SID-NL Lecture Series 2010-2011

"Global Values in a Changing World"
Synergy of State and Society in a Globalized World

Third Lecture: **"'Country Ownership' when there is no Social Contract: Towards a Realistic Perspective"**

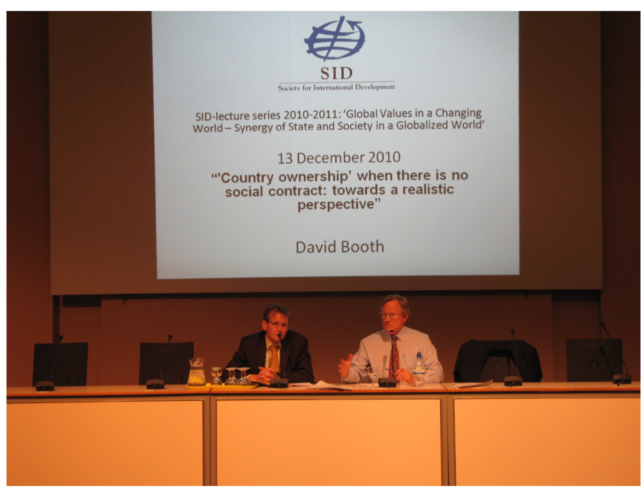
Speaker: **David Booth**, Overseas Development Institute

Moderator: René Grotenhuis, President SID Netherlands and Executive Director Cordaid

On Monday 13 December 2010, David Booth delivered the third lecture in the SID Lecture Series 2010-2011, 'Global Values in a Changing World'. David Booth is a Research Fellow at the Overseas Development Institute (ODI) in London, where he directs an international research consortium, the Africa Power & Politics Programme.

Summary

According to Booth, creating a greater degree of country ownership would be an important step towards generating greater aid effectiveness in developing countries. We are in an era in which development projects are used by donor countries to bypass the countries in which these projects take place. This was recognized especially in the Paris Declaration in 2005, which placed country ownership high on the agenda. However, according to Booth, the values behind the Paris Declaration and behind renewed versions of it, are not fully realistic. They are based on ideologically-based wishful thinking, instead of focusing on the knowledge that we have. Related to this, Western donors often presume that social contracts exist in targeted countries but this is certainly not always the case.



The manner in which country ownership is evolving following the Paris Declaration is problematic for two reasons. First, ownership commitments are placed at the forefront but their effect has been diluted by the addition of supplementary commitments under several headings, such as aid alignment and harmonization. The presumption is that these additional commitments are all conducive to country ownership, but the evidence for this is weak. Second, the Consensus does not reflect any learning from the neglected aspects of earlier initiatives such as the Poverty Reduction Strategy Papers (PRSPs).

Apart from that, the idea of good governance as a key for development, as emphasized in the Paris Declaration, is highly controversial; democracy has different effects in different countries.

Coming back to the core values that currently form the basis of policy for development cooperation of Western donor countries, Booth argues that these values are not supported by evidence. The best-practice approach is bankrupt; we do not know the key institutional factors that cause development. Instead, we should be more realistic in our approach and be focused on the governments that are “good enough” and on how we can build on the structures that exist. Booth pointed to the differential success rates in the development of South-East Asia compared to many African countries as evidence that it is not so much the nature of the government as it is the adoption of specific policies that makes a difference for development.

For that reason, emphasis should be more explicitly put on good outcomes of government policy. Booth argues for a focus on governments that are productive instead of focusing on governments that perfectly meet our standards for good governance. His observation is that most examples of growth in Africa took place within a neo-patrimonial structure and that hence it does seem that peaceful development needs to be underpinned by an elite bargain.
Policy of this elite group should be geared towards creating a larger pie for the whole country through a productive use of the rents in the country rather than seeking their own enrichment.
Focusing on this elite agreement could thus be an important strategy for development policy.

In the discussion after the lecture, the question was raised of how we view the concept of democracy, especially since democratisation seems to create a slow, but stable form of growth. Booth acknowledges that development and democracy are often seen as correlated, as is even supported by empirical evidence. However, this relation is only true in general terms because the theory brakes down when reflecting upon very poor countries. Here, democracy does not seem to make much of a difference for growth in the country. Another question from the audience asked Booth’s opinion on the current popularity of results-based management. Booth commented that results-based management based on, for example monitoring and evaluation mechanisms, does not seem to automatically generate incentives for policy-makers in poor countries to improve policy in the long term.

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