



## Planners vs. Searchers

By Roger Bate : [BIO](#) | 28 Apr 2006

*The White Man's Burden* is a rare book. Its author, William Easterly distills all of his considerable knowledge and experience about foreign aid into it, and never pulls punches in a subject noted for star-studded platitudes and uncritical thinking. Given how aid has failed so utterly in so many places to alleviate the suffering of the poorest people, *The White Man's Burden* could have been a depressing read. But Easterly's natural good humor and humility -- as well as his solid narrative abilities -- make it an inspirational work. Perhaps no one knows better than Easterly that you need a good sense of humor to work in foreign aid to begin with.

The 2005 love-fest with Africa -- G8 summit, Live8 concerts, Angelina, Bono and Brad highlighting the plight of the poor, etc. -- and the ideal of making poverty history has led to an increase in aid funding from private and, especially, state coffers. Easterly's conclusion, however, is that this money will not only be wasted, but it will be counterproductive.

Foreign-aid is driven by "Planners" says Easterly. Perhaps the most famous planner and a determined opponent of Easterly is Jeffrey Sachs of Columbia University and the United Nations. Planners think of development as a technical problem that can be overcome by ambitious, multi-faceted, centrally-controlled campaigns, backed up by oodles of cash. Unfortunately, planning lacks market feedback mechanisms, so cannot measure useful performance indicators. Plus, Planners are rarely held accountable for their myriad failures.

Easterly masterfully destroys the key arguments, or "legends," of the Planners -- one being that we must give money to the poorest to get them out of the poverty trap, another that aid will lead to growth.

Worst of all Planners are in collusion with rich donors who, paradoxically, benefit from perpetuating the existing problems. It's as though aid agencies need to fail in their targets in order to maintain their missions. After all, if their programs succeeded they'd put themselves out of business.

Few are as candid about the real reasons for action as aging and former rock star, Bob Geldof, organizer of the Live8 concerts. Last summer he said: "Something must be done; anything must be done, whether it works or not."

Easterly demonstrates that nearly all aid programs fail to reach individually set targets:

"A UN summit in 1990, for example, set a goal for the year 2000 of universal primary-school enrollment. (That is now planned for 2015). A previous summit, in 1977, set 1990 as the deadline for realizing the goal of universal access to water and sanitation. (Under the Millennium Development Goals, that target is now 2015). Nobody was held accountable for these missed goals."

The point is the goals will never be hit, or at least not by the policies enacted to reach them. "Stop wasting our time with summits and frameworks" he says. And he repeatedly drills home the unnerving conclusion that Planners will *always* fail:

"The West cannot transform the Rest. It is a fantasy to think that the West can change complex societies with very different histories and cultures into some image of itself. The main hope for the poor is for them to be their own Searchers, borrowing ideas and technology from the West when it suits them to do so....Once the West is willing to aid individuals rather than governments, some conundrums that tie foreign aid up in knots are resolved."

To Planners, Easterly prefers "Searchers" -- those who learn through trial-and-error in the field. They won't achieve the ambitious goals set out by Planners, but they can and do deliver results.

Easterly's recommendation is to experiment based on the results, evaluate based on feedback from intended beneficiaries, reward success, and penalize failure -- a bit like the market does naturally.

Easterly also recommends agencies pool resources to fund independent evaluation of each aid agency's specific performance, rather than hiding failure through their internal reporting mechanisms.

While Easterly is critical of the foreign aid status quo, he cites many examples of ways in which aid has worked, such as food vouchers to poor families -- contingent upon children attending school rather than working in low productivity jobs. Such a scheme was pioneered in Mexico and is working well there and elsewhere.

Fortunately, Easterly doesn't fall into the trap of pronouncing grand solutions to the problem of planning. To do so would, of course, defeat the purpose of his book. There is no big plan that will ever work. In some respects this book is the best defense of the market there is. Even in areas where markets do not exist, the same incentive structures and the punishment of failure (as well as the much more widely trumpeted reward of success) are vital for aid ever to begin to work.

*Roger Bate is a visiting fellow at the [American Enterprise Institute](#), and cofounder of Africa Fighting Malaria.*