

## A WORD FROM

Wade Channell, EGAT/EG/TI

### Easterly Unburdens: A Book Review from Wade Channell

Bill Easterly has good news and bad news for the aid community. The bad news is that most aid does not work. The good news is that some does.

Many are going to read *White Man's Burden* as a threat. I see it as an opportunity. This new book by a former World Bank economist dissects aid failures and proffers elements that lead to success. At the same time, it broadens our capacity for discussing the often experimental side development work. As Easterly points out, there is no fixed, proven formula for development, but we know that some things work and others fail. Without acknowledging this experimental side, we can shackle ourselves within a process that promotes untenable promises by implementers that they will deliver predictable outcomes based on purportedly proven techniques, when recognizing the very real uncertainties would permit more honest and useful evaluation and redesign for greater impact.

Easterly's basic premise is that centrally planned, top-down assistance (primarily loans) has done little to help the poor, and, even worse, has done significant harm. Effective development often happens piecemeal in an unplanned and arguably unplannable fashion. The difference is one of "Planners" versus "Searchers".

Planners attempt to implement grand, comprehensive (and utopian) schemes to address grand issues like "poverty reduction," "health," or "education." Searchers identify specific, measurable problems such as lack of water in a given village, presence of Guinea worms, or insufficient university options, and attempt to solve those. The difference in approach can also be described as supply-side versus demand-side responses to the problems of poverty and economic growth. Or, as he entitles one chapter: "The rich have markets, the poor have bureaucrats."

Easterly highlights various piecemeal reforms that have been very effective. These include Grameen Bank, schools started by returning émigrés, and market-based programs for distributing and selling inexpensive medicines to the very poor. There is no common theme among them that would lead to central planning of mega-projects based on a formula because, as he repeatedly stresses, **there is no formula.**

He is not rejecting all development assistance, only assistance that is proven to be ineffective. Easterly calls for improved support for Searchers, and for adoption of the Searcher mentality and approaches. Likewise, he opposes Planning, not planning – utopian schemes, not well planned demand-side support.

The book is significant in several ways. First, it will be read widely, even outside the development community, putting a spotlight on aid failures, thus increasing support for reform or elimination of various aid programs and institutions. Second, it is, in my opinion, fundamentally right about many of the weaknesses in the delivery of aid to the poor. Easterly emphasizes the need for greater "customer" input from beneficiaries, proper incentives, and accountability for results. The current spotlight on aid provides an opportunity – if not an obligation – to improve our strategies for effective impact, especially in those areas we already have doubts.

Most of the book's focus is on IMF and World Bank failure to promote reform effectively while lending to (and thus indirectly supporting) nonrepresentative, corrupt or ineffective governments. He decries the lack of accountability for projects that do not improve the plight of the poor. To illustrate, Easterly points out that no one is responsible for any of the multiple Millennium Development Goals because all are responsible and no one is accountable. Such Planning, he feels, is unlikely to break a long history of aid failures.

USAID (which, mercifully, is spared much mention in the book) has a comparative advantage over the Bank and Fund. Our long-term local presence, with in-country development specialists, enables us to work with the private sector, NGOs, associations and a variety of actors, monitor incentives and impact, and pursue demand-driven reforms. Our decision making is highly decentralized. We frequently work on very specific “piecemeal” reforms, which can be measured and evaluated, leading to greater accountability and effectiveness.

But there is room for improvement. Better application of the Easterly approach could generate some positive changes in our own delivery. For example, in my area of expertise – legal reform – much of the work I have seen across the donor community has little meaningful “customer” input. Laws are frequently drafted by foreigners and shoved through a compliant parliament in the interest of efficiency, something virtually unthinkable in the Western world. If implementation falters, the “successful” consultants get hired again to do the same thing in other countries. Unless more effectively monitored, implementers are not accountable for failure to achieve meaningful change, and neither are we. We are already improving performance in this area, but could achieve more as we promote better feedback in design and impact, evaluation of results, and accountability for success or failure.

USAID has a positive story to tell in light of the criticisms leveled by Easterly against aid programs. Decentralized, responsive design has produced important results. While the greater burden of aid reform may fall to the World Bank or IMF, we would do well to use this period of heightened scrutiny to get our story out. Rather than shoot or dismiss the messenger, we might do better to join him by redoubling our efforts to serve the poor more effectively.

*The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good.* William Easterly. 2006. Also see [LA Times op-ed](#).