Ripple effects: politicians and the political economy of international development

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1. Introduction

In April 2024, Global Partners Governance (GPG) and The Asia Foundation (TAF) convened a ['conversation on politics, development and change](#)' in collaboration with the Thinking and Working Politically Community of Practice (TWP CoP). The webinar brought together three politicians, both current and former (see Box 1), with deep experience of working on international development agendas and projects, to share their reflections on the strengths and weaknesses of the dynamic interactions between politicians and representatives of donor agencies.

Box 1: Politicians who participated in the conversation on politics, development and change hosted by GPG, TAF, and the TWP CoP (29 April 2024)

- Dr Harini Amarasuriya. Dr Amarasuriya has had a long and distinguished career as an academic, rights activist, university lecturer and later politician who is currently serving as a National List Member of Parliament for National People's Power party in Sri Lanka, where she was appointed Prime Minister in September 2024.

- Adérito de Jesus Soares. Previously a Member of Timor-Leste's Constituent Assembly and the Inaugural Commissioner of Timor-Leste's Anti-Corruption Commission, Mr Soares served from 2010 to 2014 in the National Parliament as the first Commissioner of the country's Anti-Corruption Commission.

- Dr Minendra Rijal. A former Defence Minister of Nepal and a former member of the Nepali Congress Party Central Working Committee, Dr Rijal was one of the architects of the mixed electoral system that ensured better social and gender diversity in the Constituent Assembly.

Much of the day-to-day interaction between bilateral and multilateral donor agencies and governments, particularly on programme implementation, tends to be at a working level. In convening this webinar, we were interested in highlighting and learning more from the perspective of politicians who interact with donor agencies and also have to navigate local political processes and realities to achieve sustainable development outcomes.

In addition to the discussion in the webinar, in further conversations with political leaders we were struck by the extent to which they described the negative experience of engaging with representatives of donor agencies. This got us thinking about the potential (negative) impact of those interactions and how often they create ripple effects in the international development system of which those working at lower levels in governance systems may not be aware. Underpinning this is how the interaction between donor agencies and politicians is understood, as a microcosm of the wider political economy

– the system of formal and informal institutions, incentives and ideas that shapes stakeholders' behaviour.

Inspired by our conversation with the three politicians – Dr Rijal, Mr Soares, and Dr Amarasuriya – the following reflections underline the importance of understanding the intersection between the political economy of 'the context' and that of the international development system.

2. Objects and Subjects

Over the past 15 years, the Thinking and Working Politically (TWP) movement has sought to address the shortcomings of international development actors in achieving sustainable outcomes, by understanding and responding to 'politics' (Leftwich, 1994). TWP theorists and practitioners have taken a broad and nuanced approach to what 'politics' means (Leftwich, 2001). For the purposes of this paper, we understand 'politics' first and foremost in terms of how power is distributed and exercised within a society or organisation – or who gets what, when, how, and why. Politics reflect context-specific dynamics and how these play out in culturally and historically specific ways at different levels, from the local to the global (IDS, 2010). In addition, 'politics' is about negotiation and bargaining processes within and between different individuals and agencies, where various stakeholders reach agreements and perhaps settle conflicts, or fail to do so (Booth, 2012).

In this view of international development, understanding the political economy means understanding the diverse interactions between institutions or 'rules of the game' at a high level, including both formal laws and informal social norms, and how these shape political outcomes (Levy, 2014). At a micro level, politics involves interaction among a diversity of actors, often revolving around competing interests, incentives, and the strategies people use to advance their goals. By implication, thinking politically means considering everyone involved in development processes, from donors and aid-delivery intermediaries – such as private managing contractors or international non-government organisations – to local politicians, bureaucrats, and other power holders, to the private sector, civil society, and all those who tend to be excluded from decision-making in those processes.

Many writing at the interface of international development and academia have made considerable efforts to invest in better understanding these varied dimensions of politics in the contexts in which they provide development aid, with a view to improving their impact. But while one key analysis (Dasandi et al., 2019) found that TWP approaches have fostered mixed but promising results, overall such analyses have tended to involve a unidirectional flow of information in which the context and its stakeholders are the object of study, while donors and other international organisations are the subject and consumers of the information gathered.

