



Political Systems and Democratic Governance Diagnostic

GUIDANCE NOTES



Acknowledgements

The Democratic Governance Diagnostic has been produced for the Foreign, Commonwealth & Development Office (FCDO) with support from the UK Government Politics and Governance Centre of Expertise (CoE) by Alina Rocha Menocal of the Thinking and Working Politically Community of Practice and Tom Wingfield. The authors are grateful for the feedback from FCDO staff and Westminster Foundation for Democracy (WFD), the UK public body dedicated to strengthening democracy around the world. The views expressed are those of the authors alone and do not necessarily represent FCDO or UK Government policy.





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Introduction

Democratic governance in the world is in a precarious state. The international community cannot be a bystander as autocratic regimes work together to challenge the international order, weaken agreed international norms, including on human rights, and actively undermine democratic governance.

International actors have a critical role to play in helping countries counter democratic erosion and strengthen democratic governance. This is not about imposing Western liberal democracy. It is about understanding and supporting locally led change which is appropriate to the context. **This Guide is designed as a resource, to help international organisations work out how.**

The Guide does not aim to set out a list of (unrealistic) expectations of what an organisation or another country 'must' or 'should' do. Nothing is mandatory. It can be adapted to suit any organisation, in any region or context. It can be applied to authoritarian contexts, situations where democratic governance is eroding, countries in conflict as well as 'bright spots' where there are opportunities for political renewal.

The process of using this guide matters as much as the outcome, both to bring people together to forge a common understanding of risks and opportunities, and to agree a plan for how your organisation will adapt what it is doing to support democratic governance more effectively. Box 1 provides an example of the typical outcome from the process.

Box 1: A strategic democratic governance approach in a nutshell

This could be used as an outline for a short document (5-10 pages max)

Context and problem

1. Problem statement (what are the challenges, what is most critical, and why is it worth investing time to address it?)
2. Underlying causes and more immediate drivers shaping the quality of democratic governance.
3. Your organisation or country's historical relationship and what has been learned about where it has had a positive, negative or no effect on political change.

Strategic approach – where you can make the most difference

4. Potential sources of locally led long-term change that would prevent erosion or deepen democratic governance.

5. Your organisation's ability to support these changes (its comparative advantage and influence, potential policy trade-offs and mitigation, potential alliances with more powerful external actors).
6. Your overarching 'strategic bets' and approach based on domestic pressure for change and your influence.

The course of action – how you will do it

7. Setting out the different levers and areas of intervention to be deployed and the assumptions explaining why this is plausible. Where there is a wider portfolio, this should include what 'doing development democratically' means in practice.

8. How any risks of 'doing harm' and any trade-offs with other priorities will be mitigated.
9. Summary of external peer review and 'critical friend' feedback.

Review

10. Key learning questions or indicators to reflect on in six-monthly light touch review cycles.

1

What is democratic governance?

Democratic governance is more than just elections. It is a process where people have a voice and a stake in the decisions that affect their lives, where rulers are elected, decisions are made, and (formal) power is transferred on the basis of a competition for votes at regular intervals. Each country has its own unique history, beliefs and experience of governance, voice and representation.

This Guide identifies **five distinct but interlinked principles** to define and assess the quality of democratic governance (see Figure 1).

1. **Openness:** basic individual rights, civic liberties and freedoms that enable people to participate in political, economic and social life in an open and non-discriminatory way;
2. **Inclusion:** in terms of both process (how decisions are made and who has a say) and outcome (who benefits and how wealth and prosperity are distributed);
3. **Rule of Law:** impersonal and impartial rules that apply to all equally;
4. **Accountability:** includes political accountability (checks and balances between different branches of government); popular accountability (e.g. elections); and social accountability (bottom-up processes of accountability like participatory budgeting);
5. **Effectiveness:** the capacity and authority of a state to make and implement decisions, get things done, and enforce rules across its territory.

