

# Confront or Conform? Rethinking U.S. Democracy Assistance

by Sarah Bush

## SUMMARY

Over the past few decades, there have been two clear shifts in U.S. government-funded democracy assistance programs: they have become less likely to confront autocratic governments and more focused on measurable outputs.

This “taming” of U.S. democracy assistance has been fueled in part by two realities: an increase in competition for U.S. democracy assistance funds and the increasing professionalization of the industry.

It is not clear that such tame programs help bring about democratization, and they can instead play into the hands of autocrats seeking a veneer of democracy while consolidating power.

Democracy assistance programs should evolve considerably to have a more positive impact on genuine democratic development.

This should include changing how the success of these programs is defined, by involving local actors more directly in the evaluation of projects and by increasing collaborative efforts among various donor institutions to improve the quality of program assessment.

Despite leadership changes in Egypt, Libya, and Tunisia, the pace of democratic change has slowed and transition-related setbacks abound. Forming a response to these setbacks will be a significant foreign policy challenge for President Obama’s second term, as will be setbacks to democracy in Africa, Asia, and Europe. U.S. policymakers have a number of democracy promotion tools at their disposal to mitigate those risks, including diplomatic pressure, foreign aid conditionality, and economic sanctions and incentives. One of the most frequently employed tools is democracy assistance—foreign aid that is explicitly given to advance democracy abroad—which is provided to more than one hundred countries around the world.

Although the merits of democracy promotion have been hotly contested over the past decade, important aspects of what the U.S. government funds through democracy assistance programs, and why, remain less well understood. As Thomas Carothers notes, democracy assistance—the quiet, “day-in, day-out” component of American democracy promotion—is far less likely to grab headlines than other tools.<sup>1</sup> Unfortunately, misinformation and misunderstanding of the nuances of democracy assistance occasionally leave American policymakers ill prepared to fund effective programs that support the emergence of democracy in the Middle East and beyond.

U.S. policymakers should reorient democracy assistance around the persistence of two new realities. First, the lengthy contracting and grant-making process through which the United States government funds democracy assistance rewards implementing organizations that pursue “tame” programs—those that are linked to measurable outputs that do not challenge authoritarian regimes. Such programs help organizations win future grants and work in many countries in the world, but there is no clear evidence that they bring about genuine democratic development in host countries. Second, greater competition and professionalism in the democracy assistance field have also encouraged implementing organizations to pursue tamer programs in an effort to survive. Effective democracy assistance will require American policymakers to reward organizations that carry out effective, not simply tame, programs.

*“ Unfortunately, the programs that are easiest to measure and for the U.S. to support are not clearly associated with democratization.”*

## THE EVOLVING NATURE OF AMERICAN DEMOCRACY ASSISTANCE

Thirty years ago, the U.S. government created the National Endowment for Democracy (NED) as the country’s first formal institution dedicated to funding democracy assistance. Since that time, the U.S. government’s once humble investments in democracy assistance have exploded. In 2012, the United States budgeted \$2.6 billion to support democracy, good governance, and human rights overseas—not just through the NED, but also through government agencies, primarily the State Department and the United States Agency for International Development (USAID).<sup>2</sup>

As the amount of assistance disbursed grew rapidly, other changes came to define democracy assistance programs. Some of the changes are obvious. First, the world has changed since American democracy assistance began. The “third wave” of democratization swept through every region except the Middle East, and democracy assistance had to adapt to take new realities into account. Second, the U.S. itself has changed, as government programs are more results-oriented than in years past. Meanwhile, President George W. Bush’s “Freedom Agenda” has come and gone, leaving many Americans more skeptical of democracy promotion. Finally, policymakers and practitioners have acquired more information about which democracy assistance programs work and which do not, although more information is still needed. Election monitors, for example, have become much savvier in developing techniques for detecting and deterring fraud, even as autocrats have developed more tools to evade monitors.

Yet there are other changes to the nature of democracy assistance that are subtler, two of which are particularly salient. First, the U.S. government increasingly expects the organizations that it funds to implement democracy assistance to be highly professional, which typically refers to organizations with expert staff but is too often understood to mean capable of assessing progress with quantitative measurements. Second, there is growing competition among non-governmental organizations (NGOs) for U.S. government democracy funds, which in turn encourages them to develop projects that are likely to yield quick results and help them gain access to a wide range of countries. Unfortunately, the programs that are easiest to measure and for the U.S. to support are not clearly associated with democratization.