What is often assumed to be a natural division between the subjects and objects of study and understanding means that *the interaction between* donors and in-country political actors has received far less attention in the analysis undertaken to underpin donor strategy and programming. This is perhaps not surprising, given the power dynamics involved and the potential that a political economy analysis (PEA) of donor interactions with the context may not be flattering to donors. The limited treatment or lack of analysis of these dynamics affect the quality of findings and the operational insights they can generate. Whether or not they acknowledge this, donors and other international actors in the development sphere are decidedly part of the picture.

In other words, the context for development programmes is the intersection between the political economies of all parties involved, and not simply of the country or region in which they take place. Understanding the political economy at these intersections involves viewing the international development system as interconnected, and analysing the relationships between different actors, institutions, processes, and feedback loops within that system.

Why is this important? Because what is going on in another part of the system may – and probably will – affect the aspects on which international agencies are focused. The failure to recognise that fact can trip us up. At the same time, there is a need to acknowledge that the work of international agencies affects other parts of the system, even if those involved are not fully aware of those effects.

3. The importance of interaction: donor agency representatives and elected officials

One area in which the importance of interaction is evident is in the multiple, often high-level interactions between politicians and representatives of donor agencies. Often, those practitioners in international agencies who engage with government officials tend to do so at the mid-level of a country's bureaucracy.[1] That makes sense for day-to-day activities. Relations at this level can make or break a programme's successful implementation. That is where the main government counterpart of a donor programme often sits, where it is anchored, where trust is built and buy-in may be achieved, and where authorisation of workplans, activities, and counterpart responsibilities are actioned.

Higher-level government representatives such as heads of departments or members of parliament (MPs) tend to have limited engagement with development practitioners. They may sit on steering committees, be invited to speak at events, or their endorsement sought at the start of a programme.

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[1] By development practitioners we mean the full range of those who are engaged in planning, implementing, and evaluating development projects and programmes. They include bilateral and multilateral agency staff, international NGOs, and private contractors. It is important to note that the majority of those involved in the development and delivery of international development projects in-country do not engage directly with government and have no need or obligation to do so, whether they are working openly or, for political economy reasons, under the radar.

However, they rarely get into the details or have any sustained engagement with programmes. In countries that are highly dependent on foreign aid, senior government officials may have fleeting interactions with a wide range of international development actors, including donors; and their views of the development sector may be shaped by the overall impressions they develop from those encounters – with the negative often weighing as much, if not more, than the positive.

Programme practitioners may talk confidently about the buy-in they have in the mid-level of a governance system but where those in more powerful positions have a less sanguine perspective, such commitment might not translate into impact and sustainability.

The interactions between higher-level politicians and donor agencies are therefore a crucial piece in seeking to think and work in ways that are more politically aware, but are sometimes overlooked in practice. While some donor agencies do seek to integrate an understanding of local political dynamics in designing their development cooperation programmes, they may struggle to apply these insights effectively to inform and shape the ways in which they engage with government and political counterparts in-country. The underlying reasons for this, which are not always apparent further down the chain, may have less to do with the efforts of a particular donor agency or organisation, but rather to how the broader sector is perceived. The political economy of high-level interactions can therefore set the stage for positive or negative outcomes.

An understanding of these interactions should be at the core of thinking and working politically, in order to be fully aware of and navigate the impressions that donor agency representatives make on senior, and often very powerful, officials in partner governments, especially when these are negative. A nuanced understanding of these in each context might equip development practitioners to engage more effectively not just with bureaucrats but also with politicians – which is important if development efforts that are genuinely locally led are to prove successful in the long term.

In seeking to better understand that interface, the 'conversation on politics and development' hosted by the TWP CoP, GPG, and TAF aimed to create space for a frank discussion on the many challenges and trade-offs involved and what needs to change when offering international cooperation. The event combined the perspectives of politicians with those of practitioners who have worked with politicians and political movements. Each speaker outlined their priorities, the hurdles they face, and the forms of collaboration they are seeking.

