



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