

# BEYOND ELECTORAL DEMOCRACY: FOREIGN AID AND THE CHALLENGE OF DEEPENING DEMOCRACY IN BENIN

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# **Main points**

**1– Background**

**2– Argument**

**3– Data & approach**

**4– Foreign aid's changing patterns in Benin**

**5– Donors and democratic consolidation efforts in Benin**

**6– Assessing impact of foreign aid and exploring new directions**

# 1 – Background

- 1989 : economic bankruptcy ; political opening
- 1990 : national conference
- 1991 : first democratic election



- A successful transition : Donors, crucial players through budget support
- A consolidated democracy according to many ( turnover test, crisis test, generational test...)
- In the 2000s : Internal and external turning points impacting donors' actions and behavior
- *Few successes achieved* (on governance, corruption...)
- New rules imposed by the *Declaration of Paris*

## 2– Argument:

- While foreign aid been effective in certain areas such as elections and civil society promotion, its impact is weak in others, including the promotion of good governance, the rule of law, and accountability
- Donors are frustrated with the lack of ‘democratic deepening’ and some are increasingly tempted to withdraw their aid.
- Without innovative policies aimed at improving government performance in key domains such as corruption, this vicious cycle may well lead to a further deterioration of the country’s democratic credentials.

# 3- Data and approach

## Data :qualitative

- Official Development Assistance (ODA) as compiled by AIDDATA
- Interviews collected during field research in Cotonou in June 2011: foreign embassies, multilateral organizations and official administrations
- Academic publications, official reports, Transparency International, Afrobarometer...

## Approach to consolidation :

- Procedures, actors and institutions
- Substance, accountability and attitudes
- National level of governance



Description and tentative evaluation of donors' main actions

## 4– Foreign aid's changing patterns in Benin

### 4-1 – classifying donors (see figure1)

- Bilateral donors : France, the US...
- Multilateral donors: EU, IDA, AFDB
- Small vs big donors: Denmark, Switzerland, Holland...



Misleading :

- Donors' aid volatile
- Large donors not necessarily involved in democracy promotion

## 4-2- Foreign Aid volatility :

\*Fluctuations in the period under study (see Figures 1 & 2)

- Donors' fatigue in periods of scandals, post-electoral tensions, lack of progress...
- A vicious circle : withdrawal weakens democracy promotion efforts

Figure 1: Evolution of ODA commitments from DAC donors and multilaterals (US\$ million, constant 2009)

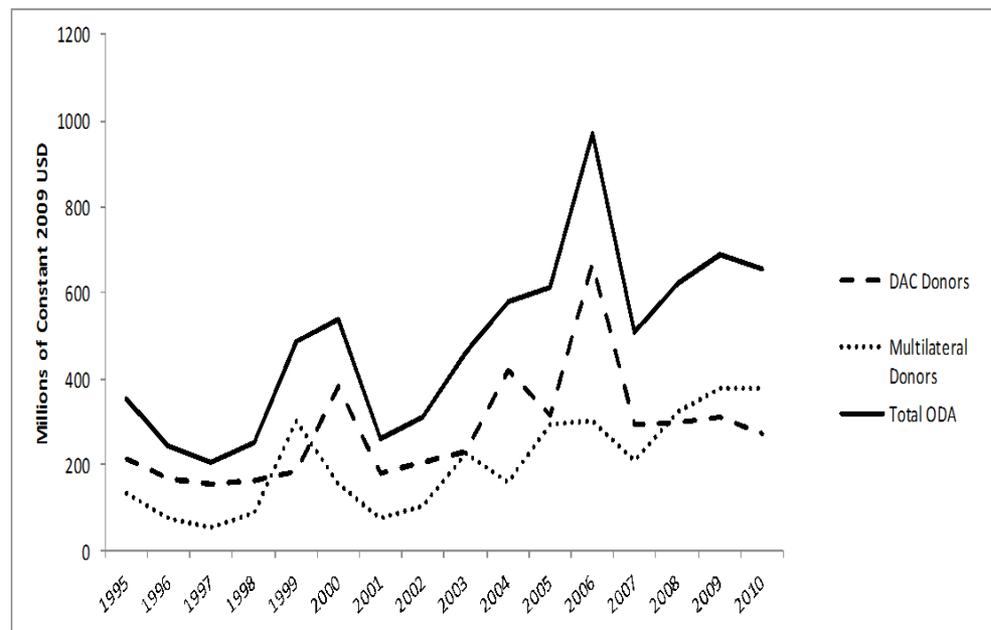
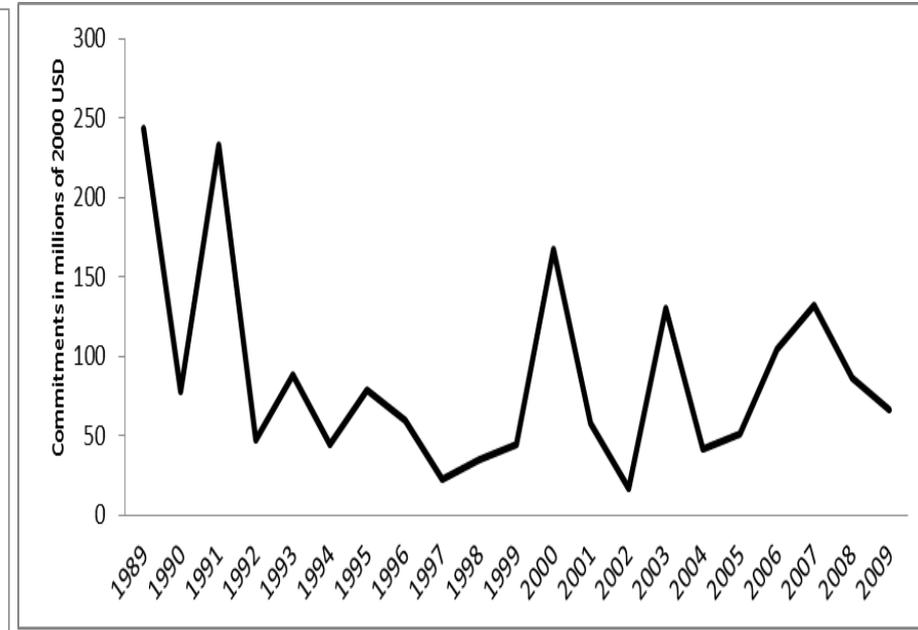


