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Rolf Hofmeier*

Political Conditions attached to Development Aid for Africa

A new catch-phrase in development policy, "political conditionality", has rapidly established itself in recent times. Increasing numbers of Western politicians now seek to attach strings to development aid by requiring recipient countries to comply with certain political conditions.

These intentions are predominantly voiced with respect to African countries.

This article asks what justification there is for this expanded version of conditionality, and whether it represents a new form of interference or the legitimate support of budding democratic tendencies.

The concept of policy dialogue which came into common use in the early 1980s was originally primarily geared to the discussion between donor countries or institutions and the governments of developing countries concerning general economic and development policy operating conditions regarded by the donors as essential prerequisites for the success of whatever development aid measures were being contemplated. If at all, any questions regarding the underlying state of the political system, how democratic it was or whether human rights were respected would only be touched upon in passing, and indeed these would usually be excluded from consideration. The foremost maxim was that development aid was to be provided without regard to the political nature or orientation of the recipient countries, and only the level of need and the expected benefits were to be considered. In contrast to this, "economic conditionality" was to develop during the 1980s to become one of development policy's key concepts of the decade. The IMF's and the World Bank's structural adjustment programmes, in particular, which were oriented towards macroeconomic and sectoral policies, made the approval of loans conditional upon the fulfilment of concrete economic policy targets. By their nature, individual bilateral projects did not readily permit such conditions to be imposed, but even so, bilateral donors increasingly began to try, precisely by means of the policy dialogue mentioned above, to tie individual projects and programmes to demands for an improvement in the overall economic policy environment. Until recently, at any

rate, the formulation of specific requirements in connection with development aid (conditionality) was confined to matters of economic and financial policy and more or less excluded political issues in a stricter sense. Something which was all too easily overlooked in this process was that far-reaching changes in economic policy can naturally also have considerable consequences for political power structures.

Since 1989/90, however, the picture has suddenly been thoroughly changed. The diplomatic acquiescence towards foreign governments which used to be commonplace has now given way to the tendency to really quite candidly impose political conditions before further development aid is granted. Both the fear and the anger among recipient countries' governments with regard to this new form of external interference are now clearly perceptible, for they believe it threatens to reach way beyond the economic policy intervention previously experienced. This change of stance by Western development aid donors raises a number of key questions: what discernible reasons have prompted it, is this a legitimate form of behaviour in view of the developing countries' own sovereignty, what objectives are the donors pursuing, and finally, what criteria would need to be applied for such an approach to be put into practical operational use? In a general sense, the debate involves all developing countries, yet the line taken does appear to apply especially to the predominantly authoritarian political regimes in Africa.

There can be no doubt that this new dimension in discussions regarding development policy owes much to

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the complete change in the international situation as the East-West conflict, which also had a decisive influence on the interest positions involved in relations with Third World countries, has virtually dissolved. All of a sudden, it is no longer a vital concern to provide development aid primarily to pro-Western countries irrespective of their domestic political circumstances. This has opened up new channels for the grave discomfort which has long been felt about the lack of success of development aid as it has been practised in the past, coupled with the awareness of the behaviour of national governing élites which both inhibit development and are frequently also parasitic. Another factor which has encouraged the application of new political yardsticks is that there are now hopeful signs that demands for political change are being raised almost everywhere in Africa, triggered off both by the dissatisfaction and rage of the public at the authoritarian political and crisis-ridden economic circumstances in which they have to live which had been bottled up for so long, and by the example of the rapid collapse of similarly structured regimes in Eastern Europe, which were ultimately unable to assert themselves any longer against these popular uprisings.

Yet another important aspect is the part played by the changes in policy set in motion by the structural adjustments which were more or less forced upon governments by external aid agencies, since economic liberalization and the reduction of the state's share in the economy naturally also substantially reduce politicians' scope for manipulating who occupies positions which bestow influence or allow profits to be extracted from the system, thus also curtailing their own practical power positions. These societal consequences of the structural adjustment programmes which have frequently been so vehemently criticized have not yet remotely been given the attention they deserve.

