Centre for Aboriginal Economic Policy Research

Indigenous Community Governance Project
Development requires:

- ‘partnerships’ between donors and recipients
- people to participate in and shape their own development - ‘ownership’
- capable institutions
- collaboration between the state and other actors, notably the private sector and civil society
- donors to become facilitator and enabler
Defining capacity development

Capacity is defined as ‘the ability of individuals, organizations, and whole societies to define and solve problems, make informed choices, order their priorities and plan their futures, as well as implement programs and projects to sustain them’ (Nair 2003) and capacity development is the process of achieving it.
Capacity Development: Clarifying the Concept

- Key capacities to consider:
  - The broad system or enabling environment
  - The linkages/networks among different entities
  - The entity (e.g. a department, unit, or organisation)
  - The individual

NB: Capabilities alone do not equal capacity
A ‘community’ in its ‘enabling environment’
The enabling environment

- Policy – purpose and mandates of the system, including value systems
- Legal/regulatory framework
- Management or accountability
- Resources (including human, financial, information)
- Process – including communications flows and relationships within the system
Conditions which support capacity development: research findings

- Contextual factors
- Governance and the interactions within a system
- Clarity and agreement about purpose – capacity for what and for whom?
- Clarity about roles and responsibilities in a partnership
- Political power shifts – understanding the political drivers for change
- Getting the right balance between operational autonomy, political support, performance and accountability
- Leadership
- Legitimacy (often drawn from the traditional or informal)
- Incremental, experimental approach, rather than grand plans
- Balance between ‘hard’ (infrastructure, resources etc) and ‘soft’ (incentives, values etc) capacities.
Conditions which constrain capacity development

- Lack of effective voice, especially of intended ‘beneficiaries’
- Political systems with weak social capital (trust) and lack of participation
- Fragmented government or non-credible or rapidly changing government policies, overload of reform and change initiatives, and
- Unpredictable, unbalanced or inflexible funding and staffing

(DAC Network on Governance 2005)
Systems thinking and capacity development

- Analyse the system as a whole to gain an understanding of the dynamics of capacity development in a particular context
- Pay attention to power, and the need to shift ‘mindsets’.
Cycle of disempowerment

**Donors...**
- see bad results as confirming weak capacity and commitment
- perceive standards as unrealistic, irrelevant
- fail to claim ownership; refuse responsibility; entitlement attitude
- fill leadership gap; set boundaries and logic
- suspicious, establish evaluation standards, emphasise quantity
- lack of control; perceive inequalities, friction and mistrust
- advocate and set priorities
- control implementation, staff and procurement
- inability to question or refuse logic
- perceive disconnect with needs and preferences
- conceive, write and present plan

**Recipients...**
Virtuous cycle of empowerment

Donors...
- perceive growing assertiveness and capacity development
- help improve evaluation standards
- take some risk and provide support on demand

Recipients...
- develop evaluation standards, growing partnership and trust
- control implementation, staff and procurement
- constructive critique and long-term commitment, based on agreed conditions
- claim ownership; assume responsibility
- exercise respect, restraint and listen
- reform system so that it works for development
- conceive, write and present plan
- support national efforts, priorities, systems and processes
Constraints to Indigenous Capacity development in Australia

- Lack of partnership and participation of Indigenous people
- Complex legal and regulatory frameworks
- The need for a power shift
- Resources
- Process issues – (cross-cultural) communications flows and relationships
Implications for Australia

- Indigenous people can generate the virtuous cycle in part by asserting their directions proactively.
- Strengthen the capacity of the non-Indigenous players to support Indigenous-led initiatives - it will amplify their efforts considerably.
- Give on-the-ground support to Indigenous people trying to adapt their governance systems and development approaches to contemporary circumstances.
- Build relationships, build trust, negotiate goals and accountabilities - don’t impose them; take time – don’t rush; and make accountabilities two-way – make it a real ‘partnership of equals’.
Conclusion

- What is required for Indigenous capacity development is a significant change in the non-Indigenous systems which frame the way Aboriginal institutions and communities operate, and limit their powers and capacities.

- A capacity building focus on individuals, families and small communities suggests that the problems and solutions can be found simply at that level, whereas international development experience, which began there, has shifted further and further up the system to locate the real constraints.