

**DEVELOPMENT CO-OPERATION DIRECTORATE  
DEVELOPMENT ASSISTANCE COMMITTEE**

**POLITICAL PARTY AID: CHANGE, CHALLENGES AND POSSIBLE PRINCIPLES**

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### **Political Party Aid: Change, Challenges and Possible Principles**

This paper is based on discussions at the “**Joint OECD-DAC-GOVNET and International IDEA Seminar on Trends in Accountability: Political Party Assistance**”, 9 December 2010, OECD, Paris. The seminar brought together donors, developing country experts from regional organizations and implementing partners to build consensus on why and how to support political parties in the context of broader donor strategies to support democratic governance, domestic accountability and development. The GOVNET programme on domestic accountability involves developing principles for aid to elections, parties, parliaments and the media, as it aims to take stock of the role donors play in supporting societies in holding states to account. The paper was agreed by the OECD-DAC-GOVNET on December 2010 and authored by Thomas Carothers, Vice President for Studies, Carnegie Endowment for International Peace, This is the updated version based on participant input (20 December 2010).

**Political Party Aid:  
Change, Challenges and Possible Principles**

*Thomas Carothers  
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**Roles of Political Parties in Democracy and Development**

1. If they function well, political parties can play a number of fundamental roles in democratic politics, including:

- aggregating citizens' views and interests;
- providing structured political choices to citizens;
- engaging citizens in the democratic process;
- training and socializing political leaders;
- developing policies and taking responsibility for implementing them; and
- facilitating coordination within legislatures and between branches of government.

2. In addition, political parties can help advance governmental accountability. Opposition parties have a direct interest in monitoring the actions and checking the power of ruling parties and putting forward viable policy alternatives. Parties are also held accountable for their performance by voters. Compared to individual politicians, parties tend to have longer time horizons and a stake in maintaining a long-term reputation. Any individual politician who ignores the electorate or abuses his power can face pressure from within his or her party to reign in their behavior.

3. Although it is most common to think of political parties in terms of their role in democratic politics, they can also be key players in promoting sustainable development. Parties can initiate pro-development policies which reflect the interests of key social sectors and can gain public legitimacy for these policies through electoral competition. Parties can then ensure the necessary coordination within government to implement these policies. The long-term interest of parties lies in promoting sustainable development to continue winning popular support. Thus, the important roles that parties play in establishing political accountability potentially contribute to positive socio-economic development effects of active, effective parties.

### **Common Shortcomings of Political Parties**

4. Two striking facts stand out about political parties in developing countries: first, parties are exceptionally unpopular—on the whole they are the least respected public institution in most countries; and second, the complaints that citizens have about parties are remarkably similar across different countries and regions. Taken together these complaints form what I have called the “standard lament” about parties in new and struggling democracies. In this view, parties

- are corrupt, self-interested organizations dominated by power-hungry elites;
- do not stand for anything and hold to ideological positions only opportunistically;
- waste endless time and energy squabbling with each other over petty issues;
- become genuinely active only at election time; and
- are ill-prepared for governing and do a bad job of it when given the opportunity.

5. Although the characteristic shortcomings of parties are very common throughout the developing world, the overall party systems vary considerably. Without attempting a detailed taxonomy of party systems, some of the major types include:

- dominant party systems in which one party holds most of the political power and occupies most of the political space, with scattered opposition parties at the margins;
- inchoate party systems in which most political parties are unstable organizations that come and go from the political stage; and
- stable distributed party systems in which a small number of relatively stable parties trade power back and forth across successive elections.