Pressure on Governments

Naturally enough, opinions on the questions brought to the surface by "political conditionality" are totally different, depending on the perspective of the observer: Western development aid donors, official government representatives of African countries, or opposition groupings struggling to unseat established élites in these countries all have their own special view of things. A sea change was apparent when the World Bank, which is pledged to remain politically neutral by virtue of its own status and structure, in November 1989 presented a study on the long-term outlook for Africa, and broke with all previous conventions to state that a different form of political "governance" was a vital precondition for a positive development perspective in Africa.¹ At the traditional Franco-African summit conference in June

1990, President Mitterand spoke of henceforth linking development aid, in marked contrast to previous practice, with the willingness to carry out political reforms. The British Foreign Minister Hurd has been still more outspoken on a number of occasions, voicing the expectation that all of the main development aid donors would join in a concerted approach towards demanding greater accountability, political pluralism and more open forms of government in recipient countries.² Similar remarks have also been expressed by the USA, and indeed by the Scandinavian countries, which have traditionally been especially generous to developing countries; this trend was also reflected in Germany's position as stated by former Development Minister Warnke and his parliamentary state secretary Repnik.³ In its "Basic Principles for Development Cooperation in the 1990s", the Federal Ministry of Economic Cooperation's scientific consultative committee for the first time made explicit reference to the necessary political conditions on an equal footing with aspects of the economic system and of macro-economic policy.⁴

The general intention is clear: by imposing conditions on the development aid which the vast majority of African countries are unable to do without, donors wish to exert heavy pressure on leaderships to allow more political pluralism and genuine democracy. However, what is considerably less clear from the mainly very sweeping statements made by politicians is whether adequate account has been taken of the specific socio-cultural and historical conditions on which political change would need to be based; blanket demands for the rapid introduction of multi-party systems along Western lines surely do not always do justice to the complexity of the situation. Another point which does not normally emerge sufficiently clearly is whether more democracy is being demanded in the Third World because this is a universal value in its own right, or whether it is regarded in more functional terms as a (newly discovered) prerequisite for achieving better development results on the socio-economic front. In the light of the many years of substantial development support given to many authoritarian regimes, during which their system of rule was accepted more or less uncritically, one cannot escape the impression that Western governments

¹ World Bank: Sub-Saharan Africa: From Crisis to Sustainable Growth. A Long-Term Perspective Study, Washington, D.C. 1989.

² Remarks to this effect were recorded in the periodical "Crossbow", which is the publication of the Conservative "Bow Group"; cf. Financial Times, 1st October 1990.

³ Hans-Peter Repnik: Im Interesse der Menschen Afrikas, in: Afrika-Post No. 7, 1990, pp. 5-8.

⁴ Wissenschaftlicher Beirat beim Bundesminister für wirtschaftliche Zusammenarbeit: Grundsätze für die Entwicklungszusammenarbeit in den 90er Jahren: Notwendige Rahmenbedingungen, in: BMZ-aktuell, July 1990.

are applying double standards if it is only now that they choose to denounce circumstances of which they have long been thoroughly aware, and if individual potentates of a conservative stripe are still treated with kid-gloves in practice.

Different Interest Perceptions

Understandably, official representatives of African governments are vehemently opposed to the attachment of any new political requirements to development aid, regardless of what political orientation their governments might otherwise have. Apart from the fact that they reject such external interference in the domestic political affairs of sovereign nations, they also fear that the intention might be to use the application of political standards as a justification for reducing the overall volume of aid flowing into the continent because of the amount of funds now needed for Eastern Europe. Many governments have already come under considerable social and political pressure as they have tried to cope with the pitfalls of implementing economic structural adjustment programmes, and are now anxious (justifiably, as they see it) that their previously unchallenged position is now in serious jeopardy. This general line was among the points which clearly emerged from the Organization of African Unity's summit conference in July 1990. In spite of their rejection of any attempts at outside interference, however, the Nigerian head of state Babangida and the OAU's Secretary General Salim in particular made clear their view that internal change in Africa was essential and that continued outside assistance should not be taken for granted. A UN Economic Commission for Africa conference held the previous February in Arusha had identified the lack of popular participation as an essential cause of the crisis in Africa, drawing up an "African Charter for Popular Participation in Development and Transformation" which was given a sceptical reception by many governments.⁵ The issue of democracy again plays a central part in the report published at the beginning of

August 1990 by the South Commission under the chairmanship of the former Tanzanian president, Julius Nyerere. Nevertheless, Nyerere was very critical of the nature of the political demands being made: "The North is not talking about democracy – the North is talking about its own interpretation of democracy and is generating confusion. We ought to be talking about democracy, not about the form it should take."⁶ He was referring to the frequently occurring abbreviation of the debate, which does indeed represent a misplaced over-simplification, to the distinction between single-party and multi-party systems.

