Development Aid and Democracy in Africa

Speakers:

Professor Tobias Hagmann
Co-Editor; Associate Professor, Roskilde University

Dr Zoë Marriage
Chapter Author; Reader in Development Studies, SOAS

Dr David Harrison
Clerk, International Development Committee (2009-15)

Chair: Professor Abiodun Alao
Professor of African Studies, King’s College London

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Introduction

The following document provides a summary of a meeting held at Chatham House, on 9 June 2016, with Professor Tobias Hagmann, Dr Zoë Marriage and Dr David Harrison.

This meeting launched the book *Aid and Authoritarianism in Africa: Development without Democracy*, published by Zed Books. The speakers introduced the main findings and implications of the book, focusing on the gap between donor rhetoric about aid and the actual political conjuncture in receiving countries, the effect of aid on political regimes, and the challenges in improving aid effectiveness and accountability that have to be addressed.

Professor Tobias Hagmann

In November 2005, Addis Ababa was at the height of the crackdown by Ethiopian security forces on protestors in the context of the general election disputes. The situation was tense after protestors had been shot. The reaction of donors was a statement saying that all parties should refrain from being violent. There is a huge gap between donor rhetoric about supporting democracy in Ethiopia and an actual political conjuncture where political repressions take place.

In 2000, Human Rights Watch published a report criticizing major international aid programmes to Ethiopia for underwriting repression and playing into the hands of the oppressive one-party state. The donor assistance committee, a consortium of major donors in Ethiopia, put out a statement that this is not exactly true, and that there are no means, or monitoring mechanisms, to verify this. In any other context, one could expect a donor consortium to pursue the matter and look into the allegations.

In 2010, during a seminar of the Foreign & Commonwealth Office analysing political processes in Ethiopia, it was questioned whether there is a red line that the government has defined in terms of what needs to happen concerning political repressions in Ethiopia, anti-terrorism and the new civil society law that the government has defined. The answers given stated that as long as there are not hundreds of people being shot in the streets of Addis Ababa, aid will continue. These examples demonstrate that donors do not necessarily want to help, but rather want to give. It is more important to be present and have an influence on, and relation with, the government, than to actually contribute in terms of political processes.

A second point that needs to be addressed is the question of how much aid authoritarian governments in sub-Saharan Africa receive. Answers to this question differ depending on the definition of aid. Aid is complex and can be broken down to bilateral versus multilateral, emergency versus long-term, etc. Governments often refer to classic indicators, classified by development assistance committees, the OECD, and other agencies. Furthermore, one has to question what an authoritarian government exactly is in the African context. This is a major classification challenge and is disputed in the literature. Here again, a broad measure is taken, relying on the political rights scale and indicators of Freedom House. Cases discussed in the book were selected on the basis of those countries having obvious authoritarian governments. In 2013, four of the 10 most important African recipient countries were ruled by one-party regimes. Looking at aid statistics on ODI over time in relation to political rights as an indicator of democracy or authoritarianism, a relative shift to more aid given per capita to authoritarian countries can be identified, particularly in the period after 2010.

Third, the literature on foreign aid with regard to political regimes has to be addressed. What is the complex relationship of foreign aid on the one hand and domestic governance on the other hand? Since
the end of the nineties, most scholars working on this topic were initially more concerned with the relationship between foreign aid and democracy and democratization. Various studies have found some correlation or minimal impact. Subsequent analyses, however, state that there is little or no relationship. Surprisingly, there is no literature, particularly no large and broad comparative literature, looking at the relationship between foreign aid and authoritarianism after 1990/1991. The explanation that seems most accurate is the amplification effect. This effect explains that if aid goes to a democratic country it will reinforce the democracy already in place, while if aid goes to an authoritarian government it will reinforce authoritarianism. Hence, aid reinforces the political institutions and practices that are already in place.

The fourth point questions why donors give money to authoritarian governments, even though most donors claim to support liberal values, democracy, human rights etc. Different explanations can be given: it strengthens the ability of recipient countries to extract resources and negotiate with donor countries; there are security and geopolitical concerns; and longstanding historical diplomatic relations between recipient countries and donors.