Figure 2: Evolution of general budget support to Benin (US\$ million, constant 2000)



## 4-3- Some donors not necessarily involved in democracy promotion

-+ Many multilateral agencies focus on poverty reduction ; rural development; education

+ Many non-traditional donors focus on infrastructure or commerce (China, India, Arab agencies...)



-Some more specialized in democratic consolidation efforts than others :

+ Multilateral agencies : EU; UNDP

+ Bilateral countries : Denmark, the Netherlands, France, the US...

## 5– Donors and democratic consolidation efforts in Benin

### 5–1 –Restoring state capacity via support to central institutions

#### –New focus on the State and its central institutions

- +9 & 10 European Development Fund's aid to help the executive formulate regulations in specific domains : elections, mechanisms of accountability...
- +UNDP & Netherlands' capacity building programs targeting MPs on several aspects of their work : initiating regulations  
budgetary issues, role of the parliament vis-à-vis the government...
- + Denmark & W B's African Development Fund's training program for the administrative and technical staff of the parliament
- +Financing the creation and functioning of a 'High Commission for Concerted Governance'

## 5-2- Empowering civil society

UNDP, Denmark, France :

- + financial and technical support to «social watch», main grouping of NGO's in Benin, (about 150 organizations)
- + support to the creation of national and local “peace infrastructures” (representatives coming from the NGOs above)
- + training programs to the media and assistance to media groupings
- + promotion of gender programs
- + support to the unions

## 5– 3– Securing elections

- + Sustained financial support to the National Electoral Commission
- + financial, symbolic and technical support to the creation of a permanent informatized electoral list (over 30 million USD) (see below)
- + coordination of donor action under UNDP's umbrella

### Main Donor Contributions to New Electoral List Project, 2009–11 (US\$)

European Union	12,695,873.12
The Netherlands	4,557,793.23
Denmark	3,520,013.77
Belgium	3,012,048.19
Swiss	2,006,766.50
UNDP	1,100,987.78
Japan	1,000,000.00
Luxemburg	651,668.00
France	577,200.58
Finland	525,624.18
Germany	484,726.23
Spain	140,000.00
Austria	3,012.05
<b>Total</b>	<b>30,275,713.63</b>

Source : République du Bénin, PAREL, Rapport d'Exécution du Projet de Réalisation de la Liste Électorale Informatisée (LEPI), May 2011: 25-6.

