



# Perspectives



2007 EDITION

## Ethics of International Aid

# A Letter from the Editor

**W**e live in an age of aphorisms. Complex situations, both political and economic, that have developed over generations are routinely over-simplified to produce something that strikes the correct emotional chord and is pleasing to the ear. Something catchy and easy to remember. Something that triggers a mental association.

Policy makers don't often take the time to flesh out the intricacies and complexities of problems, and the public—for the most part—fails to demand more than the facile sound bites it is fed. Why? People are busy and often prefer not to think too hard about serious things; they like to have things boiled down to a simple thumbs-up, thumbs-down decision. The poorest people in the world need help; we in developed countries have money, expertise, and a moral obligation to give what we can. Thumbs-up.

For many outside the development community, this boils down to giving money to support a nongovernmental or charitable organization ostensibly doing work in line with the donor's moral values. Some even go so far as to write a letter to their elected representatives, though often these are form letters drafted by somebody at an organization who was paid to write a concise and articulate request using at least one or two catchy phrases ... Politicians don't always like to think too hard about things either.

However, for those of us who have committed our lives, or at least a portion of them, to the laudable goal of improving living conditions for those at the bottom of the global socioeconomic ladder, we often spend long periods

thinking about complex situations. Most of the time, as we unpack a seemingly simple question like how to improve the education level of young girls in Country X, we end up unraveling the Gordian knot only to discover inextricably conflicting interests, technical improbabilities, and other daunting impasses.

Dispirited and downtrodden by the lack of clean answers to basic problems we question ourselves, our effectiveness, our ability to do anything right. This is a good thing. We should critically question what is we are doing; whether we really are helping the needy. And we should do it continually. We, the practitioners and policy makers, have a moral obligation to question our actions and an even stronger obligation to act when we recognize something disingenuous, wasteful, or hurtful.

I'm not trying to put development professionals on a pedestal, and certainly not at the expense of concerned citizens around the world looking to make a difference in the lives of those in need if anything, the world needs more concerned citizens willing to question the policies and actions of their governments. But I am saying that the development community has an overarching moral responsibility that can best be summed up by another aphorism: "Do no harm."

Before the Gates Foundation, GTZ, MCC, or any other development agency attempts to hurdle over its 'competitors' to be the first to throw money at a complex issue, they should remember that brief caveat. Before implementation begins, serious attention must be paid to the potential ramifications social, political, and economic a develop-

ment project could have on different levels of society. Impact evaluation and monitoring measures need to be integrated into all stages of a project, not just added on if there is enough money left over in the budget. And practitioners must have integrity to act decisively on impartial and informed assessments to adjust or end projects, which though well-intended may be hurting more than they are helping. Development projects are not innocuous and should be driven by demand, as opposed to budgeting cycles or tax incentives.

In the process of attempting something as straightforward as helping the needy, we in the development community are faced with a number of questions, many of which are heavy with ethical implications. The responses at these decision-points are rarely clear-cut and often involve a difficult moral calculus, requiring us to weigh the gains of some against those of others. I am not sounding a clarion call for inaction or an end to development, but I am strongly urging the development community to continue to give the ethical implications of our actions their due. We owe it to the people whose lives we change to thoughtfully consider these decisions and always try to act in their best interest.

I hope the articles in this year's edition of SAIS Perspectives shed light on some of the difficult ethical considerations we have faced and will continue to confront throughout our careers in international development.

Thank you for your continued support,  
Evan Mangino  
*Editor-in-Chief*

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## COVER IMAGE: *Sign posts in Gulu, Uganda*

I took this picture in Gulu, Northern Uganda in early 2006. I was struck by the abundance of international aid organizations operating in this small town. Just walking down the street provides a catalog of well-known Western NGOs: CARE, War Child, World Vision, and others. Development terms like “income-generating activity” are common parlance for the population. Gulu is at the heart of the relief effort for the conflict in Northern Uganda. In the neighboring internally displaced persons camps, the USAID logo of hands clasping and USA in bold letters are seen on the tin doors of huts; metal food aid cans put to good use.

When talking to Ugandans, it became clear that the best and brightest aspire to work for one of these international organizations, which pay much better than the government or many local businesses or organizations could. The

precarious position of the hospital sign in the photo is indeed indicative of the state of the local government-run hospital. The aid organizations do much for Northern Uganda, but one is left wondering if those bright young people aspired to work in government and the private sectors, might the economic situation improve more quickly?

*Cecily Brewer, MA '08, is a first-year Conflict Management student. She took the photograph while in Uganda for a youth summit organized by the Global Youth Partnership for Africa. She hopes to work on conflict prevention and peace building in Africa.*

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# Aid Agencies and Advocacy in Darfur

## THE DUTY TO SPEAK OUT EARLY

BY VICTOR TANNER

There is a paradox in how international public opinion has reacted to the war in Darfur and the atrocities committed there, most of them by the Sudanese government and its proxy militias. In many ways, the reaction has been extremely strong. Official responses have been severe. Western and African governments alike have repeatedly condemned Khartoum's actions in Darfur. Last month in Addis Ababa, the African Union denied Sudanese president Omar al-Bashir the organization's revolving chairmanship, despite an aggressive diplomatic campaign by Khartoum. In September 2004, then-Secretary of State Colin Powell qualified, on the record, the attacks on Darfurian civilians as "genocide." In early 2005, a United Nations (UN) commission of inquiry found that while the "Government of Sudan ha[d] not pursued the policy of genocide in Darfur [para. 519]," its actions and those of its proxies amounted to crimes against international law, and that "such international offences as crimes against humanity or large scale war crimes may be no less serious and heinous than genocide [para.522]."1

More striking perhaps has been the grassroots mobilization that Darfur has triggered, primarily in the United States but also increasingly in Europe: rallies on the Mall in Washington, DC, full-page ads in national newspapers, banners outside churches and synagogues, and "Save Darfur" placards on the sides of buses and billboards in American and even European cities.<sup>2</sup> There is a strong effort underway to draw attention to the crisis,

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and especially to the human rights abuses that underpin it, even as the conflict enters its fifth year and violence is on the increase.