To conclude, in a situation where authoritarian governments benefit from donor inflow, one is confronted with a double or triple accountability issue. First, the government is not accountable to its local population. Second, foreign donors are not accountable to local populations. There is no political mechanism of accountability between recipients and beneficiaries on the one hand and donors on the other. There is a lack of accountability between donors and western taxpayers, which have limited knowledge of the politics of African countries. These observations show that more research into the nexus of aid and authoritarianism is necessary, both more qualitative work looking at the mechanisms through which foreign aid does or does not reinforce authoritarian practices and comparative, systematic research is needed.

**Dr Zoë Marriage**

We have to problematize Rwanda as the unstoppable rock and the immovable post. This is a logical argument that is given to philosophy students, questioning what happens when an unstoppable rock approaches an immovable post in its way and the rock collides with the post. Aid given to countries in Africa is part of a regime of promoting, broadly speaking, peaceful democracy. This does not mean that aid cannot be withdrawn, which has happened in the Rwandan case, but every time it is withdrawn it will be given again, resembling the unstoppable rock. There is no way within our current political configuration to stop this. The immovable post is the political conviction of Rwandan president Kagame, who is not open to a large amount of negotiation that could change his political position and ideology. Hence, it is essential to identify what types of politics and negotiations can take place in such apparently impossible situations.

The case of Rwanda is particularly interesting. The president is not corrupt and the army and politicians are disciplined. Donors do not have any particularly obvious strategic or economic interest to be in Rwanda. The country does not have mineral resources or strategic influence on the continent. It became clear from United Nations reports that Rwanda has at some point provided support to rebel movements operating in eastern Congo and at the same time was systematically shutting down political space at home. Donors supporting Rwanda at this point had made a long-term commitment to the country. They tried to deal with the fact that they knew that the president was shutting down political space and causing violent destruction in a neighbouring country, which led to extremely difficult negotiations. A series of withdrawals of aid was followed by the reinstatement of aid, and then more withdrawals. Over a period of several years it became clear that aid had very limited impact on the choices made by the government of Rwanda.
The political impossibility of an unstoppable rock meeting an immovable post consists of three layers of apparent contention. The first is the iterative question whether Kagame is being authoritarian and autocratic at home and violent abroad. DFID, among other donors, has voiced its concerns about the significance of various reports coming out, meaning essentially that this is still an open question.

The second question is whether President Kagame is justified in doing this. This question hinges on the significance of the FDLR (Forces démocratiques pour la libération du Rwanda), the Hutu militia forces in the eastern part of Congo. It has been generally accepted from about 2004/2005 onwards that these militias did not pose a major threat to the Rwandan government. The idea that the Rwandan government needed to confront a security threat with military force was discredited from around that time and yet was continuously used both by Kagame’s government and by the donors supporting him.

The third level of obfuscation and contention questions to what extent donors should have a say in the country’s internal development. Both donors and the Rwandan government are aware that donors betrayed Rwanda in its time of highest need, acting irresponsibly in the years just after the Rwandan genocide. This has lost donors political credibility and the legitimacy to have a say in the operations of the Rwandan government. It is through these three levels of contention surrounding the political and military events taking place that the impossible political situation is continued.

These findings challenge the assumed relationship between development, democracy and security. This has become part of the central discourse of aid giving, which argues that the three reinforce each other in a virtuous circle. Rwanda has made tremendous progress in several areas of development including poverty reduction, women’s empowerment, child mortality, and computer literacy. This is a very impressive development portfolio, enabling donors to validate their role in the country. At the same time, significantly less progress is made in terms of democratization. During the 2003 and 2010 elections, there was a systematic closing of political space and banning of opposition leaders.

