

WILLIAM EASTERLY

*The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good*

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It might have been expected that the experience of more than half a century of successes and failures of planned development around the world would have produced some consensus on determinants—on what works, what doesn't, and why. More narrowly, bilateral and international agencies concerned with development assistance might have reached convergent views on how foreign aid can best support the process through funding and advice. There is no such consensus, however, and scant agreement on what foreign assistance should do. William Easterly, a veteran of the World Bank but now reflecting on these matters at New York University, offers an entertaining and on the whole persuasive account of aid and its effects. He builds on his previous book, *The Elusive Quest for Growth* (2001), which sought to show "how the panaceas failed and how incentive-based policies can work."

Much of *The White Man's Burden* consists of potted histories and cautionary tales from the often dismal record of development assistance, some of them in the form of anecdotal "snapshots"—one- or two-page instructive sketches of persons or events. There are digressions on the evolution of property rights, land titling, effects of crime and predation, and the principal-agent problem. Scattered through it also are intriguing graphs relating development performance to indexes of democracy, corruption, trust, colonial background, economic freedom, and other nonconventional but arguably important features of the social setting. What might otherwise be a somewhat loose narrative is held together by a few overarching themes and conceptual sinews.

The main theme is the one implied by the book's provocative title, taken from Kipling in full imperial flight: that there is a parallel between the colonial enterprise of the former Western powers and the de facto relationship of today's donor countries (mostly those same powers—collectively "the West" in Easterly's usage) with aid recipients ("the Rest"). The similarities, Easterly maintains, lie both in the colonial and postcolonial West's self-regarding defense of their actions as bringing a beneficent order to backward peoples and, pace Kipling, in the typical reality of their doing nothing of the sort—indeed, in the sheer bungling of the endeavor. The link with the past is further strengthened by the assertion, amply documented, that the travails of many present-day failed or failing states—from Angola to Zimbabwe—owe much to a similar bungling of the process of decolonization.

The main conceptual device is the identification of two kinds of actors as influential participants in the development story: "planners" and "searchers." Planners, mostly from the West, are well-versed in development theory and laden with ambitious schemes to get things moving. They have bureaucratic counterparts in the recipient governments and exert leverage on those governments' policies as both experts and funders (if need be, with conditionality stipulations as back-up). Searchers, in contrast, mostly locals or returned expatriates, are energetic and often charismatic individuals who have promising if unproven ideas to try out. They are the social entrepreneurs, acting outside official channels and often with skimpy

funding. Needless to say, the two types are the bad guys and the good guys, respectively, in Easterly's story.

Jeffrey Sachs, Kofi Annan's top advisor on development issues and leader of the United Nations' Millennium Project, is the planner epitomized. Planners are also rife at the World Bank, as evidenced by the ambitious "structural adjustment" policies imposed on developing countries in the 1980s and by more recent vogueish efforts to foster "good governance." A planning mentality underlies the Millennium Development Goals, the Bush Administration's Millennium Challenge Compacts, the thinking of Tony Blair's Commission for Africa, and the "Make Poverty History" campaign—efforts reminiscent in some respects of the "big push" ideas of the 1950s. All of these are attempts at top-down reform, designed on the basis of high-sounding theoretical arguments but with at best slim evidence that they will work.

Searchers, the other and rarer kind of actor, are exemplified by Mohammad Yunus of the Grameen Bank, the enterprise that spawned the micro-credit movement. Numerous lesser known searchers, each with distinctive achievements, are also mentioned. Together they provide backing for Easterly's view that "the great bulk of development success in the Rest comes from self-reliant, exploratory efforts, and the borrowing of ideas, institutions, and technology from the West when it suits the Rest to do so" (p. 363).

What should be done, it might seem, is to shift foreign aid funding from planners, who largely waste it, to searchers, who would not. Investing in ideas and experimental projects, away from bureaucratic inertia and corruption, has obvious appeal—although diminishing returns might soon set in through creation of new bureaucracies and opportunities for waste. But while acknowledging the virtue of searchers and their value especially for the well-being of those at the lower end of the income distribution, the reader might well doubt whether they are really the leading edge of the development effort. Social entrepreneurship is admirable, but might not ordinary *economic* entrepreneurship offer higher social as well as economic returns? And if we then seek to create the conditions under which economic entrepreneurs can thrive, we are led back to the very kind of reforms the planners were (fruitlessly) attempting. Thus the larger lesson Easterly is conveying, spelled out in his final two chapters, is that development has to be homegrown and that all foreign assistance can and should do is help at the margin. The West, he concludes, should free itself from utopian goals and naïve beliefs that it can transform whole political systems and concentrate on what it *does* have the ability to do: "get the poorest people in the world such obvious goods as the vaccines, the antibiotics, the food supplements, the improved seeds, the fertilizer, the roads, the boreholes, the water pipes, the textbooks, and the nurses" (pp. 368–369).

That is a comfortably concrete recipe for good works, but the fact remains that institutional reform is still needed. Moreover, it is not impossible to engineer. Long-established arrangements admittedly tend to be resilient, and institutional path dependence is thus a potentially powerful feature that must be respected. But that is to make the case for astute design of reform, not for avoiding the problem. Easterly implicitly concedes that point by expressing admiration for Hernando de Soto's *The Mystery of Capital*, with its simple but powerful reform route of offering land titles to urban squatters. A substantial role for foreign assistance plausibly lies in assembling worldwide experience, good and bad, of induced institutional change.

The design of public health systems is an obvious case in point where the transfer of experience has yielded major benefits. Easterly remarks that foreign aid successes are found more frequently in public health than in other sectors, and discerns the reason in the immediate feedback that program clients—individuals or communities—supply to program workers. AIDS programs he sees as an exception to this, given the continuing spread of the epidemic. Family planning, though not mentioned in the book, would probably also count as an exception—here because the single program model that came to dominate, under the influence of a strong and comparatively well-funded international movement, effectively supplanted or preempted most homegrown initiatives.

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