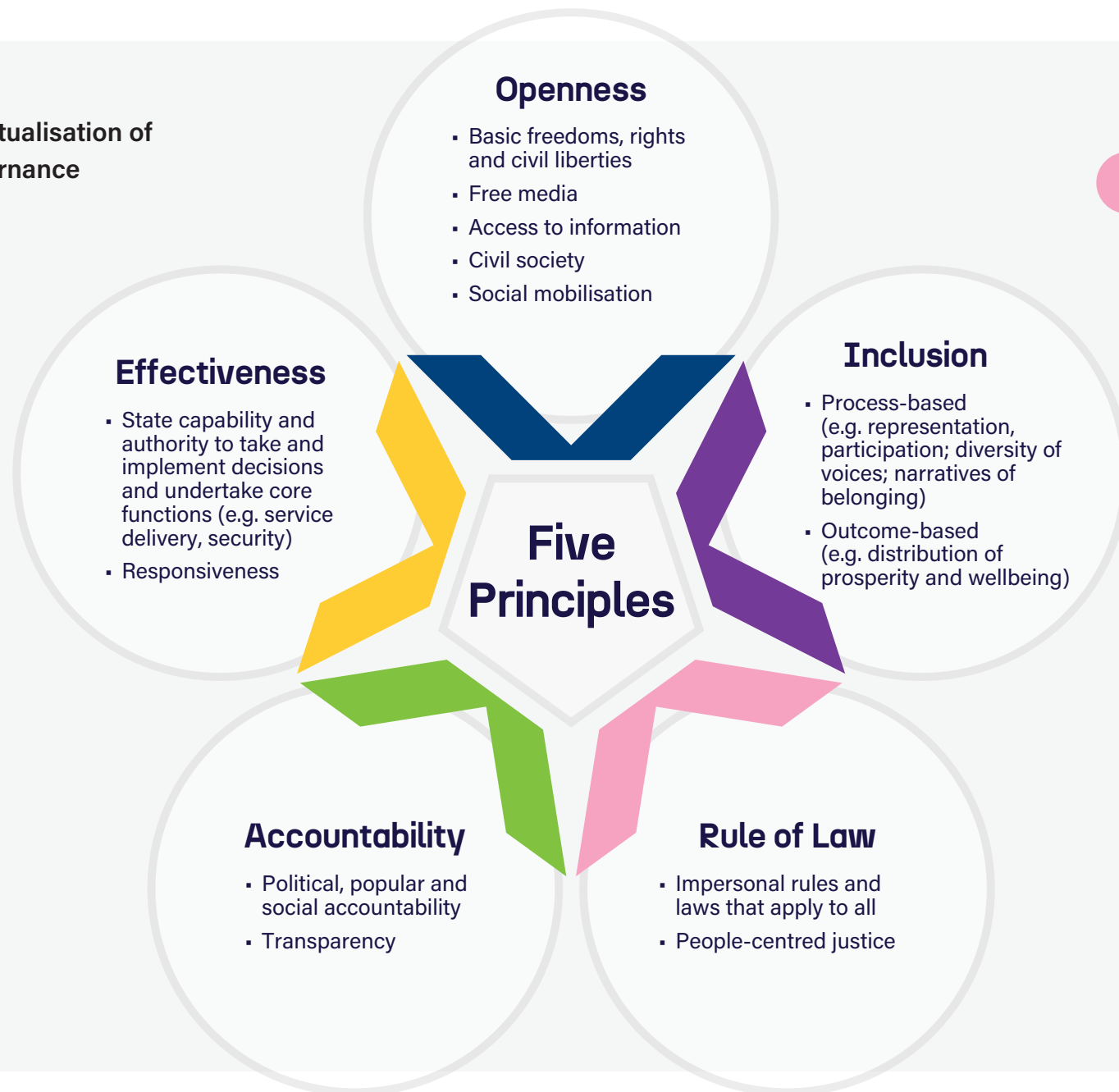
The combination of these five principles and related key features, working together, is explicitly intended to:

- *Diffuse power, with a broad set of actors having a say in political decision-making processes.*
- *Ensure that electoral and policy outcomes are not pre-determined and can be contested, but within agreed democratic rules of the game.*

This conceptualisation is an ideal type. It is intended to provide a framework to help understand different dimensions of democratic governance. **The legitimacy of democratic governance hinges on how things work in practice, not just on paper** (e.g. the constitution and other formal rules). It is the way in which formal and informal institutions, known as 'the rules of the game,' interact that determines the nature and quality of democratic governance and its legitimacy among the population.

The rules of the game are shaped and reshaped through ongoing negotiation, bargaining and contestation among a wide variety of actors – ranging from presidents, parliaments and political parties to private sector groups, non-governmental organisations (NGOs), social movements, media figures, faith-based groups, non-state armed actors (including serious organised crime (SOC) networks) and others seeking to gain greater power, influence, voice, and access in the political system.

Figure 1: Conceptualisation of democratic governance



Defining democratic governance

Democratic governance is a system of decision-making linking state and society actors where institutions and processes are anchored in a set of principles intended to promote equality, freedom, fairness, representation and inclusion.