Nevertheless, the perception that international public opinion reacted early and swiftly to the unfolding horror in Darfur, while commonly held, is in fact deeply mistaken. International public opinion only caught on to what was happening a year into the crisis. This leads to an important question regarding aid agencies and advocacy, What responsibility do aid agencies, especially those groups with a presence on the ground, have to speak out about a crisis that is not gaining international attention?

The perception that the world woke up early to what was going on in Darfur

**The perception that the world woke up early to what was going on in Darfur is as pervasive as it is inaccurate.**

is as pervasive as it is inaccurate. Yes, the mobilization on Darfur around human rights themes, and particularly genocide, is a departure from other conflicts that either lingered for years, or were over before the human rights dimension gained any traction. In past years, I have heard numerous diplomats, advocates, researchers, journalists, and aid workers say they took early stock of the Sudanese government's campaign against civilians in Darfur and reported on the resulting abuses.

But the fact is that it took almost a year—and in some cases more—after full-scale violence erupted in early 2003 for the world to notice the scale of abuses against civilians in Darfur.<sup>3</sup> Terrible things were done during that period. In January 2004, the campaign of Sudanese government attacks had, according to the UN in Sudan, displaced around 700,000 Darfurians—600,000 within Darfur, and 95,000 Darfurian

refugees in neighboring Chad.<sup>4</sup>

In late October 2003, United States Agency for International Development Administrator Andrew Natsios spoke of 300 villages burnt to the ground and 600,000 displaced. Amazingly, no one in the U.S. press really reacted. In December 2003, the UN's Under-Secretary-General for Humanitarian Affairs, Jan Egeland, called the humanitarian situation in Darfur "one of the worst in the world."<sup>5</sup> This triggered some media coverage. But it took the tenth anniversary of the Rwanda genocide to remind the world that another bout of mass violence was unfolding unnoticed. Why is that? The answers are many. Lack of vision. Lack of attention. Lack of commitment. Lack of courage. The

lesson, ten years after Rwanda and Bosnia, is a sobering one. One cannot assume that massive human rights abuses will be reported in time for action. Not by the free press. Not by human rights and advocacy organizations. And not by the aid agencies that work in the field.

In the nine months during which those 700,000 people were burnt out from their homes, the mainstream Western press was, for all intents and purposes, silent despite regular dispatches from wire services and the BBC's Africa service. In the United States, the word Darfur did not appear once in the pages of the *New York Times* in the whole of 2003—though the *Times* ran the first significant Darfur article in the US in January 2004. The *Washington Post* only carried three cursory mentions of Darfur in 2003, and its first real report came only in February 2004. CNN's first

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on-air mention came on 3 May 2004. In the United Kingdom, the *Daily Telegraph*, the *Times* of London and the *Independent* carried their first reports of substance on Darfur in April 2004. The *Economist* did marginally better, with an article in January 2004. *Le Monde* made three passing references to Darfur in 2003—once in an article on Marcel Proust and twice

## Aid agencies are seldom prompt to speak out about human rights abuses.

briefly in December in connection with the North-South peace talks—though it published a remarkable report in January 2004, based on extensive field reporting behind rebel lines.

Leading advocacy groups were also remiss in reporting on the unfolding violence. Two groups in particular stand out: Human Rights Watch (HRW) and the International Crisis Group (ICG). Both organizations have reported doggedly on the human rights and political situations in Sudan for years. Yet on Darfur they were both late, even if they subsequently went on to provide in-depth analyses of the crisis. HRW issued its first Darfur report in April 2004, some fourteen months after large-scale atrocities had started. And though ICG had—unlike HRW—broached Darfur in 2003, its first full report on Darfur only came in late March 2004. Some groups did report on Darfur in 2003; Amnesty International followed the crisis as it developed, as did smaller advocacy groups, such as Justice Africa in the United Kingdom and independent Sudan activist Eric Reeves in the United States. The UN's Special Rapporteur on the situation of human rights in Sudan, Gerhard Baum, also reported on growing Arab militia violence in Darfur as it developed in early 2003, before seeing Khartoum leverage diplomatic support from countries like South Africa and Kenya to end his

mandate in April 2003 in one of the most shameful votes at the UN Human Rights Commission in Geneva.

Who then could have informed the world about the unfolding disaster in Darfur? This is where arises the issue of the advocacy role of aid agencies in human rights disasters like Darfur. Aid agencies are seldom prompt to speak out about human rights abuses. Many, though not all, argue that public advocacy concerning human rights violations is not part of their mandate, that it is not their

strength, and that it undermines their neutrality, especially if it leads them to take a position they consider political.

This reluctance notwithstanding, the silence of aid groups working in Darfur in 2003—with the shining exception of *Médecins Sans Frontières*—is striking. Agencies on the ground know what is going on; their work is often a direct consequence of the abuses. In those first nine to twelve months of the crisis, when no one was paying attention to Darfur, it would seem that agencies on the ground had a special duty to speak out.