6. The causes of the standard deficiencies of parties in developing countries are complex and multiple. They include:

- compressed transitions: the relatively rapid movement from authoritarianism to multiparty politics characteristic of democracy’s “Third Wave” left parties in these countries with little time to develop a broad grassroots base; instead they were thrown immediately into electoral competition and forced to become electorally-focused, with negative consequences for their long-term organizational development;
- weak rule of law: the weak rule of law characteristic of many developing countries works against party development by providing an inadequate framework for regulating the financial and other activities of parties;
- poverty and inequality: the widespread poverty and high inequality in many developing countries contribute significantly to the rise and endurance of neo-patrimonial, clientelistic politics marked by high levels of political corruption and politically passive citizens;
- anti-party legacies: in many new or struggling democracies citizens come to democratization with a deeply anti-political outlook based on their previous experience with authoritarianism, rendering it very difficult for political parties to establish successful representational links with withdrawn, cynical citizens; and
- presidential systems: the presidential systems that predominate in Latin America, the Middle East, the former Soviet Union, sub-Saharan Africa, and parts of Asia, are hard on parties due to their tendency to encourage top-down leader-centric parties and weak parliaments.

## The Party Aid Domain

### *Initial Phase*

7. Responding to the disjunction between the potential importance of political parties and the weak state of parties in most new or struggling democracies, various international actors have provided assistance to parties over the last three decades. From the mid-1970s through the middle years of this decade, such aid was dominated by the German political foundations (Stiftungen) and the U.S. party institutes (with USAID playing a significant role as the largest funder of these institutes). Some other European political foundations were also active, the largest of these being Olof Palme International Center (Sweden).

8. This assistance focused primarily on strengthening individual parties, seeking to help them either with long-term organizational development or with electoral campaigns. A relatively standard set of reform areas defined the party strengthening agenda. Aid providers sought to help parties in developing countries build internal democracy, competent, rational management structures, well elaborated political platforms, transparent, broad-based funding, the capacity to campaign effectively, a well-defined membership base, productive relations with civil society, a strong role for women, and good youth programs.

9. The most common modality of this assistance was training—seminars for party cadres on all aspects of party development, usually carried out by outside trainers. The assistance often also included a wider menu of support as part of a general partnership approach between the party aid providers and the target parties—strategic advice, provision of consultants, exchange visits and study tours, minor material assistance, logistical facilitation, and the provision of political polls.

10. Some of the assistance, including most of the European assistance, followed a fraternal approach—party-to-party partnerships based on a common ideological identity. Some of the assistance, including most of the U.S. assistance, followed a multiparty approach—in which the party aid provider worked with all of the main parties in the country simultaneously. Debates over the relative advantages and disadvantages of the two approaches are common; each has particular strengths and weaknesses, depending on the context.

### *New Phase*

11. Starting in the middle years of this decade, international party assistance entered a new phase characterized by several elements of expansion and diversification:

- the entry of new actors into the party aid domain, including (1) multiparty party aid organizations (e.g. Netherlands Institute for Multiparty Democracy (NIMD), Demo Finland, Danish Institute for International Multi Party Cooperation), (2) multilateral organizations (e.g., UNDP, International IDEA, the OAS), and (3) at least one major bilateral aid agency (DFID);
- a broadening of types of assistance to include direct funding of parties and a greater focus on strengthening party systems rather than individual parties, including efforts to build interparty dialogues help reform party finance systems, and support constitutional reform processes.
- a wider geographic reach; much more party assistance is now going to non-Western countries—in Africa, the Middle East, and Asia—as opposed to the earlier concentration of party aid in Central and Eastern Europe and Latin America.

12. This expansion of party assistance reflects the widening realization within the development community that political parties are often the weakest link in attempted processes of democratization and in development more generally. It also reflects growing recognition after the surge of attention to civil

society development in the 1990s that no matter how vibrant it becomes, civil society is not a substitute for political society. Political parties play some crucial roles that civil society organizations cannot. Despite the ongoing expansion of political party assistance, however, significant parts of the development aid community remain wary of political party assistance, uncertain about the links between political party development and socio-economic development, concerned about the political sensitivities of such assistance, and worried that working with political parties will entail engagement with corrupt, tawdry politicians.