Democratic governance has intrinsic value, but outcomes such as security, jobs, and services are also crucial to its resilience.


Democratic governance should lead to diffusion of power, i.e. a broad set of actors have a say in political decision-making processes.

Key Features

- *Protection of freedom of speech, assembly, organisation; mobilisation; information to foster an open and inclusive civic space.*
- *Free media and academic/expert independence.*
- *Political competition and free and fair regular elections.*
- *Open and deliberative political decision-making.*
- *Diversity of voices and perspectives that can influence political system / decision-making.*
- *Peaceful mediation of interests and resolution of conflict through the political process.*
- *Equality before the law and impartial application of rules of the game.*
- *Independent judiciary; checks and balances and oversight mechanisms to hold powerholders accountable.*
- *Equitable and fair provision of key services including security and justice.*
- *Effective performance of core functions (e.g. economic development; social protection, ability to tax).*
- *Use of evidence to inform decision making.*

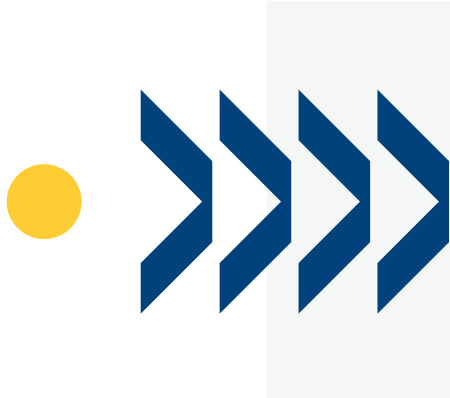
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Lessons on what works



International actors can play a critical role in supporting locally driven change given the challenges facing democratic systems. These challenges range from inequality and exclusion to state capture, to polarisation and populism.

A crucial lesson from the past two decades is that efforts to strengthen democratic governance is more effective when it is [politically aware and tailored to realities on the ground](#).



It is important to be realistic and humble. Processes to improve the quality of democratic governance and strengthen its resilience need to be driven and led from within. International actors can spot opportunities and help to amplify them. Any effort will be more effective as part of coherent and coordinated action, including with partners, both international and in-country. While your organisation is unlikely to be the leading agent of change, it can make a difference.

3

Developing an approach to support democratic governance

Stage 1

Analyse challenges and opportunities for improved democratic governance

The first stage is to build an in-depth understanding of how the political system works in practice and what the challenges to democratic governance are. The analysis should explore deeply rooted structural factors, formal and informal rules and norms, and key actors.

We recommend a **three-step process to build a diagnostic assessment** and develop a succinct problem statement based on the country's history and the conceptual framework above:

1. *Understanding the distribution of power and who really makes decisions and runs the country.*
2. *What the implications of this are for how democratic governance works in practice.*

3. *Whether your organisation or country has influenced positive or negative change in the past.*

The remainder of this section looks at each of these in turn.

Understanding the distribution of power and who really runs the country

Our starting point is understanding how power operates in a given setting – who really holds it, what are the underlying arrangements and agreements among relevant elites about how power is exercised and maintained, how concentrated or diffuse it is, how resource wealth and prosperity are distributed (in short, what is often referred to as 'elite bargains'), and what this means for democratic governance. To get to grips with this, we need a sense of political, economic, structural, and transnational dimensions of power. On the following page are some illustrative prompt questions.