## 5- 4- promoting political parties and party system

- + a very liberal law in a fragmented, conflictual and constantly changing party system
- + symbolic aid (conciliation efforts by France...)
- + projects focusing on leadership, accountability, and policy-oriented politics

## 5– 6– Combating corruption and strengthening accountability

- Accountability and corruption remain huge challenges  
(Benin ranked 2.8 out of 10 in Transparency International index)
- Denmark’s support to the anti–corruption institute via training programs to state employees
- EU support to strengthen the legal and institutional framework of the country, particularly the judicial system
- The Netherlands’ cooperation strategy targets ‘checking mechanisms and institutions’, i.e., those that help strengthen accountability and public financial management
  - +the financial chamber of the Supreme Court
  - +the State General Inspection and ministries inspections

## 6: Assessing Foreign Aid Impact and exploring new directions

### 6-1 : A long way to go

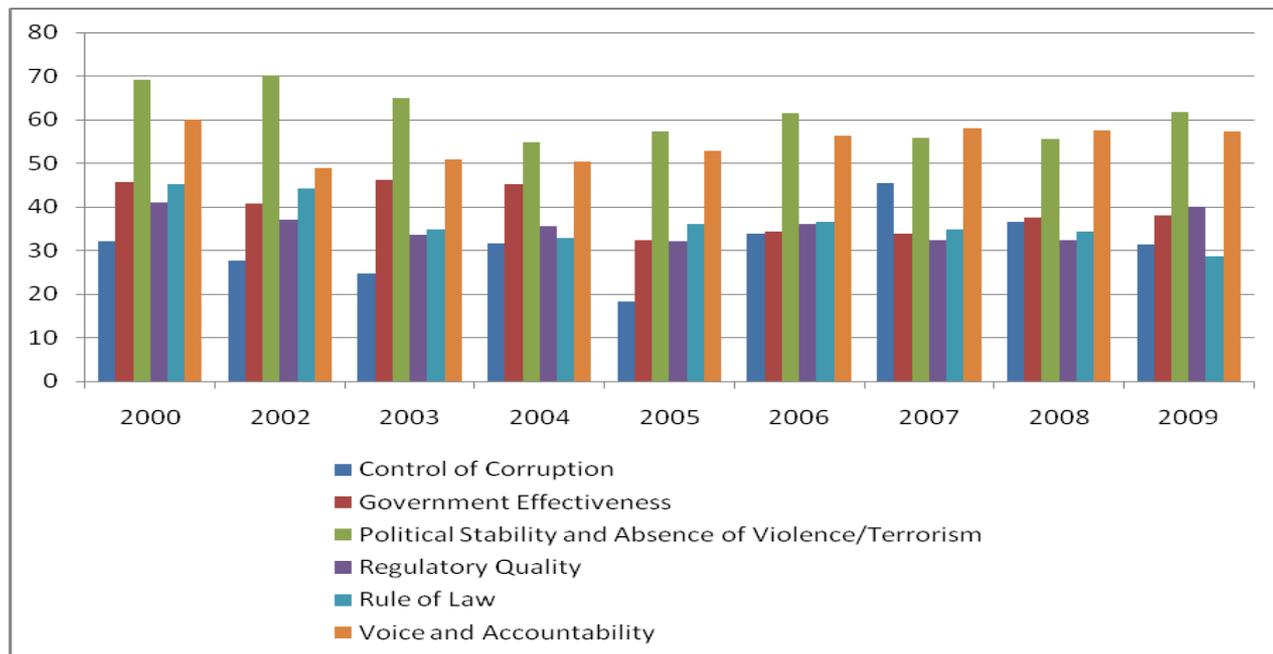
- ▶ Donors' impact is mixed:

- ++some successes (procedures, frameworks), but governance and accountability (substance) still weak

- ++ Donors powerless on deeper aspects of consolidation

- ▶ A hard road ahead (see Figure 3 below)

**Figure 3: Governance Indicators for Benin**



Source: Constructed from World Government Indicators. Available at: <http://info.worldbank.org/governance/wgi/index.asp>

Notes: Higher index numbers indicate better performance

## 6-2 : Recommendations

- ▶ Innovative policies are needed if Benin is to remain a democratic flagship country in Africa and become more than an electoral democracy. Donors should, in particular :
  - Help build a national consensus on electoral issues through the institutionalization of the Electoral Commission and Law
  - Invest in the strengthening of institutions and mechanisms that monitor governance issues (see Holland's inspiring policies)
  - Prioritize cross-cutting initiatives rather than sector-based initiatives regarding capacity building programs
  - Better coordinate their policies and insist on mutual accountability
  - Commit in more sustained support and acknowledge that democratic consolidation and quality is a long, complex issue.