
During the past three decades, international assistance to support democracy and the larger, older domain of development aid have operated side-by-side in some hundred countries around the world. Yet their relationship with each other often has been uncertain and in flux. When democracy aid began playing a substantial role on the international stage in the 1980s, it did so at arm’s length from aid for socioeconomic development. Democracy promoters were ambivalent, even wary, about the methods and values underlying development aid, while the attitudes of developmentalists toward this new political-aid endeavor were sometimes even more strongly negative.

The separation began to narrow in the 1990s. Post–Cold War optimism about the apparent triumph of market economics and liberal democracy, as well as about the complementarity of these two goals, gave rise in Western policy circles to the view that an integrated approach to both political and economic development aid might be valuable as well as possible. This new context, as well as programmatic evolution within both communities, prompted democracy promoters to begin building bridges to the socioeconomic side and developmentalists to do the same toward the political.

Those bridges widened in the most recent decade as developmentalists embraced a general imperative of “taking politics into account,” while democracy promoters accepted the need to “help democracy deliver.” The distinctions between the two practitioner communities blurred, in terms of both organizational boundaries and the activities on the ground. The growing overlap and interconnections between democracy aid and socio-
economic aid present an analytic puzzle of considerable practical import: Do the growing ties between the two domains constitute a process of integration or even synthesis? What are the most important areas of common ground and the most significant differences? And what are the effects on this ill-defined relationship of recent changes in the broader international context, such as democracy’s global woes and the heightened visibility of nondemocratic development success stories?

The initial separation in the 1980s between the emergent international democracy-aid community and the established domain of development aid was in the first place organizational. In the United States, the Reagan administration and Congress calculated that housing the new U.S. democracy-aid initiative—the National Endowment for Democracy (NED) and its four core grantees—outside the established machinery of U.S. foreign aid would give that initiative greater flexibility and less political baggage. In the second half of the decade, a small beachhead of democracy aid gained a place at the U.S. Agency for International Development (USAID), but it was largely isolated from USAID’s main body of activities. As European democracy aid also started to grow in the 1980s, primarily in Latin America in response to the wave of democratic transitions there, it too was concentrated outside development-aid agencies. European democracy aid was driven mainly by political foundations, above all Germany’s Stiftungen, which were neither funded nor overseen by development-cooperation bureaucracies.

The initial separation between democracy aid and development aid was not just organizational. It was also conceptual, methodological, and psychological. Democracy promoters conceived of their work as a fundamentally different enterprise from development aid for the simple but powerful reason that its goal was political, not socioeconomic. Moreover, their commitment to the political goal was intrinsic, not instrumental. They regarded democracy not as a means to improve the socioeconomic conditions of poor people but as a good thing in and of itself for all people.

If asked about the relationship of their work to development, most democracy promoters in those early years probably would have expressed the belief that promoting democracy in a country would help it to advance economically. But for many, at least in the United States, this would not have been a major concern, especially because some of the principal targets of such efforts were not poor countries but developed ones like the Soviet Union and its Warsaw Pact allies. Nor would their belief in the economic benefits of democracy have been drawn from empirical research, but rather from the general observation that the world’s economically successful countries were democratic, and hence democracy must be good for development. Like the champions of modernization of a generation before, democracy promoters were inclined to assume that, when it comes to economics and politics, “all good things go together.”

Democracy promoters were also wary of the developmentalists’ attitude toward the role of democracy in developing countries, suspecting
(not without cause) that behind the officially apolitical stance of the development community lurked serious doubts about the developmental value of democracy. Many developmentalists, it seemed, were convinced that a sustained dose of authoritarian rule was necessary to get a poor country on a developmental track and that democracy should wait its turn until development had been substantially achieved. That certain countries might not be “ready for democracy”—a sentiment sometimes heard in development circles—was anathema to the democracy-assistance community, which operated according to the contrary credo: that any country, regardless of its socioeconomic level (or ethnic or religious composition, political history, or political culture), can become democratic if enough of its citizens—or even just its political elite—are committed to that goal.