Especially striking was the behavior of two premier British NGOs, Save the Children UK and Oxfam GB, because of their long presence in Darfur. Both organizations are highly regarded internationally by private and public donors. Both have, in recent years, stressed human rights as a central plank of their action on behalf of the world's poor. Both agencies had been running relief and development programs in Darfur since the great famine of 1984–85. Over those nearly 20 years, they developed strong social and political networks in Darfur. They promoted Sudanese staff, often Darfurians, to senior managerial positions and benefited from their analyses and insights. Their understanding of the region was informed and sophisticated. Yet, as the situation in Darfur deteriorated in 2002 and erupted into full-scale violence in 2003, neither

agency explained to the outside world, publicly, what was going on in Darfur.

Rather, these two agencies limited themselves to what they called 'private' advocacy: raising Darfur in coordination meetings in Khartoum and London, and—according to them—offering confidential briefings to international diplomats.<sup>6</sup> Otherwise, these two agencies—which for nearly two decades had received money from the British public and international donors to aid and empower Darfur communities—did not speak out publicly about the atrocities some of these communities were subjected to until well into 2004, more than twelve months and a million displaced persons after the beginning of the violence.

According to its website, Oxfam GB issued its first press release on Darfur on 24 May 2004. The release notes “the positive moves by the Government of Sudan to grant visas and facilitate travel permits for aid agencies to work in Darfur,” and quotes an Oxfam regional director as saying “the international community and the Government of Sudan need to work together to end civilian suffering [in Darfur].” The release makes no mention of government-sponsored violence.<sup>7</sup>

On its website, the first public mention Save the Children UK makes of Darfur—one line—comes on 25 May 2004, one day after Oxfam's first statement, indicating possible discussions between the two agencies. Subsequent releases in June and July 2004 describe the violence, but make no mention of Khartoum's role in it. The July statement focuses on the dispatch of a relief flight to Sudan to address the “growing humanitarian crisis” in Darfur.<sup>8</sup>

This author contacted the press services of both agencies via email and phone in March 2007. Neither could point to any earlier public mentions of Darfur by their agencies.

Agency staff say one reason for this reluctance to speak out was concern for the safety of their Sudanese staff.<sup>9</sup> This was a very real, very valid concern. But it should also be noted that a number of Darfurian staff members from these

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agencies told me they felt it important to draw public international attention to the crisis—others disagreed. The agencies also feared endangering their operations should the Sudanese government decide to retaliate and expel them. Regardless of what one thinks of the validity of the latter reason, the clear fact remains that aid agencies cannot be counted on to speak out on developing human rights disasters.

A sustained public campaign in 2003 to explain the nature and magnitude of human rights abuses in Darfur would have forced the world to pay attention. It would have forced media coverage, as Under-Secretary Egeland's declarations belatedly did in December 2003. It would have forced the attention of advocacy groups. And it would have forced a more open debate on the wisdom of neglecting the spiraling violence in Darfur in favor of the North-South peace negotiations between Khartoum and the Sudan People's Liberation Movement. All of this might not have changed anything in the long run—after all, Powell's September

2004 genocide statement did not really change U.S. policy—but one thing is certain: silence is sure to change nothing.

When aid agencies have been in a place for a long time—especially somewhere as remote and invisible to the world as Darfur was in early 2003—there is a special onus on them to speak out publicly if massive human rights abuses are taking place. They have a responsibility to draw international attention to what is happening—to educate the world. They have the knowledge and understanding to speak out. They have the credibility and the legitimacy to speak out. Indeed, they have a duty to speak out. Publicly.

### Endnotes

1. "Report of the International Commission of Inquiry on Darfur to the United Nations Secretary-General," 25 January 2005, posted at <http://www.ohchr.org/english/docs/darfurreport.doc>, accessed February 2007.
2. For examples of popular awareness and mobilization in the United States, see Neela Banerjee, "Muslims' Plight in Sudan Resonates with Jews in U.S.," *New York Times*, 30 April 2006.

3. In fact, by early 2003, large areas of Darfur had already been in a state of low-level war for several years, and the world was oblivious despite numerous civilian atrocities. See Julie Flint and Alex de Waal, *Darfur – A Short History of a Long War*, Zed Books (2005): 76.

4. United Nations: "Darfur Humanitarian Needs Profile," updated 10 January 2004, posted at <http://ochaonline2.un.org/Default.aspx?tabid=7575>, accessed February 2007.

5. UN News Centre: "Humanitarian and security situations in western Sudan reach new lows, UN agency says," 05 December 2003, posted at <http://www.un.org/apps/news/storyAr.asp?NewsID=9094&Cr=sudan&Cr1>, accessed February 2007.

6. According to author discussions with Save UK and Oxfam GB officials in 2004 and 2005, and public remarks by a Save UK manager at the ALNAP Biannual Meeting in Brussels, 08 December 2005.

7. Oxfam GB press release: "Oxfam expands humanitarian relief operations in Darfur, Western Sudan," 24 May 2004, posted at <http://www.oxfam.org.uk/press/releases/sudan240504.htm>, accessed in March 2007.

8. Save the Children UK statements: "Development key to Sudan peace" (25 May 2004), "Refugee crisis threatens Sudan" (30 June 2004), "Aid flight to leave for Sudan" (28 July 2004), posted at <http://www.savethechildren.org.uk/scuk/jsp/resources/archive-a.jsp?fromgroup=news&section=news> in March 2007.