There are two mechanisms that can be identified in terms of the aid given in Rwanda. First, by giving aid, donors are consolidating the strength of President Kagame. There are major concerns that he should not fall, as the costs would be too high for him and for Rwanda. Second, by continuing to support Kagame donors are reiterating the use of illegitimate power, including their own. Donors have interfered in the politics of central Africa, when they in fact have no legitimate right to be there. On the practical side, the nature of these negotiations may suggest that a process of sorts is taking place, but the much more obvious take from this is that donors are extremely fickle. They withdraw aid because they are angry or because they do not get round to giving it for administrative reasons.

Dr David Harrison

This book is very timely. In Ethiopia’s case the realization of the juxtaposition of authoritarianism and effectiveness goes back a long way. In 2008, the UK international development committee examined this question and found that addressing it is very difficult. For the first time in history an authoritarian country was very effective at making progress. This at the time seemed extraordinarily unusual, as it was expected that the more liberal a country is, the more economic progress it will make.

Democratic institutions constraining government efficiency could be seen as obstacles to what DFID wants to deliver in its programmes. This is not just an African problem, but also constrains projects and progress in countries such as the UK. Undoubtedly, the short terms of office of some donor officials plays a role in this. This shows that DFID needs to extend the terms of posts, enabling officials to invest in a country and decreasing the negative effects of concerns over career development of their staff.
The book contains very strong analysis of multiparty elections and the concerns of excessive emphasis of the West on the electoral processes rather than the liberal rights aspects. The UK government has the ability to deliver development, especially in the case of Ethiopia and Rwanda, which is an important focus of DFID. Its annual report includes a comparison of how DFID delivered against the Millennium Development Goals (MDGs), in which Ethiopia and Rwanda perform very well. In addition, the liberal agenda includes the rights of women and girls, which is a high priority for the UK public and government. The focus of the Ethiopian government on these issues resonates well with that of the UK.

To conclude, the book includes little reflection on parliament. It is important to consider the role that parliament might have. A large emphasis is placed on NGOs, which are fairly complicit when working in these authoritarian regimes. Furthermore, the book raises questions about policy prescriptions. Should we be reducing aid in Ethiopia? Should we be hitting the poor for the sins of their government? What does the policymaker take away from this book?

**Summary of question and answer session**

**Questions**

How should we balance the effectiveness of aid with other criteria? Does aid actually get through to the level of prosperity of the citizens, and how much of it gets siphoned off through corruption?

What is the degree of stability that one can expect if you were to try and exert more pressure for democracy? Would it, in an autocracy, lead to a chaotic situation where the aid does not get through?

What is the importance of the regional context? While there is a consensus among West African countries on reasonable terms under which to operate based on the Cotonou agreement, how does this play out in Central, Eastern, and Southern Africa?

What happened to the campaign on making poverty history, focusing on topics such as debt cancellation?

How do you judge the effectiveness of the increasing segment of aid that goes to reinforcing governance and democratic practice? Is it not just an activity for the benefit of the donors, and what could be a better practice?

**Dr Zoë Marriage**

These questions are reasonably similar in suggesting either a reform agenda or a totally radical view of aid. There is something very problematic about the entire infrastructure of the way in which aid is given and the way in which it reinforces donors. This is not something that is easy to get over within the current architecture. There will always be trade-offs in terms of what you want and what you get. It would be healthy to accept that there is a big problem with the assumption that democracy, development and security are going to reinforce each other. The interests are not always shared. Furthermore, we have to accept that the ideas of donating countries do not always coincide with those of receiving countries. If there were a more frank acceptance of this, it would be easier to negotiate a more sustainable aid relationship.
There definitely seems to be regional variation between West and East Africa. There are two important points to be made about development and aid effectiveness. If you define development as something technical and measurable that can easily be reported on, such as a quota or MDGs, is that development? This is not the only type of development. According to Amartya Sen, development is the ability to decide on what is going to happen in your life. Both types of development are necessary, including the more technical and economic version, but also the ability to make decisions, approaching development as freedom and empowerment. Merely fulfilling quotes does not lead to fundamental change.