The attitude of critical opposition forces in Africa, which in the past have not had any chance of asserting their alternative concepts in the face of those in government, is quite understandably an ambivalent one. In an abstract way, they are certainly aware of the real dangers of further external interference in the inalienable internal affairs of African countries, while their awareness of the practical circumstances of the day means that they do have to recognize the considerable benefit of the external pressure created by "political conditionality", which is an important source of support for them in their own struggles with authoritarian regimes. Considering the extremely unequal distribution of power between the governing autocrats and opposition forces striving for greater public participation, it would be quite extraordinary for the latter to wish to ignore this dimension of external support. The vast majority of political groupings which are not integrated into existing national power structures are, therefore, unreservedly in favour of political conditionality for development aid. Some individual African observers even go farther than that, judging any failure to apply political criteria to African countries as an indication of disdain, and as a manifestation of their irrelevance and hopelessness

⁵ The charter is reprinted in: IFDA Dossier, No. 79, Oct./Dec. 1990.

⁶ Interview with Julius Nyerere in: epd-Entwicklungspolitik, No. 19, Oct. 1990, pp. 11-12.

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as seen in Western eyes, given that the latter countries did indeed apply robust political conditions to their financial support for reform processes in Eastern Europe; this comparison, so the argument goes, again shows the low esteem in which Africa is held, and the formulation of political objectives should indeed be demanded for precisely that reason.⁷ Another point to note in reply to the argument on unjustified interference in the internal affairs of foreign countries is that any sovereign government can naturally set the objectives and determine the form of its policies quite independently, but that donor countries and institutions must also have the right to refuse to grant development assistance in cases where they believe conditions are unsuitable for general political reasons.⁸

Experience to Date

Practical experience with the application of political yardsticks to recipient countries of development aid has still been very limited to date, and has been widely varying with respect to the consistency of approach. The most successful example of how effective the interplay between internal and external pressure can be is generally felt to be that of Benin, where the totally discredited regime collapsed in a storm of popular protest in early 1990.⁹ Especially in the francophone countries of West and Central Africa, remarkable progress was made along the road to more democratic conditions during 1990, and there is no doubt that political leaders' perception of changed attitudes in Europe and the USA played at least some influential part in that. Even in Zaire, which has long had a notoriously bad reputation with its arbitrarily dictatorial regime, some liberalization is now under way and steps are being initiated towards developing a multi-party system, although there is still reason to be sceptical for the time being as to whether this will really be effectively implemented.

A particularly vehement regime in suppressing all political opposition and rejecting demands for a multi-party system has, of all things, proved to be that of President Moi in Kenya which is generally judged to be unequivocally pro-Western; whilst this has called forth distinct criticism on the part of the Americans and Scandinavians, any similar response has not yet been

apparent, at least in public, from Britain or Germany. In October 1990 Moi even broke off diplomatic relations with Norway, in the knowledge that this would probably put an end to development aid from that country. As far as Germany's position is concerned, developments particularly worth mentioning are the reduction of new development aid to Somalia and Sudan, intended as a clear manifestation of dissatisfaction with the human rights situation and the surrounding conditions for development policy in two countries which have traditionally been important focal points for aid. On the other hand, a move initiated by a number of members of parliament to scrutinize the aid granted to Malawi, which is ruled in an extremely authoritarian manner by President Banda, did not lead to any practical changes being made, as the Federal Ministry of Economic Cooperation argued that all the projects in operation were of immediate benefit to the local population, and that they would be the sufferers if any such aid were to be cancelled.

Just these few examples are enough to show how difficult it is in day-to-day political life to apply generally declared objectives in a consistent way as interest positions continually shift and change.

Structural Economic and Political Adjustments

A field where the situation is not at all unequivocally clear is that of the reciprocal relationships between different forms of political authority and progress in social and/or economic development. During certain phases of development, authoritarian regimes may well be in a position to impose a certain amount of discipline and thus to push through necessary processes of transformation – these are usually discussed under the heading of “development dictatorships” – but this has never yet proved to be indefinitely sustainable, even if non-economic aspects are excluded from consideration. Active participation by the population in political and societal processes is not only highly valuable in its own right, but is also an essential prerequisite for the positive mobilization of initiative and individual effort, which in turn are crucial ingredients in any sustainable development process. On the other hand, though, it would be an illusion to expect a converse effect to hold true in which the achievement of genuine democratic conditions in the political sphere is enough for there to be a significant improvement in the economic situation; especially for present-day Africa with its structural weaknesses and its dependence on the world economy, this would be a totally unrealistic expectation.

In systems which have previously been centrally organized, the strict implementation of structural adjustment programmes and tendencies to liberalize

⁷ See, for example, the comments by the political columnist Baffour Ankomah in: *New African*, No. 273, June 1990, p. 26, and No. 275, August 1990, p. 30.

