

The White Man's Burden, by William Easterly

Small wars on want

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Last year was the time to "make poverty history". The mascot of the "big push" was Jeffrey Sachs, whose book *The End of Poverty* now seems as premature as Francis Fukuyama's prognosis about the end of history. It sounds callous to say that increased aid is a bad idea because it is a colossal waste of resources. But that's the conclusion William Easterly offers in his timely critique of development aid. His main objection is that grand, utopian projects do more harm than good. And he helpfully reminds us that 2005 was hardly the first time the world decided to end poverty. Economic planners have been saying very similar things since the formation of the World Bank and the IMF.

Sachs's prescription emerges from Keynesian logic, that we'd better do something big now, as in the long run we are all dead anyway. But the history of poverty removal shows that we are in the long run now, and Keynes is dead. What next? Easterly provides no easy answers, which is the book's great virtue. He used to be a firm believer until he concluded that something was rotten in the state of development. His earlier book, *The Elusive Quest for Growth* (2001), displeased his then employer, the World Bank; he now teaches at the New York University, from where he has been challenging conventional wisdom about aid.

Here, Easterly shows the futility of utopian dreams, and how the West repeats past mistakes: the hubristic idea that "we" know better than the poor about what "they" need. Easterly says poverty reduction plans haven't worked, not because Africa is stuck in a "poverty trap" (as Sachs asserts), but because poor countries are often ruled by some very bad rulers. Yet aid agencies often overlook that and deal with corrupt leaders who have blood on their hands.

In the past 60 years, rich countries have paid nearly a trillion dollars for development in poor countries. Yet African children still die from entirely preventable diseases because medicines or vaccinations don't reach them; Asian women walk miles to collect water or firewood. Sachs uses the same data: his response is a big plan and more billions; Easterly prefers piecemeal solutions that work.

Easterly relentlessly piles up statistics showing how development has been mishandled. He likes free markets and democracy, but believes that neither can be imposed from the top (he is critical of military adventurism, too), and particularly not by bureaucrats who are not accountable to markets or to voters. Why do African children not receive oral rehydration therapy on time, but millions of middle-class kids the latest Harry Potter novel hours after it rolls out of the press? Easterly says that this is because there is no accountability in aid delivery. If the Potter distribution network fails, someone loses his job. No development bureaucrat ever lost his job because of his failure to perform.

In a particularly lucid section, Easterly contrasts "planners", who set targets from the top, with "searchers", who identify what people want and then deliver it. He cites examples from Mexico,

Kenya, India and beyond, where such initiatives have worked. Obsessed with creating supply, planners don't know if what they supply reaches the target or if it is what the community wants. When mosquito nets are given away, they end up on the black market, as bridal veils, or as fishing nets. When they are sold, even at a tiny fraction of the cost, they are used, and malaria's spread is averted. Likewise, aid agencies tried getting people in Lesotho to become farmers and then blamed them for not working hard enough, ignoring that the people preferred working as migrant workers in South African mines because the pay was more certain.

Easterly concludes that "the only Big Answer is that there is no Big Answer". He prefers gradual progress rather than the big bang: less dramatic, but longer lasting.