9. According to author discussions with Save UK and Oxfam GB staff in 2004 and 2005.

## The Ethics of Humanitarian Intervention

FRANCIS FUKUYAMA

Particularly since the end of the Cold War, the international community has engaged in numerous humanitarian interventions. A majority of these cases involved peacekeeping, humanitarian assistance, and reconstruction in the wake of conflict, as in the cases of Lebanon, Namibia, El Salvador, Cambodia, Mozambique, Angola, Eastern Slavonia, and East Timor. In other cases, the interventions did not occur under permissive circumstances and involved the use of coercive force, as in the cases of the 1991 Gulf War, Somalia, Bosnia, Kosovo,

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Sierra Leone, and Afghanistan. There is by now a large literature on this subject, both concerning the ethical justifications—or lack thereof—for the violations of national sovereignty these interventions necessitate, as well as evaluations of the practical lessons such interventions have provided.<sup>1</sup>

There has been a shift in thinking over the past twenty years towards a belief that universal standards of human rights and justice supercede the principle of national sovereignty on which the Westphalian state system has been built. Such overriding of national sovereignty was codified in the 1998 UN resolution asserting a "duty to protect" on the part of the international community.<sup>2</sup> This is not, however, the ethical issue I want to explore here. Rather, the question is whether intervention on the part of

the international community to stop conflicts and protect existing borders is in some cases doing more harm than good. Humanitarian intervention is well-intentioned, seeking to save lives in the short run, but it tends to freeze conflicts in place, leaving them to fester and reemerge later. It can also, in the long run, stand in the way of state formation and consolidation, leading to weak states and poor developmental outcomes.

State formation in Europe and North America was a prolonged and bloody process. Europe went from being a region with over 300 sovereign entities during the Middle Ages, to having around thirty much larger units at the time of World War I. State formation has continued up to our day, with the former Soviet Union and Yugoslavia breaking up, and new

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entities arising out of them. One of the dirty secrets of the modern state is that its stability has often arisen as a result of ethnic homogenization. Much of 20<sup>th</sup> century European history was the story of ethnic consolidation, as interspersed groups moved or drove one another into more homogeneous areas—a process now labeled ethnic cleansing. This did not begin in Bosnia; Greeks and Turks, Turks and Armenians, Germans and Czechs, Poles and Germans, Poles and Ukrainians all pushed and shoved against one another. The dream of tolerant, multiethnic societies often had to give way to a reality that required ethnic consolidation first.<sup>3</sup>

### The fact is that not all political disputes can reach a just or stable settlement without violence.

Africa's endemic instability and state weakness is related to the fact that the existing sovereign entities there are byproducts of colonialism, and make little economic or ethnic sense. In some cases states are way too large. Sudan, for example, has been built around an Arab core in Khartoum, but has important black ethnic minorities in the South and in Darfur to the West. Sudan has engaged in a horrendously bloody civil war over the past 30 years to preserve Khartoum's sovereignty over this territory—a task made more urgent by the presence of energy resources in the South—and the 2005 peace agreement reached between the South Sudanese People's Liberation Army (SPLA) and the Khartoum government may well break down over the referendum scheduled for 2008. In ethnic terms, Darfur should really be part of neighboring Chad. It is not commonly recognized that the humanitarian crisis there arose when several Darfurian rebel groups started fighting for autonomy following the example of the SPLA's deal. The ultimate issue for these groups is not the rights of Darfurians in Sudan, but independence.

In other cases, states are too small.

Most of the Sahelian states of Africa—Chad, Niger, Mauritania, Cameroon, etc.—are poor, geographically isolated, and thinly populated, with little economic viability on their own. Here state consolidation would make economic, and to some extent ethnic, sense. But the norm sanctifying existing colonial borders, desired by African elites and supported by the international community, prevents this from happening.

It is easy to see why respect for the status quo has become the default political preference. There is a great fear that changing one border will lead to a cascading rearrangement of all borders. But preserving the sovereignty of existing states has also been extremely costly, as in Sudan's case. Formal respect for borders displaces but does not end conflict;

nearly a million people have died in the Democratic Republic of Congo (DRC) in the past decade as external powers sought to change outcomes inside the DRC.

When an inter- or intrastate conflict occurs—producing displaced people, hunger, and death—the first response of the international community is to seek a ceasefire, freeze the conflict in place, and insert humanitarian relief agencies and international organizations to protect the conflict's victims. The ethical question is usually much more complex than the simple one of saving lives and preventing human rights abuses, however. The international community, whether in the form of the United Nations or other major international organizations, usually scrupulously avoids taking sides in the dispute, arguing that whatever the underlying source of the conflict, the latter should be resolved peacefully. If the refugees are the product of one party unjustly driving them out of their homes or denying them autonomy, as is arguably the case in Darfur, an intervention that simply feeds and shelters them without addressing the underlying grievance actually works to the benefit of the oppressor.

The fact is that not all political disputes can reach a just or stable settlement without violence. The American Civil War occurred because peaceful efforts between North and South to split the difference on slavery ultimately did not work. That conflict was incredibly bloody, leaving 600,000 Americans dead, but it did settle the issues of slavery and American national unity once and for all. It is not clear that things would have been better had there been a powerful international community back in 1862 that could have intervened, brokered a ceasefire, and frozen the ante bellum status quo.

Jeremy Weinstein of Stanford and the Center for Global Development has written on “autonomous recovery” from conflicts ignored by the international community in Somaliland, Puntland, and Uganda.<sup>4</sup> These were conflicts too complex or obscure to merit attention on the part of the international community, and were therefore left to work themselves out. Under these circumstances, the different parties fought one another until they tired of it, and on their own accord worked out peace settlements. Weinstein argues that these settlements are durable because they were reached by the parties on their own, reflecting a local balance of forces, rather than requiring continuing international involvement.