⁸ This is also emphasized by the head of the regional department in the Federal Ministry of Economic Cooperation, Bernhard Schweiger: *Technische Zusammenarbeit vor neuen Herausforderungen*, in: *Entwicklung und Zusammenarbeit*, No. 10, 1990, pp. 6-8.

⁹ See, among others, the section on Benin in: Institut für Afrika-Kunde/R. Hofmeier (eds.): *Afrika Jahrbuch 1989*, Opladen 1990, pp. 88 ff.; Nico Biver: *Abschied Benins vom Sozialismus*, in: *Dritte Welt*, Vol. 21 (1990), Nos. 11-12, pp. 9-12.

large parts of the economy necessarily reduce the scope available for political control over economic life, which also includes access to privileged positions and the maintenance of a political patronage system.¹⁰ The allocation of scarce resources, including foreign exchange, is much more strongly oriented to the laws of the market than would previously have been the case. The political consequences of what in the first instance are economic changes entail a marked decentralization of decision-making processes and much greater difficulty in asserting control by a central power. This is one major reason for the tremendous resistance put up by ruling élites to any thorough implementation of structural adjustment. Even beyond these small élites, the main losers from structural adjustment, that is a large proportion of urban dwellers, are politically much better organized and can be more effectively mobilized than the potential beneficiaries who are largely in the rural population and have little opportunity to articulate their interests in political terms. Hence, by paying attention to the needs of those groups which have the most effective voice as the democratization process begins, the structural changes which are economically necessary may be considerably impeded. For example, many observers have convincingly argued that the drastic yet inevitable economic policy measures taken in Ghana could only have been enforced by a highly authoritarian regime which was also in a position to build upon its initial mass popularity.

It is to be feared that certain regimes will even resort to an increase in political repression (Kenya is a current example) in order to fight the erosion of their power in the wake of the liberalization of economic policy. Any tendencies of this kind ought not only to be counteracted by attaching credible political conditions to development aid; what is also needed is for genuine efforts to develop more open political systems to be provided with substantial amounts of additional support so that sudden social hardship can be cushioned and a political backlash against changes in economic and, hopefully, political distributional patterns can be avoided. So far, though, there are no signs of anything of this kind happening on a larger, systematic scale;¹¹ even the democratization process in Benin which has been held up as an example by

many approving voices has not had much time before running up against very restrictive financial and economic limits. A spokesperson for Germany's economic cooperation ministry, for example, was quoted as saying "This is the time where we ought to be giving carrots, but all we have left are sticks",¹² the problem being that the financial resources available for bilateral country programmes had been cut due to an increase of contributions to multilateral agencies.

Main Elements in Political Demands

Some quite controversial positions are put forward when it comes to the central issue of what concrete forms of democracy it is actually intended to achieve or reinforce with the new approach. Whether by Western politicians or in the African countries themselves, the problem is often reduced to demanding the dissolution of existing one-party systems in favour of unrestricted, multi-party systems along classic Western lines. In view of the extremely sobering experiences various countries have had in the last 30 years during phases in which they really did have political systems of that kind (e.g. Ghana, Nigeria, Uganda and Sudan), one can only warn that unduly schematic models intended to be equally valid for all countries ought not to be applied. Against the background of the socio-cultural and historically established circumstances which, like it or not, really do exist on the ground, one inevitably has to ask to what extent the right conditions are already in place in countries with such heterogeneous populations for a system based upon competition between different parties to function fairly and so as to be acceptable to all involved. Most African countries today are still far from being genuine nation states. It is impossible to overlook the very real dangers of regional, ethnic or religious differences being instrumentalized politically in order to serve particular interests. In this respect, the warnings made by African politicians that open, multi-party systems also bring tribalistic problems are quite justified, though it should be said that they themselves usually do precious little to overcome these undercurrents of ethnic loyalty, even on a gradual basis; on the contrary, by using such arguments to defend current practices they actually reinforce the underlying tendencies towards internal strife. Moreover, Julius Nyerere also suspects with some justification that corrupt governments could use their tactical skills to simply establish a number of different parties while maintaining power in the hands of the same leaders, and there would be nothing democratic about that.¹³ It would therefore be sensible for the time being if the demands Western donor countries wish to make in substance were not firmly bound to the formal criterion that a multi-party system should be in place, which is not to say that this

¹⁰ The most comprehensive treatment given to this question is by Jeffrey Herbst: *The Structural Adjustment of Politics in Africa*, in: *World Development*, Vol. 18 (1990), No. 7, pp. 949-958.