Figure 2: Understanding power

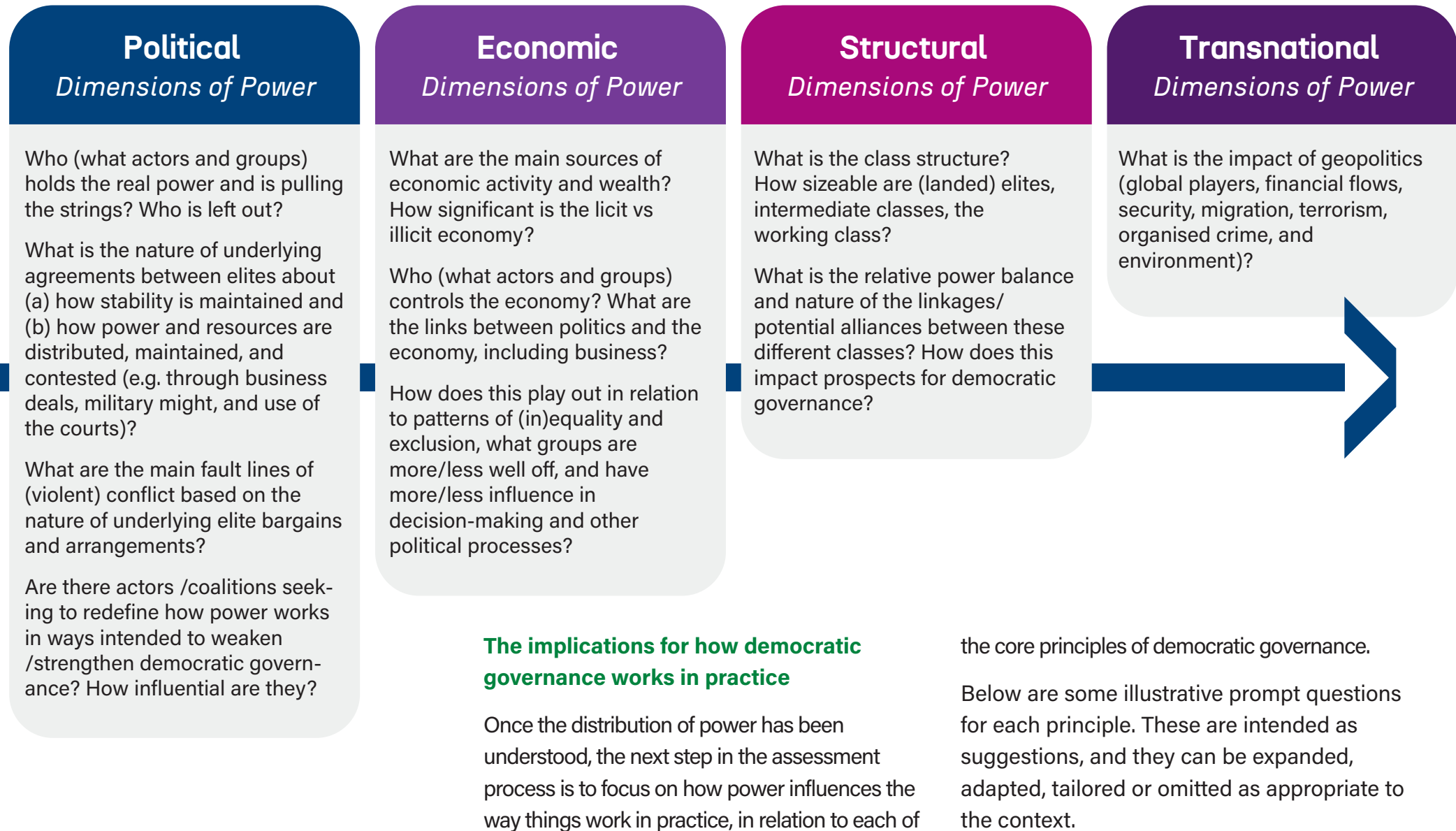


Figure 3: Understanding how the principles work in practice



The role of your organisation or country

It is important to consider how your organisation or country is perceived in the specific context. This will be shaped by its past relationships and engagement. You should consider how this has shaped internal politics and conflict over time, and whether your organisation or country has had a positive, negative or no effect on democratic governance in the past.

Synthesis and problem statement

The final step in the initial assessment is to bring the diagnostic together into a succinct problem statement which focuses on the following elements:

- *What are the key challenges facing democratic governance?*
- *What is most critical?*
- *Why is it worth investing time to address the problem?*
- *What are the underlying causes and more immediate drivers shaping the quality of democratic governance?*
- *What is your organisation or country's historical relationship and what has been learned about where this has influenced political change positively or negatively?*

Stage 2

Agreeing the approach

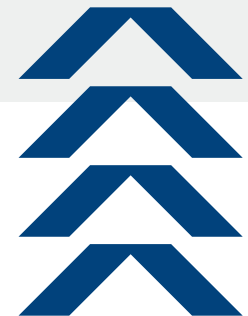
The second stage of the process moves from problem diagnosis (identifying the root causes and more immediate drivers of the democratic governance challenge) to practical action on what you can do in future. The next steps are:

- *Agree the guiding approach (**Where can we make the most difference?**)*
- *Identify coherent actions that build on the efforts of domestic actors to foster democratic governance (**How should we do it?**)*
- *Explain how we will continue to reflect, learn and adapt our engagement depending on whether or not it is working (**Is it working?**)*

Where can we make the most difference?

How should we do it?

Is it working?



The guiding approach: where can international actors make the most difference?

