

## THE AID ARCHITECTURE DEBATE: BEYOND BUSAN

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### THE ROLE OF CIVIL SOCIETY IN POVERTY REDUCTION STRATEGIES

*The Research Platform on Aid Effectiveness is based at the Institute of Development Policy and Management (IOB, University of Antwerp, Belgium). This Platform studies the 'new aid architecture' (NAA) from four angles: (1) political economy of aid, reform and governance; (2) monitoring and evaluation; (3) gender; (4) macroeconomic and fiscal dimensions of aid. Policy briefs summarise the most important findings of research carried out by the team, and present its key recommendations. This brief sheds light on the role of civil society organisations in Poverty Reduction Strategies (PRS) and/or National Development Plans (NDP).*

#### PART I: EVIDENCE

##### Introduction

Since the launch of the Poverty Reduction Strategy Papers (PRSP; 1999), donors have elevated civil society organisations to a key role in both pro-poor development and the deepening of democratic practices. This implied a shift in the roles of civil society organisations: from micro to macro, from projects to policies and from beneficiaries to citizens. This evolution, known more broadly as moving from 'development as delivery' to 'development as leverage', however, has met with numerous challenges at different levels. This brief presents evidence and suggestions regarding how and when donors can meaningfully engage with civil society organisations in low-income, aid-dependent countries.

##### What donors expect from civil society participation

Much is expected of civil society participation in pro-poor policy arenas. Participation broadens the ownership of national poverty-reduction strategies and other related development plans beyond government and to society as a whole. Broad-based ownership is considered vital to the effective implementation of poverty-reduction policies. Participation is also expected to increase pro-poor effectiveness, as organisations are able to bring pro-poor interests to the table and improve the quality of strategies. Finally, participation in policy debates will increase the engagement of civil society in the monitoring and evaluation of government policies and actions. This watchdog function is expected to have a positive effect on transparency and accountability. Because participation in policy debates is an exercise in democracy in and of itself, democracy is expected to deepen through repeated participative interaction between the state and society. In this way, democratic practices become institutionalised.

The above-mentioned expectations reveal a particular understanding of the following:

- State-society relations: Participation leads to consensus and harmony rather than conflict.
- The nature of civil society: It is representative, pro-poor and apolitical.
- The nature of the state: It is a neutral intermediary, open to input from civil society and willing to enact policies that favour the poor.

These assumptions are very optimistic (if not naïve and flawed) about the ways in which societies function. How did donor policies actually fare in the real world?

##### The effect of ten years of civil society involvement in Poverty Reduction Strategies/National Development Plans

The most important gains were registered on the input side of the policy cycle. More specifically, participation has contributed to the following:

- Improved poverty diagnostics that provided supplementary information through participatory approaches, and that deepened the understanding of the multidimensional character of poverty
- Broader public debate over economic and social policies
- Civil society organisations that engage in networks and form umbrella organisations and strategic alliances

This seems to suggest that civil society participation has led to the creation of political space for civil society. In some cases, however, this has been a merely temporary effect. In a number of countries, the legal framework for associational life has become stricter, granting organisations less freedom while increasing and tightening government control over civil society activities.

The latter observation confirms the idea that donors who seek to impose participation on a reluctant government will not have the desired effects. Governments will try to neutralise influences they deem undesirable and/or threatening.

In addition to results, the actual processes of participation have revealed quite a number of tensions, problems and challenges:

- In most countries, the executive has held a tight control over the processes of participation through such actions as setting the agenda, favouring the participation of 'friendly' organisations and reducing participation to the sharing of information or consultation.
- Most PRS processes have been dominated by NGOs, including many that have strong links to donor agencies. This is considered problematic, given serious concerns regarding the nature of NGOs. Recent literature questions their link with the poorest segments of the population. NGOs often remain unaccountable to their target groups and other stakeholders, and they are not always efficient, effective, flexible or innovative.
- The relative absence of more traditional, membership-based organisations (e.g. trade unions, peasant organisations, producer organisations) in most PRS/NDP processes is considered problematic, especially because some of these organisations have closer links to the poor. Their membership-based constitutions also seem to enhance their representativeness and legitimacy.
- In many cases, the capacity to engage in high-level policy dialogue was weak or insufficient.
- Most of these participation processes were not institutionalised, but remained relatively ad hoc.
- Quite a number of organisations have not been able to escape the vertical, clientelistic mechanisms that are so deeply engrained in neo-patrimonial systems.

Our own research has emphasised the importance of the existing political opportunity structure. Most low-income countries (LICs) are characterised by political contexts that do not enable free and open participation. The highly partisan nature of political processes complicates pluralist participatory arrangements. It also endangers government ownership, as broad-based ownership may actually come at the expense of government commitment. As such, it endangers the poverty reduction strategy as a whole.

Given the flaws in the participation process, as sketched above, it is not surprising that most research reveals that this process has had little impact on the content and quality of the final poverty

reduction document. This is probably the greatest disappointment for most civil society stakeholders

With regard to the actual implementation of poverty reduction strategies, some local organisations have been able to enter into the implementation process as subcontractors. Others are quite hesitant to enter into this implementation role, as they fear losing their autonomy and they perceive this role to be incompatible with the watchdog function they are supposed to fulfil.