¹¹ One highly praised example, although only relatively limited in scope, is the PAMSCAD scheme (Programme of Action to Mitigate the Social Costs of Adjustment) in Ghana. Similar efforts are also being made in other countries (e.g. Uganda).

¹² *Afrika-Post*, No. 8, 1990, p. 23.

¹³ Interview with Julius Nyerere in: *Der Überblick*, Vol. 26 (1990), No. 3, p. 69.

ought to be abandoned as a longer-term objective or one for certain countries in which it is easier to achieve. Instead, attention should be concentrated on encouraging the establishment of fundamental preconditions for the development of democratic structures.

By far the most appropriate general yardstick is constant, purposeful monitoring of the observance of human rights as codified in the United Nations' convention, and also in the "African Charter on Human and Peoples' Rights" drawn up by the OAU in 1981, and effectively ratified since 1986.¹⁴ The points covered by the charter range well beyond the fundamental rights of the individual in their elementary form, to take in aspects of political participation and the overall opportunity for development for the population as a whole. If attention is concentrated upon human rights which are totally undisputed internationally, this will also avoid any conceivable controversy as to whether external interference in the internal affairs of sovereign states is legitimate or not. The core issue is one of securing and systematically strengthening relevant forces opposing an existing authoritarian regime, and supporting a process in which a pluralist civil society is gradually allowed to develop which can exist autonomously in parallel to the structures of the state. That requires many different freedoms and institutions, such as the maintenance of the rule of law, the compulsory accountability of government bodies, the prevention of uncontrolled nepotism and other patronage, permission of a true pluralism of ideas, the unimpeded existence of different associations, interest groups and a free press, and finally as much separation as possible between parties (or the party) and the state or between the political and economic spheres.

Of course, the implementation of these points can only be regarded as a catalogue of longer-term aims, and one which will obviously have to overcome considerable resistance. With these overall perspectives in the background on how society can be shaped and developed, one ought to avoid narrowing the issue all too obviously to the establishment of a multi-party system. Nevertheless, this should still be held firmly in view as a medium-term landmark, so that once the necessary societal preconditions have begun to develop there really can be

true political competition between different programmes which are ultimately subject to the judgment of the electorate. Certainly, it cannot be a practical objective to eliminate the established governing classes and élites at a stroke – that would simply be illusory – but only to monitor their activities more effectively and to subject them to competitive mechanisms which are as open as possible.

Conditions on the Donor Side

The considerations so far made as to what practical orientation Western development aid in Africa ought to adopt ultimately distil down to sets of demands in two complementary directions. First of all, in the event of the overall range of human rights being obviously and persistently violated, the government concerned must have sanctions applied against it in no uncertain terms (i.e. the volume of development aid should be reduced, and it should be confined to measures of obvious direct benefit to people at the grass roots). On the other hand, though, positive support should be given to countries willing to carry out economic and political reforms by increasing the volume of aid and also by paying special attention while selecting projects and programmes to the need to strengthen those forces which are essential to the emergence of civil society. In this respect, a great deal of significance attaches to the choice of and co-operation with different types of implementing agencies in developing countries.¹⁵

The expectations addressed to donor countries which have been set out here are justified both on their own ethical grounds and also in more functional development policy terms. Looking at the situation realistically from the donors' perspective, it will be easiest to achieve these expectations in those places where donor countries do not have marked political or economic interests of their own, that is to say in most of the smaller African countries.

It is undisputed, at any rate, that an extraordinarily sensitive assessment of political processes needs to be made in any approach of this kind. For that reason, the decisions made on the part of donor countries ought not to be left solely to the preferences of the government of the day, nor indeed to the discretion of civil servants in the ministries involved, but ought to be subjected to parliamentary supervision in some suitable way.¹⁶ Only then will credible legitimation be given to any policy by donors which seriously sets about attaching political conditionality to development assistance. In an ideal case, appropriate country-related criteria would be established by suitable international bodies (possibly a UN organization), but this will have to remain a utopia for the time being.

¹⁴ The Charter is reprinted, for example, in Gino J. Naldi: *The Organization of African Unity. An Analysis of its Role*, London/New York 1989.

¹⁵ On this, cf. among others Ulrich Leffler: *Konzepte und Praxis der Trägeranalyse* (Deutsches Institut für Entwicklungspolitik), Berlin, March 1990.

¹⁶ This is rightly emphasized particularly by Peter P. Waller: *Internationale Unterstützung des Reformprozesses im Rahmen von Außenpolitik und Politik-Dialog – Das Beispiel patrimonialer Regime in Afrika* (Deutsches Institut für Entwicklungspolitik), Berlin, May 1990.