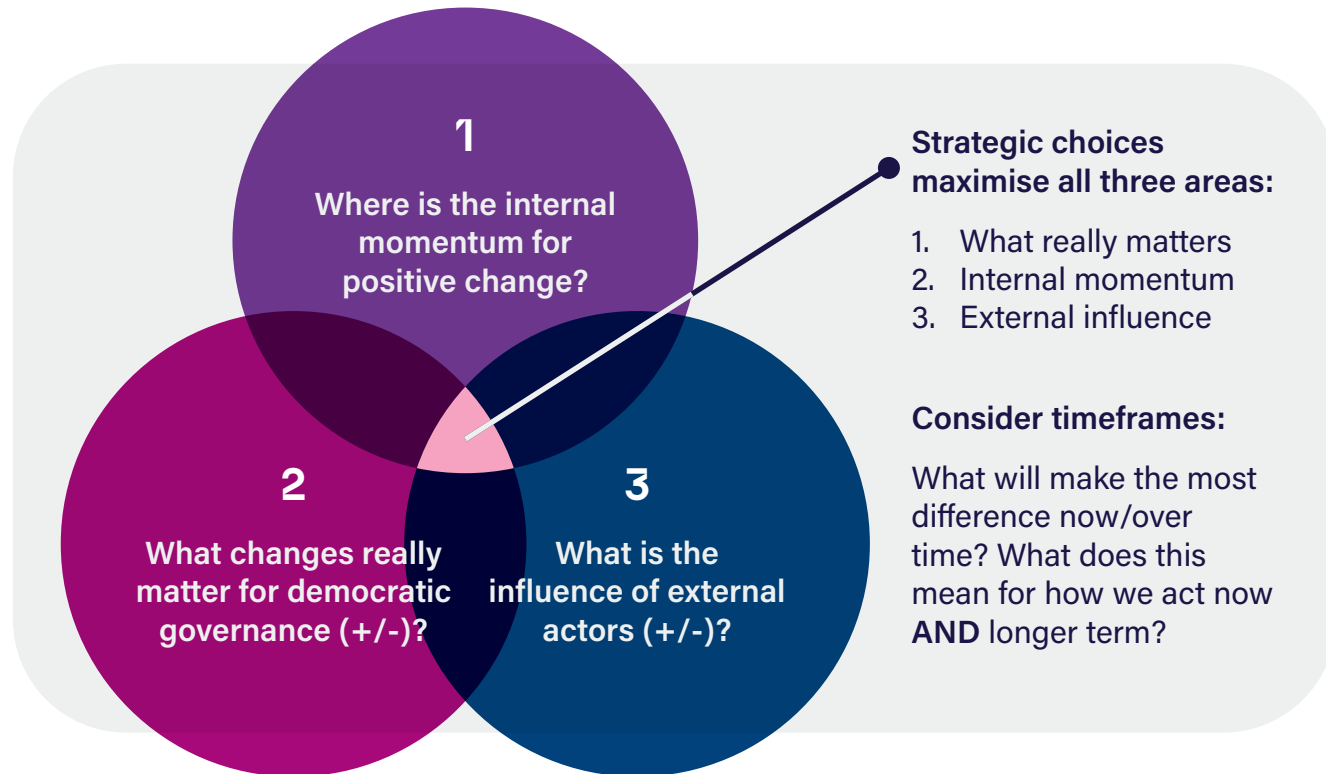
It is likely that the 'problem analysis' from Stage One will identify a long list of challenges to democratic governance. Probably the trickiest part of the process is distinguishing between the kinds of changes it would be good to see from the kinds of changes that are politically feasible, and what you, as an external actor and in partnership with others, can realistically influence.

This requires making choices that can be informed by working through three questions:

1. *Where is the internal momentum for positive change or resilience?*
2. *What are the deeper, underlying changes that really matter and the potential entry points?*
3. *What influence do you – and other external actors – have to support these changes?*

These three questions can be used as filters to weed out options that are unrealistic or are unlikely to have a major impact and to identify 'strategic bets' based on plausible assumptions (see Figure 4).

Figure 4: The process for identifying 'strategic bets'



Where is the internal momentum for positive change or resilience?

This first question recognises that **local political dynamics (e.g. the political deals, coalitions or social movements) will always be critical to a country's resilience to democratic governance challenges (e.g. from malign actors) or positive openings.**

What drives resilience or positive change can vary. This could happen when those holding power have a self-interest in change - for example, if removing restrictions on the opposition leads to the lifting of sanctions and provides opportunities for those in power to generate increased wealth. Alternatively, in some contexts it may be economic growth and the emergence of new social classes which creates pressure for democratic governance reform as the distribution of power within the country begins to shift.