I am not making the argument that it is more ethical for the international community to stand aside when grave human rights abuses are being committed, or when one country violates another's sovereignty. I am suggesting, however, that the ethical problem is more complicated than simply brokering a ceasefire and sheltering the conflict's victims. Long-term development, whether economic or political, requires peace and a functioning state. In many developing countries neither exists; weak states foster conflicts and conflicts weaken states. There may be times when state-building, consolidation, or state breakup may be necessary for long-term stability. And there are times when these objectives cannot be achieved peacefully. No one would want Africa to duplicate Europe's

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bloody history of state-building; this is precisely the reason why the developed world has sought to enforce a norm against the violent moving of borders. But surely it is also not realistic to think that universal enforcement of the political status quo in place at the time of the collapse of European colonialism will in all cases be a long-term basis for development, either.

## Endnotes

1. For an overview, see Dobbins, James, et al., *The UN's Role in Nation-Building: From the Congo to Iraq* (Santa Monica, CA: Rand Corporation, 2005).
2. On this shift, see Hoffmann, Stanley, *The Ethics and Politics of Humanitarian Intervention* (Notre Dame, IN: University of Notre Dame Press, 1996); Weiss, Thomas and Cindy Collins, *Humanitarian Challenges and Intervention: World Politics and the Dilemmas of Help* (Boulder, CO: Westview Press, 1996); Carpenter, Ted Galen, *Delusions of Grandeur: The United Nations and Global Intervention* (Washington, DC: CATO Institute, 1997).

3. Thus for example the Vance-Owens plan for Bosnia, which would have preserved the latter's multiethnic character, failed. It was ultimately replaced by the Dayton accords, which was a communal power-sharing arrangement by the ethnic parties, made possible only by the ethnic consolidation that preceeded it.

4. Weinstein, Jeremy, "Autonomous Recovery and International Intervention in Comparative Perspective," Center for Global Development Working Paper 57 (April 5, 2005).

# Can We Choose Between Camels and Crops?

MALKA OLDER

"I'm surprised," the Project Officer said. "These people are very angry with the government. I thought they would be very close with the government."

"Angry why?" I asked. We were sitting on a plastic floor mat spread in the shade of an acacia tree, scooping tinned tuna out of a bowl with our fingers and bits of bread.

"The government promised them many things and they haven't gotten anything," the Project Officer said. "You can see, they are very poor here."

I was afraid to ask. "Were they involved in the conflict?"

The Project Officer shook his head. "No, they said they didn't do anything. The cousin of the sheikh had some part in it, and now he has a big house in town with the money he got. They said they don't talk to him any more."

The project officer and I were responsible for implementing a hygiene promotion training in a remote, semi-nomadic settlement in the wilds of West Darfur, Sudan. He was Fur, and had been displaced by the conflict. The community we were working with was Bani-Hussein, an Arab tribe. Considering

that the same Project Officer had, some three months earlier, told me that *all* Arabs were Janjaweed, the notorious militia accused of genocidal acts against the Fur, I was impressed by his lack of skepticism in this particular case. For myself, I was still considering the ethical implications of my decision to move out of the predominantly Fur—almost entirely displaced—town where we were based and extend our programming to rural populations, including Arab nomads. Were we helping the people who had triggered the conflict in the first place? Or even if this community had not been involved in the previous violence, would our intervention affect their role in potential future clashes?

The conflict in Darfur has been widely portrayed as a war between Arab and "black" African tribes—it is usually, though not always, impossible to guess the tribal affiliation of an individual based on skin color. The Western media and many international organizations have, moreover, supported charges of genocide by emphasizing an alleged ethnic agenda on the part of the Arab tribes and the allegedly complicit government and the relentless victimization of African tribes.

As in any conflict, the complexity of the problems in Darfur defies such easy simplification, although these broad-strokes do outline some elements important to understanding the issues. Analysts and academics can wrestle for years to come over the exact nature and causes of the war. The pressing question

for organizations on the ground is: how can aid workers working with dozens of different tribes, centuries of history, and unreliable sources of information make decisions about disbursement of programming that at a minimum do not worsen the conflict, and ideally help to mitigate it?

The question is not unique to Darfur. Most complex emergencies include a vast array of actors with hundreds of years of intertwined histories, which aid workers are ill-equipped to understand—conflict management is usually not a primary objective, falling well behind the implementation of emergency programming. Beyond the inherent difficulties of understanding a foreign context and the pressures of humanitarian aid delivery, there is also the problem of deliberate misguidance. The rival factions in a conflict each explain their own version of events and assign blame accordingly. Moreover, aid itself has become the subject of contention on the ground, and any situation that includes rival authorities—a government and an insurgency—is likely to also include attempts to manipulate humanitarian aid. The basic humanitarian principles guiding emergency relief work include impartiality and neutrality, but these principles are nearly impossible to put into practice, and even more difficult to maintain in the perception of stakeholders.<sup>1</sup>

There is a humanitarian justification, if

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not an absolute humanitarian imperative, for moving out beyond the internally displaced persons (IDP) camps and targeting nomadic, semi-nomadic, and settled rural communities in aid disbursement. While the displaced population clearly had a greater immediate need, that need is being addressed, while the nomads, who have comparable levels of poverty, receive

### To limit our assistance to one of the needy groups would be to perpetuate the divisions that had deepened the conflict.

far less attention from humanitarian organizations. The conflict has disrupted fragile economic balances—interrupting trade routes and supply chains, decimating the harvest—with serious impacts even on those not otherwise affected by the fighting.

