

The Chronic Poor and The Politics of Aid

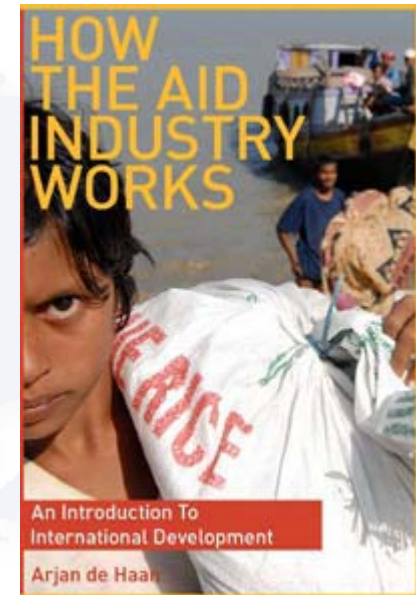
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Aid Industry: 5 key characteristics

- US \$ 100 billion + = fairly stagnant
- Large number and growing organisations
- Evolves rapidly (buzz-words) while structure similar
- Effectiveness agenda partly driven by critique
- Ownership agenda



Themes

- Post-Washington consensus
 - Role of new donors
- Why is it difficult for aid to take politics serious
- The chronic poor, social protection, and another round of de-politisation?
- Europe's aid post-2010

1. From Washington to post-Washington consensus

- Washington consensus: getting 'fundamentals' right
- Post-Washington: governance as technocratic subject
- Illustrations (from Max Everest-Phillips):
 - Growth agenda
 - Governance assessments



Intermezzo:

Will China change post-Washington consensus ?

- Practices obviously do, but speaks MDG language
- What differs:
 - Understanding development *and* aid (Beijing consensus oxymoron yet)
 - “No conditionality”



China makes us re-think West

2. Can aid take politics serious?

- Aid is 'soft power' (actually: different things to different people)
- Debt relief and Paris Agenda – technocracy reinforced
- Coherence and 'securitisation'
- Research? No 'policy theory' of aid ? (until US and China challenges European consensus)

3. Social protection

- Social protection particularly cash transfers key response chronic poor
- Modalities of success: fairly wide coverage, low coverage, conditionalities, complementarities
- Latin American experience: a political project, a new social contract

The question: can it work elsewhere ?

The experience in Africa

- Much good work, e.g. Ethiopia, link agriculture
 - But :
 - strongly donor-driven
 - project mode (also CBHI pilots)
 - forms of evaluation) – ‘pilots’ in China and Brazil no ‘pilots’
- >. Ignore lessons from history?

What lessons history ?

- Lessons of social policy history
 - Social mobilisation
 - Social control
 - Taxation
- Social protection in 'fragile' states – negates lessons 'social contract'?
- Transfer lessons = a-political

4. Aid post-2010

- Crisis momentum: whose momentum ?
 - Financing gap identified by OXFAM
 - OECD entering period severe cuts
 - politics
- What after the MDGs ?
 - As if we cracked the problem
 - ‘Coherence’ as magic bullet (‘bilateralisation?’)
 - Growth back on the agenda

Chronic poor

- How to move from cash transfers to social contract ?
- How does social contract strengthen accountability ?
- Can 'aid' be political ?