The trick is to 'catch the wave' by **spotting emerging opportunities and backing locally driven change or resilience. In the absence of an immediate opportunity, this may mean supporting incremental steps** in the short-term that contribute to longer term changes which improve the enabling environment for democratic governance. For example, this might include a focus on investment and the growth of small and medium sized enterprises (SMEs) which create opportunities for the emergence of new economic actors who may have a self-interest in greater transparency and democratic governance arrangements.

Often this requires working at the nexus between citizens and the state. **Understanding power, incentives, and the interests of different actors** can help determine where there is the most momentum for change or the greatest sources of resilience.

What are the deeper, underlying changes that really matter for strengthening or defending democratic governance, and what are realistic entry points?

These questions focus on looking across the democratic governance landscape and **making choices about what to prioritise** based on an assessment of:

- *Where there is internal momentum, what changes could get at the root causes of the 'problem'?*
- *What changes would make the most difference now, in the short term (6-12 months) and over the longer term (5-10 years)?*
- *Where are the entry points and what changes are realistic and feasible?*
- *What are the biggest areas of risk?*

How much influence and agency do you and other external actors really have?

The final filter focuses on the role of your organisation or country. This involves reflecting on three areas - **identifying any trade-offs between supporting democratic governance and other priorities (e.g. security), assessing your influence, and understanding the role of more powerful external actors.**

Trade-offs

Your influence on democratic governance could be blunted by other priorities which might include your organisation or country's geopolitical objectives, or a bilateral trade or investment relationship, or the immediate need for the host government's support in a multilateral forum (e.g. support for a United Nations resolution. Wherever possible, avoid trading off democratic governance against other interests.

There are three stages to managing trade-offs:

1. **Identifying possible trade-offs** (these may not always be visible or obvious –

for example where a democratic process leads to illiberal policies or where locally elected governments are undermined by centralised aid instruments);

2. **Mitigating or minimising trade-offs** (with some care many trade-offs can be balanced, e.g. incorporating governance/transparency related clauses into trade agreements, such as procurement standards, or anti-bribery laws; making sure military-to-military cooperation does not only support the President's bodyguard unit, etc); and
3. **Escalating trade-offs**, where necessary (ultimately senior or elected officials should be making the toughest decisions e.g. where sanctions could affect security cooperation or a defence contract).

Influence

Deciding on a feasible approach and course of action requires a frank assessment of your agency and influence. This will probably be guided by risk appetite, resources, and what others are doing. For example, in an

authoritarian context, this might require choices between 'stability' (working to influence an existing regime) and 'change' (supporting opposition movements).

This should start by reflecting on how your organisation or country is perceived by different actors inside and outside the system. This may include instances where you are seen (and negatively portrayed, including in the context of state threats) as a proponent of a western liberal democracy agenda, with risks of 'blow back.' This will affect your course of action (see below).

It is also important to recognise where other external actors have more influence, and where your value and role may be more about influencing and working in partnership with others rather than leading.

Your organisation in relation to the role of more powerful external actors

The third and final element requires looking at your influence in relation to other, more powerful external actors. This will need to identify both:

- *Your role in countering threats – for example interference from a neighbouring country which is actively undermining democratic governance or bolstering autocratic regimes;*
- *Opportunities where you can amplify positive support for democratic governance working with other (more powerful) external actors.*

It is vital to consider bilateral and key multilateral actors, as well as non-governmental and private sector influencers; and to think outside the immediate country context, e.g. corrupt authoritarian leaders may channel illicit wealth into global financial centres including in your country.

Using the step-by-step filtering process should help narrow down the approach to a set of plausible strategic bets based on locally-led change, what will help tackle the root causes of the problem and where you – in partnership with others – have the most agency and influence.

Box 2: The democratic governance approach in the context of a military coup and civil war

The British Embassy Yangon was the first to pilot this approach. Following the 2021 military coup and ongoing civil war, Myanmar represents a fragmented and difficult operating environment.

Key takeaways:

- It was useful in thinking through how to put in place the foundations for democratic governance and peace over the longer term.
- The process meant thinking about the whole portfolio, including service delivery, humanitarian work, and diplomacy.
- It was used as a follow-up to a conflict and stability analysis to understand how the Embassy's individual interventions could promote peace in different ways and in different areas of the country
- It has been integrated across the Embassy's new Country Plan, including portfolio-level indicators to track progress.