It was that same fragility of the economic structure that worried me as I looked out over the barren scrubland, towards a small herd of camel grazing among the grass shacks. Survival here has always been based on competition for scarce resources. The scant green the camels were eating might have been someone's harvest. If the camels thrived, then they would be more fertile, and the herd would need more land and more water. The camel-herders would be less likely to peacefully accept a resettlement of IDPs on land needed for the herd. The equation works the same way in the other direction. If the farmers are able to exclude herders from arable land, the nomadic way of life will be impossible to maintain. In spite of these difficult questions, most humanitarian agencies have been looking for ways to broaden their interventions.

In the hopeful moments after the partial signing of the Darfur Peace Agreement in May 2006, donors urged nongovernmental organizations (NGO) to attempt a more inclusive distribution of aid, and many agencies agreed it

would be difficult to make the transition to development programming without including non-displaced communities as well. Focusing aid exclusively on one group could arguably be detrimental to sustainable peace. And to limit our assistance—which was vastly out of proportion to the level of need in the local economy—to one of the needy groups, even if it was the neediest, would be to perpetuate the divisions that had deepened the conflict.

Perhaps more of a concern for many

agencies was the potential security risk involved in addressing the needs of only one group. It was reported in 2006 that Arab populations robbing NGOs in Jebel Marra complained specifically about seeing the aid flowing past them, without ever receiving attention to their own very real needs.<sup>2</sup> While this does not justify violent appropriation of that aid, it does indicate a consciousness about aid targeting and a perception of injustice. On the other hand, providing sustainable development assistance to all groups could theoretically improve the chances for peace, reducing the pressure on scarce resources and the need to fight over them.

I was also hoping that by bringing our Fur staff to work with an Arab community, we might start to rebuild the links that were destroyed by the shocking atrocities of the conflict. From my outsider perspective, I found the Project Officer's earlier insistence that *all* Arabs were Janjaweed disturbing and counter-productive. Educated to question any generalization, I also found it difficult to believe—even after hearing many “black” Darfurians assert it with absolute certainty. In this atmosphere of deep ethnic mistrust, it seemed to me that increased contact between the groups was imperative. But at the same time I also wasn't ready to accept the claims of these nomads that they had had no part in the conflict. And the idea of distributing jerry cans and soap

to the perpetrators of atrocities was at least as disturbing as the blind generalization about every member of a group.

The question of how to identify guilty parties among claimants for aid is a frequent challenge for humanitarian agencies trying to make sense of complex foreign conflicts with vast arrays of actors. Carola Weil cites the case of Rwanda, where “UNHCR's protection mandate favored refugee camps outside Rwanda but which were populated by members of the former Hutu government of Rwanda that had perpetrated the genocide.”<sup>3</sup> While this may be acceptable under the impartiality principle of humanitarian assistance, it is ethically difficult to swallow, and does little for the perception of neutrality.

It also leads us to a second even thornier dilemma, What if humanitarian aid is detrimental to peace and/or justice? The International Committee of the Red Cross lists “complicity in abuses” as the first of five major moral hazards in humanitarian aid; suggesting, for example, that “feeding refugees may help armed factions regroup.”<sup>4</sup> Similarly, assistance to nomad communities in Darfur, even if they were innocent of any previous atrocities, might help them defend newly acquired territory against displaced people seeking to move out of camps.

The neutrality principle of humanitarian aid, while an important goal, is all but impossible in practice. Particularly in resource-based conflicts, aid disbursement—even to people who are clearly civilians—will have repercussions on the balance of power among stakeholders. Hugo Slim writes that “while terms like capacity-building and participation can be presented simply as technical common sense, they are also essentially political processes which can transform power structures and power balances. [...] Depending on where and how you do it, such humanitarian good practice can make communities more powerful, governments more powerful and armed groups more powerful. It can change the balance of power.”<sup>5</sup>

Changing the balance of power is not

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## Camels and Crops

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necessarily a bad thing. Many violent conflicts arise from legitimate grievances over unjust power structures. Even if we could fine-tune our aid to empower all groups exactly to their pre-conflict levels, that might only lead to renewed violence. However, we are spared that dilemma, since it is impossible to calculate the political effects of aid with that kind of finesse. The complexity of emergency situations, the far-reaching and ambiguous effects of humanitarian interventions, the multiple overlapping relationships at stake, as well as the staggering logistical and operational difficulties of these environments, ensure that we rarely have more than a vague idea of the power structures that we are undermining or reinforcing with our programming. Weil notes that “neutrality of relief depends on an equitable distribution of resources which is difficult to achieve.”<sup>6</sup> Perhaps impossible.

What we can do is try to be sensitive not only about who we target, but about how we provide assistance, considering in particular what resources are possible flashpoints for conflict. In Darfur, where land and water are intensely disputed, an additional hand pump could make a semi-

nomadic community less willing to travel or cede the land to returnees. A greater supply of water can lead to increases in cattle, which in turn means greater friction between farmers and herders. In our programming for nomads we tried to focus on portable, transferable benefits: hygiene awareness, fuel-efficient stoves made from local materials. This meant, however, that we were not addressing the severe problem with water that the nomad community faces.

We also tried to build peace-building into our activities, at least in principle. Like most conflicts, the problems in Darfur are between different groups but driven by individuals. To target our programming solely based on tribal affiliation is to buy into the “ethnic conflict” mentality that has been so effectively exploited by those responsible for the violence, and to risk becoming parties to, if not a proxy war, then at least a proxy arms race, where the arms are access to land and water.

