

# »» Standing up for democracy and cooperating with autocratic regimes – can it be done?

One Pager

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Author: Dr Julia Leininger (IDOS), Editor: Heide Kühlken

Value-based development policy is currently struggling. The paradigm of the early 2000s, where development finance (DF) primarily approached democratic states geared towards development, is outdated. Rather, development partners are often those states driving global autocracy trends. In 2023, 71% of the world's population lived in regimes with autocratic features. For example, India, once the largest democracy in the world, is cutting back the fundamental freedoms of certain groups. The latest military coups in Niger and Gabon also represent a new strengthening of autocratic rule. According to a 2021 OECD study, 79% of all public development funds went to autocracies.

## DF can strengthen autocratic states

Development policy support can indirectly stabilise autocratic rule. It often reinforces existing political dynamics – both democratic and autocratic. The empirical findings of previous statistical analyses are clear. There are two main underlying mechanisms at work:

1. The provision of development finance gives autocrats more financial and thus political leeway to invest in areas that are likely to increase or preserve their power, such as the military.
2. In addition, close cooperation with state partners can legitimise the executive powers of a country, and thus indirectly the rulers too.

Nevertheless, development policy cannot avoid pursuing the achievement of development goals through cooperation with autocratic states.

## Value-oriented pragmatism and cooperation with autocrats

However, cooperation makes sense when alliances can be formed for the common good. For example, joint efforts by democracies and autocratic states are needed to mitigate climate change. It is important to remember the role of democracy.

1. For export-oriented nations such as Germany, geostrategic cooperation with autocrats is essential from an economic perspective. Pragmatic relations are necessary, but without selling out democracy. This includes an open commitment to democratic values and the clear condemnation of their violation. With value-based pragmatism, cooperation with strong autocracies with no strategic relevance would be secondary or would be gradually discontinued.
2. Not all autocracies are the same. The spectrum is varied and offers different opportunities for cooperation. In a more open autocracy with certain opportunities for participation, such as Burkina Faso, Ethiopia or the Philippines, there are starting points for measures that both focus on the common good and that promote democracy. In a closed autocracy such as Guinea, Myanmar or Turkmenistan, the possibilities are severely limited. In these cases, humanitarian aid is often the only option left.
3. The move towards autocracy is reversible, as recently demonstrated by Zambia and South Korea. If development policy wants to counteract autocratic trends, it needs allies in partner countries who are usually found outside the state system. One cooperation opportunity here is the promotion

of transnational relations between non-governmental organizations. Nevertheless, the legal framework of state development policy remains an important option for contacting potential reform actors in a country's bureaucratic apparatus. These can be used to find ways to protect democracy and support defenders of democracy.

## Potential of DF

Firstly, the principle of “do no harm to democracy” gains more significance through DF. Feasibility and context analyses could focus more on political processes and power constellations; for example how an investment would benefit the powerful elite. Secondly, financial instruments can also be used to protect democracy. Democracy thrives on methods free from bias. In autocracy processes, bias gradually creeps in. Instruments such as policy-based loans (PBL) could promote more unbiased processes that aim to define and achieve development goals and gradually counteract autocratic trends.

## Conclusion

International cooperation in authoritarian contexts will remain a reality for a while. The key is that this trend can be reversed, especially by societies in the partner countries themselves. Development policy can contribute, in particular, to limiting damage by supporting measures to protect democracy and preventing the trend towards autocracy. Moreover, cooperation can be appropriate where the global common good is clearly at the forefront. ■