Democracy promoters were also skeptical about the operational habits of development aid, which they saw as too risk-averse and slow moving, bogged down in a bureaucratic miasma of assessments, planning, procurement, and evaluation. They hoped to bring a breath of fresh air to international assistance by being opportunistic, risk-taking, catalytic, and even transformative. The German political foundations, for example, frequently pointed to their dynamic role in the democratic breakthroughs in Spain and Portugal in the mid-1970s as emblematic of how they planned to help democracy in the developing world. U.S. democracy promoters pointed to their quick response to the Philippine “snap” elections of 1986 to show how they could make an impact with minimal funds but maximum flexibility. Democracy promoters also disdained development programs’ common pattern of partnering primarily with host-country governments. Democracy promoters saw governments more as the problem than as the solution and sought to challenge entrenched powerholders rather than to bolster them—often by directing aid to nonstate actors, whether citizen groups, political parties, or independent media.

Democracy promoters also tended to have different professional backgrounds from developmentalists. Democracy-aid groups were not staffed by calculator-wielding economists, muddy-shoed former Peace Corps localists, or grizzled technical experts on fertilizers, irrigation systems, and rural road-building. They were political types—party activists, political consultants, legislative staffers, civic organizers, or lawyers. On the U.S. side at least, many democracy promoters had little on-the-ground foreign experience, foreign-language expertise, or first-hand knowledge of other political cultures. They felt qualified to promote democracy abroad because of their ardent belief in the value of democracy and their direct experience with it at home.
Of course, even in these early years democracy aid was not completely divorced from socioeconomic issues. Two of the NED’s core grantees, for example, had a socioeconomic perspective: The Center for International Private Enterprise supported civic-minded business associations and pro-reform think tanks as a way to foster links between market reform and democratization. The Free Trade Union Institute (later renamed the American Center for International Labor Solidarity) supported labor unions out of a conviction that stronger unions would produce interrelated socioeconomic and political benefits. The European political foundations did at times tie their party-strengthening efforts to developmental objectives such as better economic policy making. On the whole, however, the democracy-aid community maintained a palpable attitude of separation toward the domain of development aid.

Developmentalists had their own serious doubts about—and a clear inclination to stay away from—the democracy-aid enterprise that they saw springing up around them. They had a deep aversion to politicizing aid, rooted in the fear that the cooperative, often cozy relationships they nurtured with the governments of developing countries (many of which were autocracies) would be jeopardized by politically intrusive aid programs. In the Cold War context of those years, sensitivities about political interventionism were high in the developing world. While the overall project of Western foreign aid was of course deeply political in a larger sense, developmentalists insisted on a nonpolitical framing of their approach on the ground.

Moreover, ambivalence in development-aid circles about the value of democracy for development was common. Belief in sequencing—the idea that democracy should wait until socioeconomic development was substantially accomplished—was widespread, as was a preference for a political strong hand. Developmentalists tended to see democracy in the developing world as a recipe for weak, unstable governments that would be unable to resist popular pressure for distributive, fiscally lax economic policies or to impose the harsh austerity measures that market-reform strategies often required.

Developmentalists also were uncomfortable with democracy aid because they lacked knowledge and understanding of politics. Politics involved a world of institutions, processes, and people very different from those with whom they were used to working. It seemed a messy, murky domain riddled with ideology, irrationality, and corruption.

This wariness was common not only in the mainstream of development aid but also among its internal challengers—the “participatory development” advocates who were critical of the market-reform orthodoxy and advocated instead grassroots development and local participation. Although critical of the mainstream developmentalist preference for working with national powerholders, this camp saw the democracy-aid enterprise as the sharp political edge of a U.S.-led drive for exploitive control
of the developing world, and they disapproved of democracy promoters’
alleged embrace of a formalistic, proceduralist model of democracy that
lacked a firm commitment to socioeconomic justice.

A Developmental Opening

In the 1990s, international democracy aid expanded significantly in
funding levels, the number and range of organizations involved, types of
programs, and countries targeted. This expansion, together with a broad-
ened programmatic menu arising from the changing landscape of attempt-
ed democratic transitions, laid the foundation for a tentative bridge from
the democracy-aid community toward the development domain.

The growth of democracy aid in the 1990s was mainly a response to the
accelerating spread of democracy. As dozens of authoritarian regimes fell
in Latin America, Central and Eastern Europe, the former Soviet Union,
sub-Saharan Africa, and Asia, public and private actors in the West and
international institutions hurried to support possible transitions to de-
mocracy. The end of the Cold War geostrategic rivalry in the developing
world fueled the expansion of democracy support by reducing sensitivi-
ties about cross-border political aid both within recipient societies and
among Western policy actors.

