How Large, Traditional Aid Programs Can Be Politically Smart: Experience from Southeast Asia

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What does it mean to think and work politically?

Thinking politically: Being more informed about the machinations of power at play in development processes, how interests converge and diverge over certain issues, and how power and interests are shaped. For example:

- Understand the political pressures and personal interests of your GOI counterparts
- Think about where the next political crisis is coming from, and what opportunities it might bring for the project or the reform we’re supporting

Working politically: Using our analysis and understanding of power and politics to increase the impact of our programs, throughout the program cycle – not merely in the design phase. For example:

- Shift your project priorities to focus on the areas where political support is likely
- Focus project engagement and support on actors who will have the influence and position to tip the political scales in a pro-reform direction
Passing fad or (almost) revolution?

Efforts to encourage politically smart aid “still fall well short of a sea change in development programming.... A broader transformation of the aid industry toward widespread adoption of politically savvy methods therefore remains distant prospect.”

“Many practitioners continue to feel that political methods provide insights without answers.”

“Politically informed methods thus imply a whole set of operational characteristics – flexibility, open-endedness, toleration of uncertainty, labour intensiveness, significant investments in preparatory analysis, and devolution of control – that cut directly against many of the central imperatives and habits of mainstream aid organizations.”

- Carothers and De Gramont, Development Aid Confronts Politics: The Almost Revolution, 2011.
Who says you can't be big and nimble?
Broadening our thinking on TWP to include mainstream aid

**Revolutionary approaches:**
Wholesale shift away from traditional aid approaches

- Mobilizing reform coalitions
- Highly flexible models to respond to political opportunities
- Partner with politically influential, non-traditional groups

**Evolutionary approaches:**
More attention to politics within traditional aid approaches

- Focus on issues where elite interests are aligned with reform
- PEA integrated into country strategy
- Alternative funding models that disrupt rent-seeking
- Technical approaches informed by political awareness

**Uptake strategy:**
Promote “pure TWP” models, by expanding the number of programs that follow this model(s), and building an evidence base to prove efficacy of the model(s)

Promote politics as “routine” - encourage and support politically informed decisions and approaches across all aid programs, working within traditional aid programs and modalities
The Journey: Are we turning the corner?

Awareness of politics

- Low
  - Conventional technocratic approaches
    - Easily manipulated by government counterparts
    - Doing harm by entrenching vested interests
    - Over-reliance on one-off PEA with limited in-house contextual knowledge
  - Regular political analysis but disconnected from programs
  - Sophisticated understanding but no scope for adapting programs

- High
  - Thinking and working politically
    - Program design adapted and management style calibrated to encourage TWP approaches
  - Politically informed, business as usual
  - Flexible, iterative approaches that respond to political opportunities that maximizes impact
  - Flexible, responsive programs that routinely misinterpret obstacles to reform/change

Responsiveness to context

- Low
  - Over-reliance on one-off PEA with limited in-house contextual knowledge
  - Regular political analysis but disconnected from programs
  - Sophisticated understanding but no scope for adapting programs

- High
  - Thinking and working politically
    - Program design adapted and management style calibrated to encourage TWP approaches
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The Journey: Are we turning the corner?
The Search for Politically Smart Large Projects

- Analysis of DFAT Rural Development programs
- Question: How can aid programs successfully navigate local political factors to reduce risk and increase impact?
- Focus on successful projects – not an exhaustive/comparative review
- In each, changes made mid-project towards TWP; On paper, both projects look very traditional

- **Cambodia Agricultural Value Chain (CAVAC):** $48M AUD (2009-2015) focused on agribusiness development/extension; irrigation and water management; and business enabling environment.

