



Overseas Development
Institute

Poverty and political systems

*What donors need to learn from Latin America
and why*

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Outline

- ❑ Politics and donors: the global story so far
- ❑ The donor dilemma: what to *do* differently
- ❑ What DFID's Latin American engagement offers
- ❑ What I want to know from this conference

Politics and donors: the global story so far

- ❑ Getting donors to deal well with the politics is never going to be easy, but ***some progress has been made*** – or we would not be here today:
 - The default position: filling finance, technology and capacity (training) gaps in a more or less targeted way
 - Good Governance and democracy support: getting ‘good’ formal structures
 - The politics of PR: doubts about targeting, and about democracy
 - ‘Ownership’, PRSPs and the Paris Declaration: doing less harm with aid; parking the politics
 - Drivers of Change/power analysis: getting *under* the formal structures

The donor dilemma: what to do differently?

- ❑ Drivers of Change is a big step forward but ***has not generated a new action agenda***
- ❑ There are some serious knowledge gaps which require research on an altogether different scale – within country, cross-country and cross-regional
- ❑ Even if we knew what to do, doing it in Africa or Asia would pose major practical challenges:
 - (mis)interpretations of the Paris agenda to be overcome;
 - thinness of the professional human-resource base and the possible alliances

What DFID's Latin American engagement offers

- Access to a century of experience in the transformation of political systems – deep structures, not just formal institutions:
 - from elite to mass parties
 - combinations and types of clientelism and prebendalism
 - presidentialism, reformist technocracies and parliaments
 - redistributive populisms and militarisms, old and new
 - variants of centralism and decentralisation
- A short but intense experience of operations, combining:
 1. a good base of understanding
 2. effective engagement with local professionals, and
 3. worthwhile alliances

What I want to know from the conference, 1

- What does Latin America have to teach the world about the politics of poverty reduction, especially:
 - how does formal democracy (and its decentralisation) help and how does it hinder, and what to do about that?
 - if I am interested in poverty reduction, should I wager on presidents and enlightened technocracy – are checks and balances good for poverty reduction?
 - is there an evolutionary logic: prebendalism → clientelism/populism → mature democracy, or just cyclical movement?

What I want to know from the conference, 2

- ❑ What *theories* are the DFID-supported programmes based on, and has experience confirmed them?
- ❑ Does DFID's *way of working* on these issues (alliances, subcontracting, hiring of professionals) provide any models that, appropriately adjusted, could be used outside Latin America?
- ❑ How these questions and answers can be brought to a wider audience, on an ongoing basis