## Evaluation

13. Throughout the first phase of party assistance, party aid groups paid relatively little attention to evaluation. They felt convinced both of the importance of political party development and the value of their core methods. This situation is changing in the new phase of expanded, diversified party assistance. This new phase coincides with greater attention generally in the development assistance community to evaluations, attention that naturally spills over to party assistance. The earlier sense among some providers that party aid was a kind of reserved domain sheltered from the everyday bureaucratic imperatives of development assistance is fading.

14. In addition, some of the new actors entering the field of party assistance have brought with them much greater attention to evaluation. NIMD, for example, has from its founding emphasized both program and institutional evaluations, and made these evaluations available on its website. DFID has sponsored reviews of party assistance as well as a major workshop (co-sponsored with International IDEA at Wilton Park in March 2010) to bring together party aid practitioners to reflect on the lessons of experience. International IDEA undertook significant efforts to disseminate the findings of a searching outside evaluation of its own political parties program. USAID has recently commissioned a major review (ongoing) of party assistance, which is being carried out by a team of experts at the University of Pittsburgh.

15. As with other areas of democracy and governance assistance, finding highly precise ways to measure the impact of party assistance is difficult. Problems of causality or attribution are significant. If a party that has received external campaign-related assistance does better in one election than in a previous one, many different factors could have caused that improvement beyond just the injection of party assistance. More importantly, settling on the relevant indicators of successful party development or party system development is a challenge. What may appear obvious indicators—such as electoral performance—can be misleading. If, for example, a party with significant deficiencies with regard to internal democracy and the inclusion of women performs better in an election thanks to campaign assistance, yet does so without ameliorating such deficiencies, the improved electoral performance is not necessarily a positive step in terms of democratic development. Some of the most important elements of political party development, such as effective representation of citizen interests, are hard to measure in any productive, quantifiable fashion.

## Results

16. The research I carried out for my 2006 book by *Confronting the Weakest Link*, pointed to two major conclusions about the results of political party assistance. First, it is very difficult to find examples of transformative effects of such assistance<sup>1</sup>. That is to say, I did not find any examples of countries receiving

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<sup>1</sup> **CONFRONTING THE WEAKEST LINK: AIDING POLITICAL PARTIES IN NEW DEMOCRACIES (2006) BY THOMAS CAROTHERS**

international party assistance where the parties made a clear advance away from the various shortcomings that make up the standard lament about parties. Stated very simply, despite three decades of party assistance, political parties are in bad shape almost everywhere in the developing world.

17. Second, I did find evidence of many small to medium-sized changes in parties that can reasonably be said to have been facilitated by party assistance—parties that have learned to deliver campaign messages more effectively, that are allowing a greater place for women, that are experimenting with more democratic methods of internal selection, that are using polling to better understand citizens' desires, and so forth. With respect to aid directed at party systems, it is also possible to observe meaningful interparty dialogues that have been facilitated by international assistance, some system-wide reforms on party financing, and some efforts to develop ethical standards for parties. Given that party assistance is on the whole not a very expensive enterprise relative to the larger pool of official development assistance, at least some argument can be mounted that these modest changes are in reasonable proportion to the effort.

18. Nevertheless, frustration and disappointment are characteristic of many party aid efforts. Many parties absorb significant amounts of party aid for many years without showing important signs of positive change. Expectations about what party aid can accomplish are often too high. The very modest results of most party assistance can be ascribed to two main factors. First, political parties are very difficult organizations to assist. Many parties are highly resistant to reforms. They are leader-driven vehicles, serving the interests of a narrow party elite willing to use any methods to gain and maintain power. For the leadership of these parties, the reform agenda that international party aid providers bring is largely unappealing and even threatening. Almost every element of that agenda—whether greater financial transparency, more internal democracy, greater inclusion of women, more role for youth or more rational management systems—represents a potential reduction of the power of the entrenched party elite.