If anything, civil society organisations have become quite active in the area of monitoring and evaluation in contexts where the political opportunity structure allows. Interesting experiments (e.g. with budget tracking and citizen cards) have opened new venues of engagement for a number of civil society organisations. For more information on M&E (functions of civil society) we refer to Policy brief 4.

The entire participation exercise, along with the associated tensions, challenges and conflicts, made donors realise that the push for participation had resulted in a number of unforeseen and undesired consequences:

- Governments were not necessarily pleased with being expected to involve civil society, especially in countries where the political opportunity structure is not fully open.
- The civil society landscape is quite heterogeneous and political, with organisations representing a myriad of interests, which may or may not be pro-poor.
- In and of itself, participation creates tension with regard to those who are allowed to participate, who are to speak on behalf of whom and the issues that are to be discussed.

Taken together, the link between civil society involvement and broad-based ownership, pro-poor effectiveness and accountability can thus not to be assumed. The acknowledgment that participation and civil society are profoundly political in nature has led to a certain level of caution on the part of donors. Participation is no longer advanced as a condition, and civil society is now often mentioned in the same breath with the private sector, the media and other stakeholders. Although this caution is legitimate, it may become an excuse for not engaging civil society where possible.

## PART II: RECOMMENDATIONS

It is important for donors to start thinking about the broad-based ownership, pro-poor effectiveness and accountability functions of participation as separate and not necessarily mutually enforcing goals. Each of these goals requires different strategies, which involve different instruments and possibly very different actors and modalities.

It is vital for donors to develop clearer priorities with regard to these goals, and to acknowledge the possibility that important trade-offs may surface between them. The tension between poverty reduction and the deepening of democracy/accountability is particularly likely to generate fundamentally different intervention logics.

Context also matters. The involvement of civil society in policy debates should never take place according to a one-size-fits-all approach. Before rolling out the red carpet, donors should better understand the nature of the political regime, as well as its characteristics and what they entail for local associational life and the space for policy-related participation. With regard to regime issues, donors can rely upon a number of elaborate international datasets in order to gain a sense of the regime traits of particular countries. The Polity dataset and the Freedom House indicators are good places to start. Both are freely available on the internet, and both provide a comprehensive overview of political history and recent tendencies.

Where the executive is strong and has clear authoritarian traits, or where the political opportunity structure is relatively closed, pushing for participation might not be the best strategic choice for donors. In such contexts, governments have little ownership over the idea, and they will circumvent, manipulate or repress dissident voices. Forcing participation may backfire in unexpected ways. In such cases, donors might start by pushing for additional legal space for the flourishing of pro-poor organisations, which are close to the poor, organise them, conduct research on poverty issues or voice pro-poor demands. Donors can subsequently support these pro-poor groups by increasing their technical expertise and by providing institutional support through multi-donor, harmonised core-funding.

It is important for donors to distinguish the technocratic inputs from civil society from those that are more political in nature. Governments that are committed to development while remaining nervous about losing control will not welcome the participation of groups that may address politically sensitive issues. These governments might be somewhat more inclined to listen to evidence-based advice from non-governmental experts, however, as

well as to technical recommendations that are politically neutral and have the potential to improve government policies. These openings for technocratic participation may have important indirect political effects, and they may ultimately evolve into more politically oriented forms of participation.

Where opportunity structures are relatively open, governments are committed to poverty reduction; where genuine progress is taking place, donors should be careful not to push the government in becoming even more participative. Government ownership of strategies is the most important and the most vital pre-requisite for successful implementation. Diluting the strategy with a myriad of outside propositions may undermine government ownership, and thus the effectiveness of the strategy as a whole.

Government ownership is particularly important, given that the governments in most LICs came or remained in power through free, albeit not always fair, elections. This implies that governments have at least some degree of legitimacy to take decisions on national policies, and that they can be held accountable to some extent with regard to the policies that they have designed and implemented. Civil society should not be involved in ways that undermine such democratic government ownership, however precarious it may be.

Another area in which donors might be advised to invest more is in understanding the local civil society landscape and its predominant characteristics.

The way in which local civil society is organised and how it interacts with the state, with parliament, with political parties and with other civil-society stakeholders (urban and rural) may reveal important information about the existing social contract in the country, as well as its structures of inclusion and exclusion.

In the same vein, it is important to understand how ethnic, linguistic, regional, religious and ideological differences in politics and in society have marked the structure of civil society. Deeply embedded neo-patrimonial mechanisms, cronyism and clientelism, which are rightly considered problematic at the level of the political system, are likely to be reproduced along the same lines within civil society organisations, thereby affecting the ultimate outcomes of any participative exercise.

It is important to understand the actual civil society and accept its imperfect nature, as this will help to avoid a lack of realism or overly ambitious expectations regarding what civil society can actually do, change or contribute to policy debates and, more generally, to development or democracy.

In the ideal situation, participative involvement should be aligned with existing consultative or participative structures. Aligning with these systems in order to support and strengthen them might be more effective than organising new, parallel consultation structures.

In the same vein, other important stakeholders in wider society (e.g. parliaments, private sector) should not be sidelined by donors. Civil society is no *deus ex machina* that can correct a lack of government ownership or problems of broader political accountability. Poverty reduction requires a vibrant private sector, and accountability requires stronger institutions that can check and balance the power of the executive. Knowing when and how to involve civil society requires fine political judgement and considerable political acumen. Donors should become much better political analysts.

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