Donors previously emphasized political freedom and democratization. There now seems to be a trade-off. Initially the idea prevailed that democracy should come first and development would follow, whereas the focus now is on development, after which democracy will follow. This does not mean that one model supersedes the other, as there is historical evidence for both models. It should not be for donors to decide which models to put in place, as this is government rhetoric. The new discourse is not innocent, but serves a particular political project.

Questions

Does the panel accept that aid, especially regarding the two countries discussed, is underwriting repression? Is achieving the MDGs a price worth paying for the erosion of freedom?

What right do donors have to interfere in the politics of African governments? If they were to have that right, what belief can we have that they would operate more effectively?

What did Professor Hagmann mean with the statement that there is no correlation in accountability between the donor and the government, government and the people, and the donors and the funder?

Is there a connection between the increased interest of donors in working with authoritarian governments and the pursuance of their security agenda, particularly counterterrorism?

Is it a good measure of aid effectiveness to allocate most to the education sectors of receiving countries?

How do you see relationships relating to the amplifier effect work out in especially authoritarian systems where you have good governance?

Can aid be effective if it is channelled through local organizations instead of the large international aid organizations, as they often do not fully comprehend local issues?

Since most states are neither authoritarian nor democratic, but on a sliding scale between the two, is it not more important to look at which way they are going rather than taking a snapshot of where they are?

Regarding the question whether aid is underwriting repression and whether achieving the MDGs is a price worth paying for the erosion of freedom, this is a political question and might be the case in the short term. In the mid-to-long term, however, a strategy is needed. Ever since some of the major donors gave up on democratization, their sole strategy seems to be the statement that aid is effective and thus needs to be continued.
The accountability gap refers to the absence of a mechanism between recipients and those who implement. Aid is nothing else than a public policy implementing programs for the welfare of people. In democratic contexts citizens have a mechanism to accept or reject such policies, but this is not the case in authoritarian governments supported with foreign aid inflow. The government is in this case not accountable to its population. It will not consult the population but rather enforce programs. Donors are not accountable to the local population despite all the rhetoric about participation, and most western taxpayers are not aware of the state of politics in the receiving countries. Hence, there is no direct link between western taxpayers who fund the programs and the actual programs that affect the lives of citizens in authoritarian countries.

Finally, there is clearly a link with counterterrorism and the security agenda. To come back to the amplification effect, statistical analysis finds that foreign aid will basically increase the institutions that are already in place. If a country has democratic institutions, these will be reinforced, while if it has undemocratic institutions, aid will support these. An authoritarian government that has good governance does not exist. In technical terms good governance might be possible, but in reality the country will have an absence of political freedoms.

Dr Zoë Marriage

Regarding the right to influence politics, the aid regime strongly focuses on this. The stage in which it is possible to even consider a purely technical response to any country has long passed. It is essential to understand that a technical response will feed in the political economy of any system. Hence the question to be asked is: how is it that we are going to influence countries? There is indeed a massive irony with attempting to promote democracy from the outside. Even in Britain there are crises of democracy. Furthermore, these are processes rather than events or statements on whether a country is either authoritarian or democratic. Thus, when DFID gives aid, it has to consider whether this supports processes by which people are becoming more represented by their leadership or more repressed. A second consideration is the distribution of power that is taking place within the political configuration that aid supports. Looking at the central African region, countries are in different ways moving towards third terms or presidencies for life.

Dr David Harrison

The British government puts a huge amount of capital into achieving development goals. It seems surprising that this would be the case if the government would not take governance and accountable institutions seriously. The question is what donors can use to improve governance and accountable institutions in these countries.

It is not feasible to say that aid is only to be given to countries that achieve very high levels of transparency and democracy, as this would be a very small budget. Autocratic countries are the very countries in which poverty is extremely high and in which women’s rights are most neglected. To take the position that when a government is authoritarian on some sort of measure no aid should be given, is counterproductive. Second, donors have an interest in working with these countries to address crises such as the Zika and Ebola epidemics. It is a global public good to address humanitarian issues. Hence instead of refraining from giving aid, the focus should be on improving aid effectiveness.