19. Moreover, the rational assumptions that international party aid providers bring to the task concerning the basic aims of parties with which they work—that parties seek to represent citizens' interests, to elaborate a well-conceived, technocratic political platform, to compete hard but fairly, to emphasize substance over personalism, and so forth—often are not shared by the party elites in question, who see their own parties in very different terms, as vehicles useful for advancing particularistic interests of the elites themselves. Even when party elites look beyond their personal interests, they often do not believe donor suggestions serve the overall interest of the party. In an electoral environment which rewards charismatic leadership and patronage ties, the party may consider strengthening internal democracy or financial transparency detrimental to its ability to effectively compete in elections.

20. Second, few of the main deficiencies of parties in new or struggling democracies are rooted in a lack of knowledge. Therefore, the provision of technical assistance, which is by far the largest element of party assistance, does little to ameliorate parties' shortcomings. Instead, as noted above, the principal causes of the weak state of parties in most of these countries are much deeper structural conditions. These factors—whether it is the larger lack of rule of law or the socioeconomic conditions that fuel patronage-based politics—are not very amenable to amelioration through conventional party assistance. This disjunction between the nature of the assistance offered and the full nature of the underlying problems is of course not unique to political party assistance. But it is strongly felt in the party aid arena.

### **Special Challenges**

21. In addition to the various challenges described above, political party aid also faces two significant additional challenges, ones that are found in other areas of democracy and governance assistance but which afflict party aid especially acutely.

22. First, party aid is fraught with an unusually high level of political sensitivity. All aid relating to the core political processes of recipient countries—elections, parties, and legislatures—is inevitably politically sensitive. But party aid is especially so given that parties are the very institutions that are competing for power and, when successful, assuming power. Training parties to campaign more effectively, to build their membership, to refine their party programs, and other typical elements of party assistance all easily raise questions about political favoritism and interference. Given how tightly most established democracies restrict any foreign assistance to their own political parties, it is not surprising that party aid often encounters questions in developing countries about its legitimacy and appropriateness.

23. In the context of the ongoing backlash against democracy assistance, which emerged in the middle years of this decade, party aid is facing an even higher level of political sensitivity and suspicion than before. Party aid programs have been a target of governments pushing back against Western democracy assistance in the former Soviet Union, the Middle East, and South America. Nevertheless, party aid continues in dozens of countries in these regions and elsewhere.

24. The special sensitivity of party assistance turns up not just in the recipient countries but also in the donor countries themselves. Party aid programs often provoke doubts and questions within political circles and among the citizens of donor countries. The most common doubts that arise are, 1) are we interfering in the legitimate political processes of other countries by assisting their parties? 2) are we engaging and possibly helping corrupt politicians? and 3) are our own parliamentarians using the party assistance to go on frivolous trips abroad? As one example of this domestic sensitivity, Norway established a political party assistance organization and then closed it several years later as a result of criticisms within Norway about how that assistance was being used.

25. Second, party assistance must live with a relative lack of confidence about its underlying institutional model. Given the many flaws of established Western democracies, persons in aid-receiving countries often ask what basis Westerners have to come to their country and offer solutions. This question hits especially hard with regard to party assistance. Only in a few established democracies can it be said that political parties are in a good state of health and closely resemble the rather idealized political party model that party aid providers implicitly seek to re-create abroad. In at least some established democracies, political parties seem to share many of the deficiencies of parties in new or struggling democracies, especially with regard to legitimacy among citizens, internal democracy, and transparency of financing. In simple terms, it is hard not to ask how political party aid providers can be confident that they know how political party development can be nurtured or whether the party model they seek to export is already fading from the global political scene.



## **Draft Principles on Political Party Assistance**

26. It is worth considering whether a set of common principles about political party assistance could be agreed upon within the donor community and with all partners. Such principles could be helpful in alleviating some of the suspicions and doubts about party assistance both in recipient and donor countries. They could also be useful as a way of capturing important lessons learned for a field in a period of expansion and diversification.