Existing organizations specializing in democracy work expanded and
new ones were founded, such as Britain’s Westminster Foundation for De-
mocracy, the Stockholm-based International Institute for Democracy and
Electoral Assistance (International IDEA), the OSCE’s Office for Demo-
cratic Institutions and Human Rights, and the Organization of American
States’ Unit for the Promotion of Democracy. Yet a considerable share of
the expansion, at least in financial terms, came from some bilateral-aid
agencies and a few international financial institutions that started to allo-
cate significant funds to democracy programming. USAID became a large
funder of democracy aid in the 1990s, with its spending on democracy and
governance programs leaping from around US$100 million a year at the
start of the decade to more than $600 million by 2000. Other bilateral-aid
agencies, primarily in northern Europe, along with the European Commis-
sion also began devoting funds to such work.

As donor organizations that had traditionally concentrated on socioeco-
nomic aid added democracy programming to their portfolios, they tend-
ed not to integrate such work with their main activities, instead creating
separate units staffed by a small cadre of democracy-focused specialists.
Thus their entry into the field represented an expansion of the democracy-
aid community into new organizational territory more than an integration
of democracy and development programs on the ground. The grantees
receiving these democracy funds increasingly had to fit their work into
the bureaucratic forms that such donors required—the more systematic
design, planning, implementation, and evaluation of “projectized” aid that
democracy promoters had initially tried to avoid. Some democracy-aid groups resisted putting their distinctive methods through a “developmental sieve,” while others adapted. For-profit development-consulting firms, both in the United States and Europe, successfully competed for some of this new funding, carrying out democracy programs alongside their socioeconomic work, thus further blurring the operational and organizational lines between the democracy and development-aid communities.

This developmental coloring of parts of the democracy-aid realm was reinforced by programmatic changes related to the progress of democratic transitions. In the 1980s, democracy-aid providers saw their central challenge as helping to foster initial transitions away from authoritarian rule. In the 1990s, after many such transitions had occurred, providers were now faced with helping newly elected governments to achieve longer-term democratic consolidation. The earlier focus on bolstering political freedom and competition—through support for human-rights activists, nascent political parties, election observation, and democratic civic education—broadened accordingly.

One important set of additions relating to democratic consolidation comprised efforts to strengthen newly democratic countries’ state institutions, primarily those considered useful for rebalancing political power away from overweening executive authority—notably, legislatures, judiciaries, and local governments. Governance-focused democracy programs aimed to make these institutions more effective in their democratic roles, fostering legislatures that represented citizens’ interests and judiciaries that upheld basic political and civil rights. At the same time, however, these institutions were engaged on many socioeconomic fronts. Thus democracy-aid programs devoted to these institutions inevitably began intersecting with socioeconomic issues. For example, local-government-strengthening programs intended to help mayors or local councils respond better to citizen demands naturally delved into issues such as service delivery and revenue allocation.

A second area of growth tied to democratic consolidation was civil society development. Here, too, the purpose was to augment the sector’s pro-democratic functions by helping citizens to hold governments accountable and fostering more active civic participation. Yet socioeconomic issues inevitably made themselves felt in this domain as well. Local civil society organizations that attracted democracy aid for their work on accountability and transparency often sought to advance any number of social or economic causes, from reducing domestic violence and child malnutrition to improving budgetary oversight and other anticorruption controls.

The democracy-aid community’s opening toward development in the 1990s was only tentative. As a result of the new involvement by bilateral-aid agencies and international organizations, some democracy programs took on operational features deriving from development aid and a broader programmatic menu that intersected frequently with socioeconomic is-
issues. Yet this new developmental substream within the democracy-aid community largely represented a variation in methods and programmatic emphasis rather than a revision of such core underlying assumptions as the belief in the intrinsic value of democracy for all developing countries.

