

Implications for Aid Practice: Taking a citizen's perspective



Introduction

Donors are taking up the challenge of building effective states. Effective states both depend upon and foster empowered citizens, as state institutions are built, re-shaped and built again through the actions of citizens engaged in struggles for power and voice. Other important actors involved in this process include multi-national corporations and representatives of the international aid system.

Policy messages from the Development Research Centre on Citizenship, Participation and Accountability highlight some opportunities for donors to help build effective states in the context of the **Paris Declaration on Effective Aid**. Many aid recipient countries are building their own capacity to design and implement development strategies that donors can support. At the same time, these countries are also developing the capacity to manage their public finances well enough to absorb and spend effectively the resources they need to reduce poverty.

Effective states depend on empowered citizens and donor policy should strengthen the role of active citizens. Donors can help build state-citizen relationships in diverse country contexts by giving careful thought to the aid instruments they use, what they fund and how they deploy staff.

How can donors help to build effective states with active citizens?

Aid modalities and instruments

A growing number of cases of aid to fragile states demonstrate that a long-term commitment, a focus on context and policy objectives, and an imaginative and flexible use of various instruments can have a significant impact.¹ The Paris Declaration is concerned with making aid more efficient so it can become more effective. On the one hand, this means strengthening recipient countries' development plans and encouraging strong country leadership in setting their own priorities. On the other hand, this means donors joining up as much as possible – harmonising their effort – so that recipient countries do not waste time negotiating separate aid deals with a large number of donors each with their own agenda.

¹ Leader, N. and Colenso, P. 2005 'Aid instruments in effective states' Working Paper 5 Fragile States Team and Effective States Team, DFID.

Options for policy and practice

- Consider which combination of aid instruments is likely to encourage an environment in which citizens can engage with the state to make it more accountable, especially to people who live in poverty. For example, directly funding small initiatives using a strategic impact fund could enable non-state actors to engage in debates and support or contest government approaches to poverty reduction.
- Increasing accountability also requires that states have the capacity to respond to claims by citizens. Aid instruments should strengthen not only the capacity of citizens to make claims, but also the capacity of the state to respond.
- While the overall case for general budget support remains – states cannot learn to develop good public financial management systems unless they have the resources to practice with – donors can complement this with sector-wide budget support incorporating technical co-operation.
- At the same time, more long term grant support to autonomous research institutions (donors tend to use these primarily for short term consultancy work) would strengthen capacity for evidence-based policy making driven by locally generated, rather than donor-generated, agendas.
- Policy dialogue, as an aid instrument, could be expanded from meetings with government officials (often behind closed doors) to donors becoming active participants in broad debates. Donors could encourage more broad-based public debates about the causes, consequences and solutions to poverty. For example, recent initiatives have supported multiple voices in the media and political parties.

What to fund?

The need for donors to align behind the recipient government in their financial support should not be confused with having a shared diagnosis of the problems facing the country. Nor should donors expect that all the country's citizens agree on how to reduce poverty and achieve greater social justice. 'Donor complementarity', as set out in the Paris Declaration, implies not only providing aid directly to states to support an agreed diagnosis, but also supporting a variety of local actors who have different perspectives on the problem.

Support to civil society organisations (CSOs) - as to governments - makes donors into local political actors whether they wish it or not. It is important to recognise this as a political choice. Donors may perceive a citizens' organisation as having an agenda that too overtly challenges the status quo and decide not to support it. The basis for making this decision needs to be clear and will depend on the context.

Options for policy and practice

- State building and pro-poor change can occur through social movements that are contesting established values and structural power relations. On this basis, CSOs that challenge the status quo could warrant support. But support must be designed so that donors' procedural and reporting requirements do not undermine the capacity of citizen's groups to work together on their own agendas.
- At the same time, it is important that donors' interventions do not undermine citizens' own individual efforts at problem solving and put at risk the very autonomy that donors value about civil society. Challenge funds, for example, can result in breaking up delicately balanced coalitions. Small grants can often be more effective than larger sums that can lead to donors' agendas becoming too dominant. In some cases, a decision not to fund might be the best one.
- Consider funding public spaces for debate, while providing support to those in civil society who help the most marginalised gain the confidence to make their voices heard. Inviting marginalised groups to participate is necessary but not sufficient in situations of unequal power relations.
- Be aware that a parallel funding approach runs the risk of placing state and civil society as polar opposites, missing opportunities to support networks and organisations that are straddling the divide.
- Donors can support groups working across the state/society boundaries by brokering connections. Ultimately this is more effective than programmes that focus solely on either governance reform or civil-society building. DFID in Peru used its strategic impact fund very effectively to support policy networks in this way.²

Categories of citizen action:³

- **Citizenship awareness** - leads to better informed people who can understand their rights and are able to constructively and effectively claim them through collective action and political processes.
- **Citizen participation in CSOs** - can contribute to critically (self)reflective, democratic and accountable CSOs that are responsive to the rights, values, aspirations, interests and priorities of their constituencies.
- **Citizen participation in local development and service delivery** - results not only in better services but also can serve as a learning ground for new forms of cooperation between state officials, politicians and citizens. Research shows that this approach is as important in fragile post-conflict states as in more stable environments.

² DFID 2005 http://www.dfid.gov.uk/news/files/success_stories/south-america/peru-experience.asp

³ This classification is adapted from: Guijt I (2005) Synthesis Report of Dutch CFA Programme Evaluation, Assessing Civil Society Participation as supported In-Country by Cordaid, Hivos, Novib and Plan Netherlands 1999-2004, December 2005 iguijt@learningbydesign.org.ne

Categories of citizen action continued...

- **Citizen participation in advocacy** – becomes effective through building the capacity of CSOs to advocate for structural change that would benefit the people they represent. As part of this process, individual citizens can gain a direct voice in advocating for their rights, needs and interests.
- **Strengthening citizens' dignity** – contributes to a climate of mutual respect between citizens and the state, and builds trust based on positive experiences. Some interesting examples of activities that respect culture and identity are radio stations in local languages, popular festivals and preserving historic sites.

Implications for staff time

Often, official aid agencies with staff constraints can successfully use intermediaries such as consultancy companies and local and international NGOs to support building effective states. Keeping in touch with what is happening in the country beyond the corridors of government offices in the capital city is essential.

Options

- Because the context matters, donors must understand the specific context by investing time in relationships with diverse local individuals, organisations and networks involved in change. This means they must deploy sufficient staff and resources to create, support and strengthen alliances, where donors also contribute their own ideas. It means re-visiting the proposition that more money can be spent more effectively with fewer front-line staff.
- Donor staff need direct, purposeful engagement with diverse citizens' groups (not just those in the capital city) as well as with government officials, including front line workers, so they can improve their understanding of what is happening and what is driving change. Direct involvement in providing financial support and discussing this experience with citizen's groups is a learning opportunity.
- Other important ways to increase understanding of the local context are commissioning studies from consultants, attending seminars, and participating in facilitated immersions, where staff learn first hand from the country's excluded and marginalised citizens.