27. Yet identifying—let alone agreeing on—such principles is not simple. Different aid actors are taking quite divergent approaches to this work and there remains a weak base of understanding of the results of such efforts over the years. Moreover, what might seem like obvious principles at first sight are often untenable. For example, it might be tempting to suggest that party aid should strive to be nonpartisan. Yet such a principle would not work for those party aid organizations that utilize the fraternal approach, in which party aid actors link up with and favor particular parties in a partner countries. Or it might be suggested that party assistance should not entail direct financial transfers to recipient parties. Yet some of the new entrants to the party aid domain have been utilizing direct grants to parties and believe that the results are positive. With these caveats in mind, based on the discussion at the OECD-DAC-GOVNET and International IDEA Seminar on Political Party Assistance, 9 December 2010, the following draft principles have been developed.

### **The Value and Place of Political Party Assistance**

**Recognize the value of effective political parties not just for democracy but also for development.** Political parties play potentially crucial roles in articulating policy alternatives, helping spark public engagement in and legitimacy for pro-development policies, and establishing governmental accountability.

**Be aware of but not paralyzed by the sensitivities of party aid.** Party aid is inevitably politically sensitive given its reach into core political processes and institutions. At the same time, however, it has a legitimate place in foreign assistance if pursued openly in genuine pursuit of democratic and developmental goals.

**Build on the interconnections between party aid and other elements of political aid.** Political party work connects naturally to other forms of assistance related to strengthening democratic processes—including work on legislatures, elections, civic advocacy, and local government performance.

**Don't confuse party diplomacy with party aid.** Western political parties sometimes engage abroad to build political alliances for the sake of building coalitions in multilateral organizations or enhancing bilateral diplomatic relations. Such party-to-party diplomacy is legitimate, but is significantly different from party assistance.

### **Operational Issues**

**Base party aid on a sophisticated understanding of the political economy of the relevant parties and party systems.** Given the wide range of party types, roles, and systems, it is imperative that party aid providers develop deep knowledge of the actual nature and function of parties within their national contexts before undertaking party assistance.

**Don't assume common goals between providers and recipients.** Party aid providers must be careful not to take recipient parties at face value in terms of their political role and goals. Achieving alignment between the goals of party aid providers and party aid recipients is crucial to success. Party aid providers should pay attention to actors within political parties who may share their goals more closely than party leaders.

**Stress cooperation rather than competition among party aid providers.** As party aid multiplies the need for party aid providers to communicate with each other and avoid overlap or competition increases proportionately. New entrants to the party aid domain should take special care to ground their work in a thorough analysis of what other aid actors are already doing in the same countries.

**Embrace transparency.** Crucial to managing the political sensitivities inherent in political party aid is operating with transparency in carrying out such assistance.

**Continue emphasizing gender issues.** Fostering greater inclusion of women in political parties has been an element of many party aid programs. Encouraging progress has been made in this area in some countries, more so than with respect to many other aspects of party change. But this focus must be sustained and even deepened.

### **Monitoring and Evaluation**

**Pursue realistic, incremental goals.** Given the uncertain and often troubled state of political parties even in established democracies, political party aid must not be based on the pursuit of ideal models but instead on very modest, realistic, and incremental goals based on in-depth studies of the local political environment.

**Keep strengthening evaluations, but don't overemphasize numbers.** Many issues regarding whether and how party assistance works remain insufficiently examined empirically. Party aid organizations should continue to deepen their evaluation efforts and support research and other learning exercises. At the same time, however, funding organizations should recognize that any efforts to reduce political party development to strict quantitative indicators are likely to be unhelpful.

**Recognize the long-term challenge, but focus on tangible outcomes.** Problematic features of political parties and party systems are not amenable to quick fixes and party aid is most effective when pursued on a long-term basis. Nevertheless, party aid programs should define tangible medium term outcomes that define the path of such longer-term engagement.