**Across the Line**

The recent halt in democracy’s global expansion, which some analysts have characterized as a “democratic recession,” has pushed democracy promoters to go further in addressing socioeconomic concerns. Although a complex mix of factors lies behind democracy’s sobered state, one factor that has especially caught the attention of democracy promoters is the possibility that poor socioeconomic performance puts new democracies at risk. Citizens who fail to see tangible benefits from democratic rule may lose faith in democracy and embrace nondemocratic alternatives. Various cases seem to present warning signs—from populist South American leaders of uncertain democratic fidelity who win elections due to citizen frustration over socioeconomic woes to the apparent contentment of Russian citizens with the authoritarian slide under Vladimir Putin. This specter has translated into a new imperative for democracy promoters: exploring how democracy aid can be designed to help shaky governments improve the everyday lives of the majority of their citizens. For example, in 2005 the National Democratic Institute (NDI)—a mainstay of the democracy-assistance community—launched the initiative “Helping Democracy Deliver.” The NED has recently sponsored several forums on how to connect democracy support more directly to development issues. International IDEA has added a new line of work on “democracy and development.” The Finnish party-aid organization Demo Finland recently hosted an international workshop to examine how democracy programs can advance development goals.

These and related initiatives look for ways to connect the traditional political core of democracy assistance—programs supporting political freedom, multiparty development, and pluralistic competition—to socioeconomic objectives. NDI, for example, has tried to incorporate a socioeconomic angle into a political-party–strengthening program, seeking to incentivize Peruvian political parties to develop concrete policy approaches to reducing poverty in that country. The International Republican Institute (IRI) stresses to the political parties with which it works that opinion polling provides not just a campaign thermometer, but also a valuable means to understand better the day-to-day socioeconomic concerns of citizens and possible ways to address them. International IDEA is examining how the processes and institutions of democratic accountability can also be understood as mechanisms that can contribute to better socioeconomic outcomes, such as improved service delivery.

Democracy-aid organizations both in Europe and the United States
are pushing mainstream development-aid organizations such as the World Bank to view democratic inclusiveness as a potential asset in developmental agenda-setting with host-country governments. They urge developmentists to make room for opposition political parties and parliaments in such consultations, arguing that full democratic deliberation better anchors development programs in society. Such efforts are part of a broader effort by different parts of the democracy-aid community to make the case to developmentists that democratic debate, pluralism, and competition can bolster rather than obstruct effective socioeconomic policy making.

Some democracy specialists in bilateral-aid agencies are pushing these agencies to tear down internal walls between democracy and development work by integrating insights and approaches from democracy and other politically related programs into such traditional core sectors of socioeconomic aid as health, agriculture, and education. The Swedish International Development Agency (SIDA) has been a leader in this regard through its embrace of a “rights perspective” that integrates an emphasis on both political and civil rights as well as economic and social rights into its development work. In Kenya, for example, SIDA re-designed its country program to integrate political as well as social and economic rights, principles, and methods into programs across a host of traditional aid sectors.

Under the rubric of “cross-cutting programs,” USAID is starting to infuse its socioeconomic assistance with democracy-related perspectives. The USAID mission in Guinea, for example, launched an integrated program in 2006 that put its work on health, education, agriculture, and natural-resource management within a democracy and governance framework. On the ground, this entailed helping Guinean policy actors to employ such tools as political messaging, coalition-building, and polling to strengthen their socioeconomic work, as well as treating political corruption as a central entry point for tackling socioeconomic challenges. The U.K. Department for International Development (DFID) has been focusing on political settlements—what they consist of and how they can be achieved or strengthened—as a way to address the root causes of socioeconomic shortcomings in fragile states.

Not all parts of the democracy-aid community back the effort to build a wider bridge to the domain of socioeconomic development. For many democracy-aid providers, socioeconomic development remains terra incognita, with areas such as public health and agriculture dauntingly unfamiliar and requiring technical expertise that they lack. Democracy promoters feel confident that democratic progress—whether in the form of greater women’s political empowerment, more responsive legislatures, or feistier independent media—will be good for socioeconomic development. Yet they have only begun to turn this deep, instinctive faith into empirically based propositions that will be persuasive to traditional devel-
opmentalists, the great majority of whom remain skeptical about a causal link between democratization and socioeconomic progress.5

Furthermore, the push to integrate democracy work with socioeconomic aid is tempered by countervailing concerns. Some democracy promoters worry that it will result in the relatively small pond of democracy aid being drained into the much larger lake of development aid. Maintaining a clear separation between the two may be necessary, in their view, to ensure that aid providers remain committed to supporting democracy as an end in itself, regardless of its relationship to development. Some democracy promoters worry that integration efforts may end up serving as an excuse for donors to take a soft line toward governments that strangle democracy but promise to be serious about development. They fear that donors will use politically unassertive programs such as support for procedural reforms on budgetary transparency as evidence of their commitment to democracy, and that this will undercut efforts by democracy promoters to engage more robustly.