## WHO IMPLEMENTS DEMOCRACY ASSISTANCE AND HOW?

Dozens of NGOs receive grants and contracts from U.S. government institutions to implement democracy programs overseas. Those organizations together form an increasingly professional industry, which has been called the “democracy bureaucracy” or the “democracy establishment.”<sup>3</sup> They share common ideas and values about how best to aid democracy abroad. There are about two-dozen core NGOs in the democracy establishment, such as Freedom House and the National Democratic Institute, which work in many countries and are agenda-setters in the field. There are, however, scores of other American, European, and local organizations that are also involved in democracy promotion. These organizations collaborate and compete with “core” NGOs on democracy assistance programs.

Organizations in the democracy establishment want to foster democratization, but, like all institutions, they also want to survive and thrive as organizations. To do so, they must obtain government funding and maintain access to target states. Given the constraints set by the U.S. government, looming budget cuts, and rising competition, organizations survive using two strategies. First, they appeal to donor officials that cannot monitor them closely but demand results using measurable programs that have quantifiable outputs, such as the number of women in parliament. Second, they gain access to target states suspicious of American or foreign interference by implementing programs that do not directly confront autocrats, such as programs geared towards improving local governance.

Those tamer programs may make sense in many contexts, because democracy promoters need to gain a foothold in the authoritarian environments within which they work so that they can push for incremental changes. But tamer programs can also play into the hands of autocrats seeking a veneer of democracy while consolidating power. Successful democracy assistance requires U.S. policymakers to discern which programs and organizations are likely to play into autocrats' hands and avoid funding them.

### THE CONSEQUENCES OF COMPETITION

Since American democracy assistance emerged in the 1980s, the competition among NGOs for the U.S. government's democracy grants has become increasingly fierce. More NGOs today are fighting for a piece of the lucrative democracy assistance pie than was once the case. To give one example of rising competition, in 1985, the National Endowment for Democracy gave as much as 90 percent of its grants to large NGOs that worked in multiple countries, whereas in 2009, that amount dropped to around 50 percent, due to the dramatic increase in the number of smaller and local applicant NGOs.<sup>4</sup> Increased competition has implications for how democracy assistance organizations promote democracy. In particular, it encourages organizations to focus on implementing projects that will help them survive and thrive as organizations—such as projects that will yield quick, measurable results—even though such projects have uncertain consequences for democratization.

To gain a systematic understanding of how growing competition affects democracy assistance, I looked at more than 10,000 programs funded by the NED since its first report in 1985. Of those programs, I tracked how many could be characterized as “measurable” and how many could be characterized as “confrontational.” I defined measurable projects as those that could have an impact on the target country's politics or institutions that can be measured using a quantitative scale. So, for example, projects seeking to support good governance, which can be assessed using indicators from the World Bank and others, are considered generally measurable. Measurable projects increased from about 20% of the NED's projects in the 1980s to more than half today. I defined confrontational programs as ones that could be perceived as threatening the imminent survival of the incumbent regime in the host state. An example of a confrontational project is an aid program supporting free media, which can challenge autocrats by promoting the free flow of information

*“ Successful democracy assistance requires U.S. policymakers to discern which programs and organizations are likely to play into autocrats’ hands and avoid funding them. ”*

throughout society. Confrontational programs decreased from about 80 percent of the NED's projects to less than half today. Although changes in global and U.S. politics partly account for those changes, those trends are particularly striking since most observers rightly regard the NED as the most confrontational, most nimble, and least measurement-obsessed American democracy donor.<sup>5</sup>

## POLICY RECOMMENDATIONS

Several steps can be taken to reverse the taming trend in democracy assistance. Policymakers and practitioners involved in funding democracy assistance can change how they do so to get the incentives right and promote better monitoring. In order to make these improvements, policymakers should:

- *Fund organizations that are easier to monitor.* The harder it is for aid donors to monitor the organizations they fund, the more likely those organizations are to shift democracy assistance programs away from their desired outcomes of democratization. Several factors affect a donor government's ability to monitor the organizations it funds, such as how many different organizations the funds are passed through before making it to the implementing organization, where the organization is based, and the extent to which the donor emphasizes meeting certain metrics.
- *Use the private foundation model when possible.* Quasi-private democracy donors such as the National Endowment for Democracy generally promote democracy in less tame ways than government agencies. Government programs rely on government-to-government partnerships and may be subject to other priorities more critical to stable bilateral ties. While these bilateral ties may be helpful in enhancing the capabilities of certain host government institutions, they can be an impediment to many of the important, less tame forms of assistance that are critical to genuine democratization. Donor institutions that are insulated from government bureaucracy and competing geopolitical objectives are often nimbler and more effective players in democracy assistance.
- *Improve feedback loops between people on the ground in target countries and donor officials.* Donor governments currently get information about the programs that they fund by gathering information about those programs or funding evaluators to do so. An alternative way to collect information would rely more upon citizens and interest groups to sound "alarms" when democracy aid is being used ineffectively or being undermined by autocratic governments. My field research in Jordan and Tunisia suggests that locals have a great deal of information that they would like to share with donor governments. Democracy assistance programs support the creation of ombudsman offices in foreign governments to receive complaints and other relevant information directly from citizens. If donor governments made greater use of their own ombudsmen in this way, they would also help address this issue.

“Confrontational programs decreased from about 80 percent of the NED's projects to less than half today.”

- *Encourage the right kind of competition and discourage the wrong kind of competition.* The right kind of competition for funding rewards organizations that effectively promote democracy. The wrong kind of competition encourages NGOs to prioritize funding and access over effective democracy promotion. One option could be to make longer-term funding commitments (five years instead of one or two years), to discourage the race for funding and encourage NGOs to seek real change, even though doing so may be difficult politically. Another option could be to more often evaluate organizations according to qualitative assessments of impact, rather than quantitative measures of output alone.
- *Conduct formal, institutionalized comparisons of programs with donors that fund similar programs.* Most international donors promote democracy in remarkably similar ways, whether measured by the goals of their programs or the specific local NGOs that they ultimately fund overseas. Donor officials should undertake monitoring activities not just individually, but collectively, to improve their information. Doing so will better enable them to reward the organizations that are having a positive impact on democratization.
- *Use professional networks and institutions to foster positive norms about democracy assistance.* Professionalization involves the development of technical expertise, which is good for democracy assistance, but it can also overemphasize technique and metrics and weaken organizations' commitments to their missions. Over time, professional institutions and norms have fostered convergence in the democracy establishment on tamer approaches to democracy assistance. Donors should collaborate with educational programs, conferences, think tanks, and other professional institutions and events to help foster professional norms conducive to effective democracy promotion.

## NOTES

- 1 Thomas Carothers, "Democracy Assistance Without a Plan," *LSE-UNDP Development and Transition*, April 1, 2009.
- 2 Democracy assistance data is taken from the Foreign Assistance Dashboard, available at <http://foreignassistance.gov>.
- 3 Thomas O. Melia, "The Democracy Bureaucracy," *The American Interest* 1, no. 4 (2006): 120-130; Sarah Sunn Bush, "International Politics and the Spread of Quotas for Women in Legislatures," *International Organization* 65, no. 1 (2011): 103-137.
- 4 Sarah Sunn Bush, *The Taming of Democracy Assistance*, Book Manuscript (Philadelphia, PA: Temple University, forthcoming).
- 5 For example, see Thomas Carothers, *Aiding Democracy Abroad: The Learning Curve* (Washington, D.C.: Carnegie Endowment for International Peace, 1999), 95.

## ABOUT THE AUTHOR

Sarah Bush is an Assistant Professor of Political Science at Temple University. She is currently writing a book about the evolution of democracy assistance. She holds a Ph.D. in Politics from Princeton University and was previously a fellow at the Harvard Kennedy School and University of Virginia.

## ABOUT POMED

The Project on Middle East Democracy is a nonpartisan, nonprofit organization dedicated to examining how genuine democracies can develop in the Middle East and how the U.S. can best support that process. Through dialogue, research, and advocacy, we work to strengthen the constituency for U.S. policies that peacefully support democratic reform in the Middle East.

## ABOUT THE POLICY BRIEF SERIES

POMED Policy Briefs are short analysis pieces for U.S. policymakers on issues of core relevance to democratic development in the Middle East and North Africa. The briefs feature leading American, European, and regional authors from academia, think tanks, practitioner organizations, and human rights groups. The views expressed in these articles are those of the authors, and do not necessarily represent the views of the Project on Middle East Democracy. For more information, please contact the series editor, Kwame Lawson.