promotion of good governance are long-term efforts, and donors need to be explicit about the time-frame over which it is realistic for change to occur. But, programming for the long-term often is not a strength of the donor community, which frequently operates around short-term programme cycles. Moreover, governance and anti-corruption activities often exist as separate departments within development agencies rather than being mainstreamed throughout.

The results meeting concluded by noting that there continue to be major weaknesses in our knowledge about what factors contribute to democratic change. For instance, is it through large-scale socio-economic development that contributes to the growth of a pro-democratic middle class? Or is it through short-term, focused interventions, such as supporting civil society, elections and parliaments? Going forward, there needs to be more concerted efforts to reconcile theories of democratic change with existing donor practices and to determine whether lessons learned about promoting good governance in some contexts are readily transferable to others.