The Governance Bridge

At the same time that the democracy-aid community began reaching out to the socioeconomic side, the development-aid domain began building a bridge toward the political side. A key driver has been the progressive acceptance within development-aid circles that improving governance in developing countries is a valid and important developmental concern. With governance has come politics, albeit slowly.

The emergence and gradual adoption of governance as a focus of socioeconomic aid is a long, complex tale that can only be briefly summarized here.6 Attention to the negative consequences of weak public sectors in developing countries began rising in the 1980s in development-aid organizations, especially the World Bank. A 1989 World Bank report on Africa highlighted governance failures, including systemic corruption, as a principal cause of Africa’s persistent underdevelopment.7 Concern at the Bank and other development organizations about the sensitive political implications of focusing on governance kept this new thinking on a slow track. In the 1990s, however, attention to governance increased for several reasons.

After putting much pressure on developing-country governments to adopt structural-adjustment policies and shrink their states, the mainstream development community came to the realization that market-reform policies required competent state institutions to formulate and implement the necessary policies. As Moisés Naím argued in an influential 1994 article in these pages, the second stage of the market-reform agenda needed to be institution-building: “Sustaining and deepening the positive changes brought about by the turn to the market will require states to increase their technical and managerial capacities far beyond present levels.”8 The
development community began to move away from its earlier strictures about the need for shrinking states. Whether under the label of “state-building,” “institution-building,” or “promoting good governance,” development-aid organizations began helping developing countries to build the capacity of their main governing institutions.

Fueling this surge of attention to governance was a new openness in development-aid circles to addressing corruption. James Wolfensohn became head of the World Bank in 1995 and soon reversed the Bank’s longstanding avoidance of the corruption issue, placing it squarely on the agenda—both within developing countries and within development-aid itself. A flood of new anticorruption programs funded by the Bank and other development organizations ensued, usually focused on institutional reform.

In keeping with their deeply entrenched habit of political avoidance, when developmentalists began constructing governance programs they did so in relatively technocratic, apolitical ways. They concentrated on a narrow band of technocratic state institutions and functions, primarily those relating to public-sector financial management. They defined a limited set of goals, above all efficiency and competence. And they employed technocratic methods for achieving them, especially the transfer of technical skills and knowledge through training. As Catherine Weaver writes in her analysis of the evolution of the World Bank’s governance agenda, “[E]veryone knew in the 1990s that the governance-related reforms were neither apolitical nor particularly conducive to technical assistance. Yet . . . no one dared to use the ‘p’ [politics] word.”

The limitations of this technical approach to governance quickly became apparent—troubled judiciaries that used aid to upgrade their case-tracking software but continued to dispense injustice, governmental anticorruption commissions launched with fanfare only to prove hollow shells, civil-service training programs that made no dent in underlying structures of patronage and clientelism. In response, developmentalists have in this decade begun more openly acknowledging and addressing the political nature of the governance challenge in developing countries.

Governance programming (or “state-building” or “institution-building,” depending on the aid organization) has evolved to reflect this change in outlook. It has extended to a wider range of institutions, including some that are more clearly political, such as parliaments. It has gone far beyond the initial focus on public-sector finance to cover a wide range of public-policy issues. Developmentalists have also broadened their concept of good governance, defining it in terms not just of efficiency but of more political concepts such as responsiveness and accountability. And they have augmented their methods, looking for different ways beyond training to change the behavior of government officials. To this end, they have developed a new stream of efforts to support citizen groups that exert pressure on state institutions for better governance.
To help provide analytic guidance for this broader, more openly political perspective within socioeconomic aid, donor organizations have built new assessment tools. These use political-economy methods to assess the underlying political realities that shape development contexts, especially to identify political constraints on reform. USAID launched a “governance assessment framework” in 2000. There followed DFID’s “drivers of change” studies, SIDA’s “power analysis” work, the Dutch foreign ministry’s “strategic governance and corruption analysis,” and the World Bank’s political economy analyses. In the past several years, these organizations have increasingly been using these tools as an analytic foundation not simply for governance programming but for programming in all areas of development work.