The course of action: how should we do it?

Once the overall approach has been agreed, the next step is to examine the practical 'how' questions. The most important course of action starts with **building access** (recognising that access does not always equate with influence). It will be the depth of relationships and trust built with different state and non-state political actors that will help understand 'how things really work', what the barriers to change are, how deals are made, and where you could play a positive role. The cornerstone is a **clear strategic approach – where priorities are agreed with clear 'quid pro quos'** underpinning each level of engagement that can be tracked over time to minimise risks and maximise collective leverage. Deciding the specific course of action has five elements.

1. *Reviewing your current engagement and areas of intervention on democratic governance, identifying any key gaps.*
2. *Identifying new levers or interventions.*
3. *Reflecting on any risk of 'doing harm' which undermines democratic governance.*
4. *Ensuring external peer review to avoid optimism bias.*
5. *Documenting the approach.*

Reviewing current engagement and areas of intervention on democratic governance, identifying any key gaps

First, since it is unlikely that any programme will be starting from scratch, reflect on both where your organisation has been directly supporting democratic governance and how other actions have been interacting with

democratic governance. Focus on identifying the key gaps or adjustments that are required to align with any newly agreed 'strategic bets'

Identify new levers or interventions

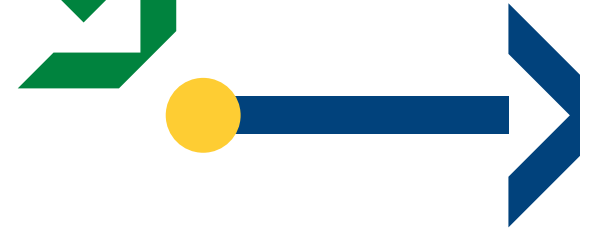
Second, after having identified any gaps, it is then important to step back and reflect on any **new levers or interventions that can be deployed**.

Levers can range from positive incentives (the offer to provide a particular form of

support in response to a positive step – e.g. ending restrictions on political opposition) or disincentives (downgrading diplomatic relations in response to a fraudulent election).

There are also the opportunities afforded by long-term development programming or investment which can be a platform for engaging and understanding 'the system,' responding to demand which helps cement trust with different actors over time, testing space for informal coalition building and reform.

Where the **foundations for democratic governance exist** and there are other programmes, consider a **portfolio approach to 'doing development democratically'** (i.e. where health, education, humanitarian, livelihoods delivery programmes have an equally weighted outcome to strengthen democratic governance alongside effective delivery).



Box 3: 'Doing development democratically': political inclusion in practice

Political inclusion recognises that society – in any country – is heterogeneous and made up of competing interests. What distinguishes a politically inclusive process is that these competing interests are mediated and negotiated through peaceful, legitimate, and inclusive decision-making. Contestation is managed through the decision-making process where people feel their interests are represented and political choices are openly negotiated and made collectively (more or less) in the 'public interest'. This gives individuals and groups a stake even when decisions taken in the

broader public interest go against their individual preferences (see [Bringing Politics Back In](#)). A key assumption is that genuinely inclusive and deliberative decision-making will result in more sustainable, robust and legitimate outcomes. This is what localisation and country ownership means in practice.

A political inclusion lens is relevant where your organisation has regional or bilateral country programmes. The table below provides two examples of this in practice.