What stood out in the discussion was how politicians described their experiences of engaging with donor and development agencies. All three expressed that they felt instrumentalised; held at arm's length for assumed suspicious behaviour; and poorly understood in terms of the complexity of factors that drive political priorities and agendas at the domestic level.

We look at each of these in turn in the following section.

4. The experience of being instrumentalised

'They just want us to come in as flowerpots for their agenda, the decoration.' Dr Harini Amarasuriya

Each speaker shared experiences (which are not uncommon) in which donor agencies have expected them to simply accept agendas, priorities, and programmes identified in their headquarters, rather than genuinely engaging with them on the question of what should be supported and why. As Adérito noted, drawing on his decades-long experience of collaborating with donors in Timor-Leste, 'donor agencies often come with a blueprint – a pre-designed programme or agreement – without much interest in what local politicians may care about', including their own agendas and incentives.

Dr Amarasuriya echoed this point, describing her experience with donors as follows: 'So the plan is set. The agenda is set… And then they want us to come in as resource persons'.

All three speakers described being treated as obstacles that donors need to navigate around rather than as important stakeholders with whom donors should engage in meaningful and substantial ways.

Such behaviour, which seems to be far from isolated, has bred mistrust among political leaders of donors and development practitioners and their aims and goals. As a result, power holders, who might otherwise have a constructive contribution to make, have tended to disengage.

Formal commitments to localisation or locally led development reinforce the need to move away from instrumentalising domestic politicians and other domestic actors in favour of more meaningful interactions with them. Indeed, according to the OECD DAC (2023), [locally-led development](#) co-operation entails 'recognising and enabling local actors' agency in framing, design, delivery, including control over resources, and accountability, in given local and operating contexts'. But practice does not seem to have caught up with the rhetoric. From the perspectives of politicians, development programmes and funding rarely create genuine space for debate, contestation and the co-creation of priorities.

While such negative experiences may not be the sole impression that senior government and elected officials draw from their engagement with the development sector, it was clear from the discussion at the webinar that these tend to be at the forefront of the minds of political leaders, and that they play a significant role in shaping their ongoing engagement with the sector.

This is an important lesson for those who are trying to engage more effectively – in ways that are perhaps more respectful, humble, and at a stage in policy and/or programme formulation where priorities and approaches are still being explored, rather than already determined; while being strategic about which relationships are key. This seems essential to build trust.

5. The experience of being held at arm's length

Another topic of discussion at the event relates to the idea that, in many contexts, outsiders tend to think of politicians as operating 'in the shadows' and behaving in ways that remain 'hidden' if not outright 'dirty or corrupt', as Dr Amarasuriya put it. Such perceptions may lead international development agencies to give local political actors a wide berth, for fear of being tainted by association.

While no one would deny that in many countries there can be high levels of corruption in the governance structures (donor countries included), and that there are risks involved, the way to manage such risks is not for donors and development professionals to avoid politicians and power holders.

This was clearly a point of frustration for all three politicians on the panel. They suggested that this kind of treatment at arm's length tends to lead to engagements that are frivolous, tokenistic and shallow. Moreover, their observations implied that many donor and international development agencies tar all politicians with the same brush, rather than seeking to understand the institutional and personal incentives that shape political behaviour. Doing so would enable more nuanced engagement with specific individuals within those systems.

All three speakers resisted the idea that politicians operate 'in the shadows'. Rather, they argued that politics is often more of an art than a science, requiring the careful navigation of processes of bargaining and contestation which involve both formal and informal dimensions of power that may be difficult to read and interpret, especially for those on the outside. That is why they may appear to be hidden. Politics is often defined as much, if not more, by *mētis*', or situated, practical know-how (Whitty, 2024), than by more formal, science-based technical knowledge. *Mētis* is often derived from and shared in '...the meetings over coffee or dinner, the formulation of arguments, the positioning and lobbying, the attendance of ceremonies and relation-building through which politics is prosecuted' (Whitty, 2024). This *mētis* may be more open or closed, inclusive or exclusive, but it is often a key part of how politics and power are transacted and contested (Power, 2024).