An additional impetus pushing developmentalists to take politics more fully into account was the emergence of postconflict or conflict-affected states as a significant category for development aid—whether Mozambique, Cambodia, Liberia, and El Salvador in the second half of the 1990s or Iraq, Afghanistan, Somalia, and Sudan in this decade. In such contexts, attempting to offer significant support for social and economic reconstruction without significant attention to the underlying political context is clearly senseless. For DFID, for example, assisting states coming out of or hovering on the edge of violent conflict (“fragile states”) has been a major driver of its incorporation of political perspectives into its development work.

This growing movement by the development community to “take politics into account” has fostered some direct and indirect linkages with democracy aid. As developmentalists have broadened their governance goals to embrace more politically normative criteria such as responsiveness, accountability, and transparency, the line between good governance as a nonideological concept and good governance as an intrinsically democratic concept has become very thin indeed. Some traditional socioeconomic-aid actors, such as the UN Development Programme, have pushed across that line, adopting “democratic governance” as their goal. Others, such as the World Bank and the Asian Development Bank, have stayed on the other side of that line, eschewing the explicitly political adjective. USAID straddles it—housing some of its governance work within its Office for Democracy and Governance and the rest in its Bureau for Economic Growth and Trade.10

Viewed from the ground up, governance programs mounted under a socioeconomic umbrella are sometimes distinguishable from governance programs carried out under the rubric of democracy. Parliamentary-aid projects designed as socioeconomic aid, for example, tend to emphasize such financial or technical issues as budget oversight, whereas parliamentary projects designed by democracy promoters might focus instead on constituency relations or the role of parties in parliaments. A judicial program with a socioeconomic underpinning might concentrate on commer-
cial-law training, whereas one with democracy goals might aim to support greater judicial independence. But often the contrasting socioeconomic and political rationales end up converging around the same programmatic elements.

The same is true with regard to work on civil society development. Aid to citizen groups for the purpose of improving socioeconomic outcomes may in some cases reach different groups than civil society programs aimed at democracy building. And democracy-based civil society aid may emphasize elements that socioeconomic aid programs prefer to stay away from—for instance, helping to link up civil society organizations with political parties. Yet the basic idea of citizen groups monitoring governmental behavior and exerting pressure for greater accountability exists on both sides of the divide. Fueling citizen demand for better governance and fostering greater democratic citizen participation end up overlapping considerably in practice, despite the differing labels.

**Occupied Territory**

In short, the trend within the development-aid community to take politics into account is leading it into programmatic territory already occupied in many cases by democracy aid. Yet the resulting connections are still only partial. This trend, though a potentially significant shift, is still struggling to solidify wide adherence within the development-aid world.\(^{11}\) Within donor organizations, debates continue over whether the empirical evidence clearly shows that good governance is necessary for—or at least generative of—better socioeconomic outcomes. Some important studies pointing toward positive conclusions have appeared.\(^{12}\) Yet for many developmentalists, the very existence of major country cases in which poor governance of different types—such as Vietnam’s low freedom with low political accountability and Bangladesh’s high corruption with weak administration—coexists with significant poverty reduction weighs heavily on the other side of the scale.

Moreover, taking politics seriously in development aid implies not just carrying out good political-economy assessments but actually incorporating those insights into innovative, politically nimble programming. Learning that a country’s development is being crippled by the entrenched hold of a close circle of corrupt powerholders rooted in a particular ethnic subcommunity is one thing; doing something about it using external aid is another. Being more political implies accepting more difficult and potentially conflictive relations between donor organizations and host governments, something that those organizations are reluctant to face. And still further, honestly facing the underlying political constraints on reform tends to entail accepting greatly reduced expectations about what aid is capable of achieving—another difficulty for donors, especially in this era of heightened pressure to show results.
Taking politics into account is thus a great challenge for developmentalists. For many, taking not just politics but democracy seriously as an integral part of the development enterprise remains a bridge too far. Although some development economists now accept the socioeconomic value of governance programming, few share the faith common among democracy promoters that democracy advances development. If anything, concerns in development circles about the harmful effects of attempted democratization in fragile states have been rising in this decade. And the visible developmental successes of various nondemocratic regimes, such as China, Ethiopia, Rwanda, Tunisia, Uganda, and Vietnam, are frequently invoked by developmentalists as evidence against the advisability of a democracy focus. The argument advanced by Amartya Sen a decade ago for reconceptualizing development to incorporate democracy as an intrinsic value has gained little hold in the development community. Swedish development policy is a notable exception in this regard, but a lonely one.