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Box 3 continued

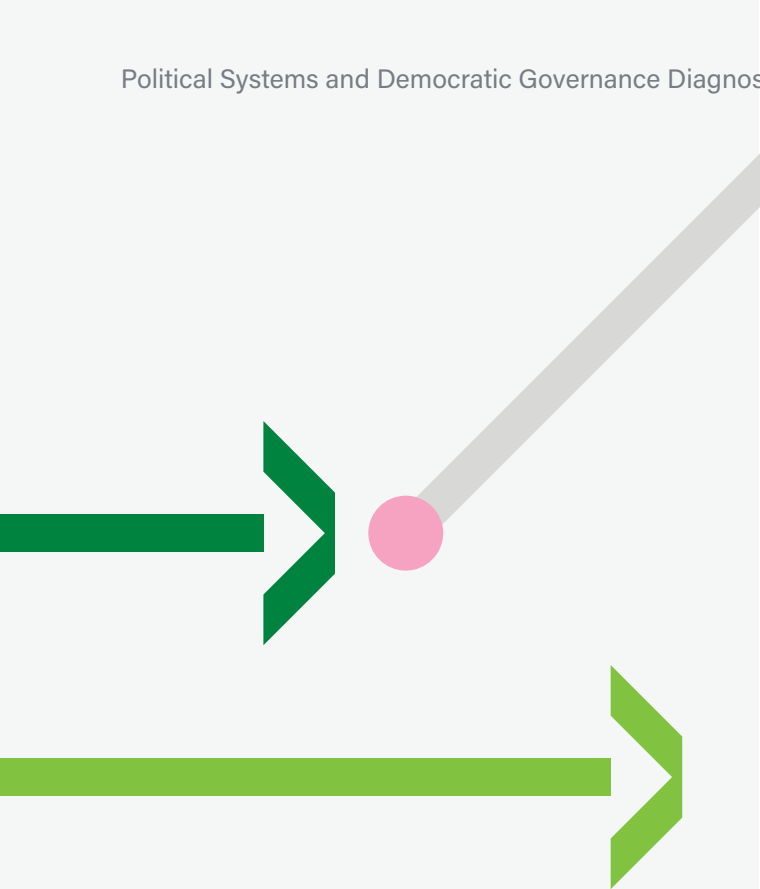
Approach	Description	Implications	Contexts most suited to
Support political-decision-making and system strengthening	Work with elected representatives, bureaucrats and non-state actors to strengthen political decision-making, administrative capability, and independent oversight and accountability	Whole of portfolio approach. Regional and bilateral programmes work in ways to support the political process and localisation	Where foundations for democratic governance exist or at critical junctures which require portfolio pivots (new constitution, political devolution)
Support political inclusion through sector and economic development programmes	Involves three elements: key stakeholders are represented with a voice in decisions; decisions are made through a deliberative process; and national stakeholders have an incentive to participate	Could be applied to any sectoral programme but requires strong enough incentives for most powerful stakeholders to engage	Applicable in a wide range of contexts if there are sufficient external/internal incentives



Where these **foundations are being undermined** – for example by a gradual or sudden erosion of political space following a crackdown – look for opportunities to strengthen resilience. Specifically:

- *Continue to be vocal in support for democratic governance and use discreet engagement to encourage democratic processes and institutions.*
- *More actively call out threats to human rights, democracy, civic space and political pluralism.*
- *Support the formation/quality of political opposition.*
- *Shift the balance away from support for government and towards broader democratic governance-building, including support to political parties, independent institutions (including parliament) and civil society/media.*
- *Support CSOs where they are under attack, particularly encouraging a unified front against repression.*
- *Provide longer-term flexible and adaptive funding to support the survival of civil society as alternative, legitimate voices able to navigate and adapt to repression.*

Where there are no such foundations, identify the potential endogenous drivers of positive change which could be supported over the long term (possibly a generation).



When designing democratic governance programming, test the political feasibility against the power analysis, frame interventions around support to systems - not selective elements in isolation (e.g. elections) and don't allow it to be siloed when it should be integrated into and directly influencing the your wider portfolio (provision of services, humanitarian, economic development, trade, defence).

Reflect on any risk of 'doing harm'

International actors can sometimes unintentionally undermine the basic elements of democratic governance with traditional development programmes (e.g. health, climate, infrastructure, growth) that bypass the political process or provide unearned resources which undermine state - citizen accountability and reinforce patronage. The more international actors decide - through earmarked funds, conditional grants or parallel projects - the less empowered or accountable are political representatives and citizens. Multiple, parallel projects can weaken already weak government systems and undermine popular accountability relationships between a politician and constituents. Donor-driven targeting is also easily captured and can reinforce personalised patronage and fuel grievances.

External peer review to avoid optimism bias

The fourth element is external peer review to avoid optimism bias. This is important to provide the opportunity for external challenge to test your assumptions about how change happens and avoid risks of optimism bias or 'group think'. Peer reviewers or 'critical friends' should include nationals with a measure of both the local political dynamic and the role of external actors.

Document your approach

The final element is to document your approach. In bringing together the approach and the potential areas for action there is likely to be an array of different options. The final step is to group into distinct options in order to make a final 'strategic choice' and prioritise. Grouping options by management burden and the degree of risk can be useful.

Having worked through the steps above you will have a set of options which are realistic, focus on system-level democratic governance, and play to the your organisation's strengths in-country, based on needs, priorities and pressure for change that respond to the context in which you are working.

A concise summary should be set out in [short document](#).

Review, learn and adapt: is it working?

It will be helpful to have **regular reflection points** to check whether things are playing out as expected, how the context has changed, and what is being learned about what has or has not been working, and why.