6. The experience of being misunderstood

Even when development agencies do not treat government officials in a tokenistic manner or imply that they are all corrupt, politicians may still feel misunderstood – largely because donors do not necessarily know what motivates and incentivises their behaviour in different contexts.

According to Dr Amarasuriya, 'when donors and development practitioners meet with us, it often feels as if they don't understand our job'. Interactions with donors reflect a lack of understanding of the relationships between elected officials and their constituents, particularly in democratic contexts such as Nepal, Sri Lanka and Timor-Leste where politicians need to win (re-)election to secure their political survival and so must ensure they remain accountable and responsive to the needs and interests of their voters. And, it must be noted, the reverse may also be true: that MPs or other elected officials may not understand the political realities in which donor agencies are functioning.

As Adérito noted, with no understanding not only of politicians' agendas, nor of the interests and incentives shaping those agendas and their behaviour, it is difficult for development agencies to appreciate what local priorities might be and align with them more effectively. For example, all elected politicians face significant pressures to meet the immediate needs of their constituents. In contexts where formal systems for providing basic services fail to meet those needs, some politicians try to address this shortcoming through personal handouts for everything from medical bills, to school fees, food and more. This kind of personalised or patronage-based response provides short-term electoral benefits even if it further weakens formal systems and inhibits the potential for working on policymaking based on a longer-term vision and the broader public good.

It is therefore important to understand the point in the electoral cycle in which a particular politician might be and the incentives that they face in order to identify what kinds of changes might be more or less politically feasible and why. Rather than being critical of politicians' short-termism, donor agencies (alongside others seeking to engage with politicians) could consider how to work with them to [support efforts to address their immediate problems in ways that can make it easier to address future problems too (Power, 2024)](). This should be done in full recognition of the short-termism inherent in the three-to-five-year project cycles that donor agencies bring with them. Different perceptions of timeframes, priorities, and trade-offs can contribute to a lack of alignment between donors and politicians – and international actors need to do more to ensure that they do not impose their agendas but rather respond to locally identified needs.

7. Concluding reflections: Politicians, politics and systems

'We should all be frank when talking about our experience and try to be more effective in navigating through the waters.' Minendra Rijal

The interface between governments and donor agencies involves complex interactions that are often poorly understood both in the development literature and in practice. There are many 'elephants in the room', but there is often a tendency to avoid dealing with these either because of concerns to avoid damaging relationships, or because of fundamental misunderstandings and perceptions, including about what motivates and drives politics and politicians.

Political leaders will never be as deeply involved in the mechanics of development cooperation as their staff and officials in the bureaucracies of the countries in which international agencies work. This is to be expected, given that politicians simply have neither the time or 'bandwidth' to be involved in the complex processes of designing and allocating funds or to follow the details of day-to-day programme activities.

This does not mean, however, that political leaders will be happy to 'bookend' donor projects, as international donors might expect them to. Asking politicians to join a high-level discussion at the start of a project and endorse the outcomes later, with no meaningful engagement in-between, can make the whole business seem imposing and arrogant. Our discussions and follow-up conversations as part of the webinar event suggest that there are unexplored opportunities to foster relationships between politicians and donor agencies that are less instrumentalised and more productive, built on a foundation of trust. This seems essential in order to foster more honest and realistic interactions among donor agencies, development practitioners, politicians and those they are elected to represent, and to ensure that development priorities and agendas are genuinely locally led.

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The Thinking and working Politically Community of Practice (TWP CoP) is a global network of practitioners, researchers and policymakers in development and global affairs committed to promoting more effective policy and practice. The TWP CoP works to foster more politically aware approaches to understand how change happens and why, translate findings and implications emerging from political economy analysis into operationally relevant guidance, encourage more flexible and adaptable ways of working, and provide evidence-based insights that can stimulate innovation, sharing and learning in international development and global affairs.

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