As an individual, I try to focus on the personal level. The Project Officer, who once thought all Arabs were Janjaweed, decided these particular Arabs were safe enough to eat with, and we slept under their protection. When the nomad women came into our town for market day, they

stopped at our office to sit and talk with the women who had taught them to make fuel-efficient stoves. These small interpersonal connections do not resolve the ethical dilemmas humanitarian aid faces in the field—and they might not even balance out our mistakes—but I can hope they represent some small steps away from the generalized fear and hate of war.

### Endnotes

1. Originally enumerated and later elaborated by the International Committee of the Red Cross. Quoted in “The Mohonk Criteria for Humanitarian Assistance in Complex Emergencies,” Introduction by Jon M. Ebersole, *Human Rights Quarterly* 17.1 (1995): 192-208.
2. Taken from a personal email.
3. Weil, Carola, “The Protection-Neutrality Dilemma in Humanitarian Emergencies: Why the Need for Military Intervention?” *International Migration Review*, Vol. 35, No. 1, (Spring, 2001): 81.
4. Slim, Hugo, Red Cross Red Crescent: World Disasters Report 2003. Chapter 1.
5. Slim, Hugo, Idealism and Realism in Humanitarian Action. Two talks given at the ACFID Humanitarian Forum Canberra, 5 October 2005.
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## Fools Rushing In?

STEPHEN SCHWENKE

How does our thinking about international development change when governance crumbles and all social order is gone? Important moral ideals lose their foundation during times of violent conflict; any semblance of public morality is lost, life is suddenly held to be of little value, and any notion of “human dignity” is demonstrably absurd. Development specialists flee,

replaced by relief workers with very different assumptions of what constitutes “effectiveness.”

In times of extreme crisis, development work ceases. In its place comes a quiet—and always too small—contingent of emergency relief personnel. These people, of high moral ideals and intense commitment, endure enormous sacrifices. Yet how different are they from development workers, and what central moral concepts distinguish

relief and development?

Relief workers operate from a very basic human moral response: to offer care and assistance to all those in need; to respect the value of each human life; and to treat all individuals as moral equals. Relief workers struggle to keep as many people as possible alive and safe, to help the victims of conflict take the tentative first steps in reconstructing their families, livelihoods, and communities. Relief workers live simply and work exceptionally long hours under extreme conditions. By their very presence they show solidarity with those who suffer and create, at least for some brief time, a microcosm of a

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“global community.” Yet relief workers—unintentionally and unavoidably—carry a more troubling moral message: the outside world cares, but only so much. There are never enough relief workers and supplies available to satisfy the needs, they come too late, and they leave too early. Relief efforts, like development, raise complex moral questions: who ought to set the relief initiative’s goals and the means to achieve those goals? Who ought to provide these means? How much is enough? And is it right to rush relief into a conflict zone if it enables the warring parties to prolong the conflict?

When violent conflict first emerges, and the relief operations begin, what

## Relief workers—unintentionally and unavoidably—carry a troubling moral message: the outside world cares, but only so much.

becomes of that other important moral resource: the many actors, domestic and international, of earlier development programs? What happens to the energy, ideals, and commitments that propelled those development efforts? Some development specialists, and the programs and institutions they represent, continue to keep hope alive by applying their extensive local knowledge through advocacy; ensuring that relief efforts receive the level and quality of support needed, while charting a path for the fastest possible return to a sustainable, genuine peace. Such peace building has traditionally been deemed the responsibility of diplomats, soldiers, and politicians, who view “peace” much more narrowly than does the development community. Is the “peace” that development specialists articulate in their thinking and their work missing from the more common notions of post-conflict peacebuilding?

Peace is won across many fronts: through offering urgent care and

providing essential needs, forging a new and viable social contract, holding to account all those who violated human rights during the conflict period, according appropriate respect and validation to those who suffered severe loss, remembering those who lost their lives, addressing important ethical issues of fair and equitable governance, and selecting new leaders of proven moral character who are committed to the welfare of the public and the pursuit of the public good. Even in the best post-conflict conditions, these peace-building measures take time, particularly when there is no larger regional or global consensus on what is the “right” thing to do.

Given how difficult it is to build peace, does not the community of development specialists have a role to

play in ending conflict and setting the stage for a return to peace? If so, why do so few development institutions have the mandate and resources needed to enable these specialists to carry out such a role? The new UN Peacebuilding Commission established in October 2006 may offer the first coordinated institutional response to the challenges of peacebuilding in the immediate, post-conflict recovery period, but the Commission works largely with actors at a different level: the regional organizations, regional banks, and international financial institutions. Marshalling that other level of actors—the army of individual specialists who know that country best but who have been scattered by the chaos—is not on the Commission’s agenda.

Searching for an ethical response to the barbarity and chaos of violent conflict may seem like a curious and futile undertaking for development specialists. While the fighting ensues in country X, many development specialists

typically move on to other countries with other needs, perhaps taking with them a strengthened conviction that more and better intellectual and financial resources are needed to find some way—through moral persuasion or political pressure—to motivate the requisite political will and resources to help prevent future conflicts of this kind in country Y. But what of country X? Conventional wisdom dictates that we first allow the diplomats, the military, and the politicians to find a method to impose a workable cessation of hostilities; any talk of justice or genuine peace will have to wait. Is this procrastination justified or even sensible?

With these calculations, country X is largely written off, and development attentions turn to the more fruitful prospects in country Y, demonstrating not only that there are painfully too few resources to support even basic development programs worldwide, but also that the intellectual and experiential resources of the development community are undervalued, particularly by political and military actors. For some reason, important considerations of values in the context of relief, development, and redevelopment are largely ignored.