- **Provincial Roads Management Facility (PRMF):** $100 million (early phase 2009-12, second phase 2013-present) program to improve local road conditions in rural provinces in the southern island of Mindanao; Focus on improving Local Road Management (LRM) by provincial governments
**TWP in large projects – key elements**

### People & Management
- **Political Skills**
  *Combine technical and political skills on the team*
- **Management Style**
  *Integrating politics into core business*
- **External Engagement**
  *Cultural and political nuance in engagement and decisions*

### Institutional Links
- **Broaden Allies**
  *Draw other actors into project based on shared interests*
- **Flexible Government Partnership**
  *Avoid Capture by Single Government Partner*

### Donor Roles
- **Donor Oversight & Risk Management**
  *Donor focuses on big issues and strategy, not micromanagement, allows space to learn from failure*
- **Incentivizing TWP/DDD**
  *Encourage and reward politically smart & adaptive*

### Design
- **Flexible Design**
  *Minimize pre-determined activities, allow for adaptation*
PRMF – Previous phase, conventional approach

- DFAT
  - Engagement
  - Direction & project decisions
  - Project site selection

- MC
  - Technical assistance

- Secretary Roxas
  - Dept Interior & Local Gvt
  - Funding

- Provincial Governors
  - Provincial Govts

- Provincial roads maintenance work
PRMF – New Phase

Established Facility Management Group that included co-team leader with significant political networks; Project advisors selected based on strong connections with bureaucracy and provincial governments

New reform agenda based on technically sound, politically feasible approach

Direct project engagement using strong political connections

Strategic direction

Oversight

Provincial roads maintenance work

Reform Agenda
PRMF – New Phase

Broaden allies on reform agenda

DFAT

Secretary Roxas

Dept Interior & Local Gvt

Recognized shared interests in reform agenda, leading to alliance with governor

Governor Chatto convinced other governors to join

Facility Mgmt Group

Oversight

MC

Strategic direction

Project Advisors

Provincial Governors

Provincial Govts

Gov Chatto

League of Provinces

Provincial roads maintenance work

Reform Agenda
PRMF – New Phase

Broaden allies on reform agenda

DFAT

Secretary Roxas
Dept Interior & Local Gvt

Secretary Abad
Dept of Budget & Mgmt

Commission on Audit

Encouraged DBM and COA to support

MC
Project Advisors

Provincial Governors

Gov Chatto
League of Provinces

Provincial roads maintenance work
Reform Agenda
PRMF – New Phase

Broad-based political support led to successful passage of reforms

DFAT

Facility Mgmt Group

MC

Project Advisors

Secretary Roxas
Dept Interior & Local Gvt

Secretary Abad
Dept of Budget & Mgmt

Commission on Audit

Gov Chatto
League of provinces

Provincial Roads Maintenance Work

Reform Agenda
PRMF – New Phase

Roads maintenance work continues, with provincial governments leading, and mostly funded by central government.
Donor-Implementing Partner Relationship

What have we learned about politically smart approaches?

**Donor**
- Set strategic goals, engage government
- Encourage flexible TWP approaches
- Challenge team on strategy and results

**Implementing Partner**
- Trusted advisor to partners
- Steer the day-to-day operations (problem solving, iteration)
- Need to have political skills & networks

**Government/Local Partners**
- Lead reform efforts, mobilize coalitions, find opportunities
- Focus efforts on agreed goals
- Need autonomy to engage in politics
Politically smart programs

- **Quietly get informed** – informal discussions with knowledgeable people; discreet PEA; elevate local staff who understand the politics; unpack dynamics around gender and power relations; broaden circle of contacts.

- **Avoid dead-ends** – avoiding provinces with reform-averse leadership; avoiding issues with 0% chance of impact; avoiding ministries with weak or reform-averse ministers.

- **Question sector conventional wisdom** – question approaches that rely exclusively on capacity building and TA; be sceptical about “best practice”.

- **Find more influential partners** – CSO partners chosen for their connections to power; take risks on non-traditional partners.

- **More informed, assertive policy dialogue** – organizing joint donor advocacy on key issues at strategic moments (informed by political analysis).
Politically smart programs

- **Create space for greater flexibility in implementation** – allow partners the space to experiment and improvise; do not manage by log frame

- **Build strategic relationships** – taking time to build relations with power brokers and community leaders alike

- **Find new government counterparts** – look beyond the traditional government counterpart; identify other government actors with strong interest in reform

- **Explore alternative funding models** – change funding flows to up-end status quo power dynamics

- **Technically sound, politically feasible solutions** – a deep understanding of political dynamics will enable more strategic technical dialogue