In addition to harboring doubts about democracy’s value for national development processes, many developmentalists continue to believe that attempting to advocate a specific political ideology would put at risk their relations with valuable governmental partners. Why, they ask, should donors jeopardize their very productive relationship on health issues with the Ethiopian government by bothering that government with troublesome democracy issues? This concern about politicizing aid relationships has only been rising in recent years as the backlash against external democracy support spreads in the developing and postcommunist worlds.

The initial gulf between democracy support and development aid has indeed diminished. Many interconnections between the two domains now exist. When one looks closely at aid programs on the ground, the line between the two domains is often blurred or hard to find. Some democracy-aid programs have become significantly developmental in their operational methods. Even the most political of democracy-aid organizations are now connecting their work to socioeconomic concerns. Likewise, parts of the development-aid community now see the importance of politics, with democratic norms implicitly (and sometimes explicitly) part of that political perspective.

Yet the process of integration is still only partial—more a story of mutual exploration and overlap than a true integration, let alone synthesis, of values, approaches, and objectives. Strikingly, the main reasons why the two domains were initially adamant about separation still hold considerable sway. Large parts of the democracy-aid community remain at odds with a core element of the development-aid paradigm—the strong attachment to working with host governments as preferred partners and strong reluctance to work directly with actors that may seriously challenge those governments in anything other than narrow, technocratic ways. Moreover, democracy promoters question whether developmentalists believe in democracy as a positive contributor to socioeconomic progress. Democracy promoters
worry that greater integration of the two domains would mean that democracy would receive lip service from donor organizations but in practice be watered-down into “good governance” or “political reform” and get swept under the rug whenever host governments push back in any serious way.

On the developmentalists’ side, early hesitations about democracy support remain similarly persistent. Developmentalists do not share the instinctive faith of democracy promoters that democratization is good for development, nor are they sympathetic to broadening their basic conception of development to include democracy as an intrinsic element. Privately they express the concern that being “too political”—or going beyond analyzing political constraints on reform in order to facilitate political change—will hurt their overall position in the developing world.

Stepping back, we can see that several elements of the larger international context of the 1990s helped to create momentum toward integration of the democracy and development aid communities: the growing belief that dual transitions to market economies and democracy were a defining feature of the post–Cold War moment and that an integrated concept of “market democracy” was gaining preeminence in the developing world; optimism about the ability of democracy to spread anywhere, even to countries with few of the traditional “preconditions” for democracy; and a lowering of sensitivities in the developing world about cross-border political assistance after the disappearance of the superpower rivalry. And we also can see that core elements of the international context of this decade have reversed this wind: heightened concerns about the dangers of democratization in fragile states; the rising attractiveness of authoritarian models of development; the stalling or partial reversal of democracy’s global advance; and the emergence of a backlash against international democracy assistance.

Thus while the integration of democracy aid and development aid seemed for a time to be a natural path, guided by the larger direction of history, it has reached only a halfway state. Bridges have been built between the two domains, but they are only partial and shaky. Given the changed, less favorable international context today, it is deeply uncertain whether the present situation is just a way station on a longer trajectory of integration or a high-water mark preceding a gradual slide back toward a greater separation, marked by mutual ambivalence and distrust.

NOTES

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I have based my analysis of the outlooks of practitioners in the democracy and development aid communities regarding the issues discussed in this article on extensive formal interviews and informal conversations with many members of both communities. On the democracy-aid side, this includes representatives of all the major North American and European democracy-aid groups. On the development side, it includes representatives of most of the
major European and North American bilateral-aid agencies or aid departments within foreign ministries, as well as many major multilateral organizations engaged in development work.


10. The Millennium Challenge Corporation (MCC) explicitly connects political and socioeconomic issues in its development work. It includes democracy and governance indicators in its country-selection criteria (although some nondemocracies, such as Morocco, have nevertheless qualified for MCC compacts) and emphasizes what it sees as a prodemocratic emphasis on country ownership in the process of formulating country-assistance programs.


13. For example, Paul Collier’s finding that elections in fragile states tend to increase political violence is held up in some development circles as powerful evidence of the dangers of attempting to foster democracy in such places. See Collier, *War, Guns, and Votes: Democracy in Dangerous Places* (New York: HarperCollins, 2009).