One day of violent conflict will easily negate decades of strenuous development efforts, along with the lives, hopes, and dreams of many afflicted people. Conflict’s terrible dehumanizing forces of death, destruction, and terror ran like strong and unpredictable torrents through African conflicts such as Rwanda, Sierra Leone, Liberia, Angola, and Burundi. These forces still hold sway over Darfur, Somalia, northern Uganda, and much of the Democratic Republic of the Congo. Other African nations that perch on a razor edge of peace—able to plummet back into chaos at any moment—include Southern Sudan, Ethiopia, and Eritrea.

These are not wars by the rules. The efforts of the last century to create some humane, ethical basis for warfare, and to allow space for the possibility of a “just war,” are nonsensical to the perpetrators

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and victims of such conflicts in Africa. There, as the evidence of decades of conflict bears grim testimony, life is indeed cheap. No morally significant differentiation is made between combatants and non-combatants, nor is there any special consideration made for women, youth and elderly, even pregnant women—all are subject to astounding levels of brutality, violence, trauma, or death.

### For some reason, important considerations of values in the context of relief, development, and redevelopment are largely ignored.

Urgency and complexity combine to make conflict situations ethically daunting. As individuals or as nations, we are all under a fundamental moral obligation to do no harm, yet the failure of more developed nations to respond promptly and effectively to conflict situations also carries heavy moral weight. Each passing day of conflict brings more death, trauma, and destruction—often on a massive scale—yet the wheels of both foreign policy and international assistance bureaucracies slowly turn at a pace seemingly impervious to urgent appeals. Nations weigh their strategic options, make their political calculations, and pursue elaborate rituals of diplomatic bargaining with other potential first responders. Tradeoffs, institutional turf battles, and political side agreements impede speedy conclusions. Moving slowly and cautiously in response to the crisis of a violent conflict may be morally impermissible, as any delay ensures further ills will continue to be committed.

Yet should we rush in as fools, where angels sensibly fear to tread, potentially exacerbating the harm of the conflict? What or who can guide us, weighing the urgency of the need on one side, and the potential to blunder on the other? There

are both practical considerations to weigh and moral concerns that warrant attention, yet few attend to the latter. Why does the collapse of morality in the face of violent conflict leave the rest of the world only to comment on the scandalous moral vacuum left behind, without also offering cogent and detailed moral advice? An excellent source of such advice would be the development specialists who have fled the conflict. These individuals have a comprehensive understanding of the people, cultures, and moral values of the conflict-afflicted

region, but there exists no mechanism to draw these people together in collaborative consultations, moral deliberations, and networking.

Whether supporting development initiatives across multiple sectors or responding to the urgent needs arising from famines, disease, natural disasters, mass unemployment, financial crisis, or violent conflict, the institutions of international aid are not inexperienced at confronting ethical dilemmas, yet the fine-grained moral content of such dilemmas is poorly perceived and seldom commented upon. Certainly the larger moral issues of relief and development are attracting the scrutiny and deliberation of increasing numbers of concerned individuals, but only gradually is this turning to detailed guidance on post-conflict peacebuilding. Much of this rich discourse arises out of the ordinary moral intuitions of average people engaged in development and relief, tempered by their often comprehensive experience in development. But there are also academics, theorists, and policy-makers tackling these moral issues in a sophisticated manner, through recourse to international development ethics.

Development ethics considers: the human condition; the political, economic and social processes of development;

and the overarching goals of poverty alleviation, leadership, and good governance. Development ethics also generates a remarkable diversity of moral deliberations and helpful guidance on the practical, daily challenges of international development. Yet less attention has been directed to “un-development” in the form of conflict. With a few notable exceptions, such as the work of David Crocker, the linkages remain weak between development ethics and the excellent literature and field experience on transitional justice and conflict studies.<sup>1</sup>

The many actors in international relief, development, and governance each bear moral obligations, and are able to offer moral resources to countries in or emerging from violent conflict. The tasks now are: to recognize the moral dimensions of development, relief, peacekeeping, and peacebuilding; to identify common ethical concerns; and to chart a course for international, regional, and domestic collaboration that is truly responsive to urgent needs. Collaboration of this kind should build upon the comprehensive experience of years of development interventions, and should set an unambiguous international standard for transitional justice, which no politically expedient settlement can sell short. It must remain sufficiently flexible to allow practical measures to be adopted in order to foster a long-lasting and genuine peace. Development ethics has a central role in all of this, but perhaps its most crucial role was best stated by Goulet, “most fundamentally...the mission of development ethics is to keep hope alive.”<sup>2</sup>

### Endnotes

1. Crocker, D.A., *Truth commissions, transitional justice, and civil society*, in *In Truth v. Justice: The morality of truth commissions*, R.I. Rotberg and D. Thompson, Editors, (Princeton, NJ: Princeton University Press, 2000).

2. Goulet, Denis, *Development Ethics: A Guide to Theory and Practice*. (New York: The Apex Press, 1995), 252.

# The Poetry of Development Ethics

WILLIAM A. DOUGLAS

That one could find poetry in development ethics would have struck me as implausible before I began teaching a course on international ethics at the Nitze School of Advanced International Studies. SAIS is one of my alma maters, and it was a strange experience to be teaching at SAIS the same course that I had taken there—from Paul Nitze himself—thirty-six years before!

One of the readings I assigned early in the course contrasted Wilsonian idealism with “nihilistic realism.” Noticing that the two terms rhymed, I penned a short verse on *Realism vs. Idealism*. When I read the poem in class, the students, not knowing how to respond, did the SAIS-like thing—they didn’t. They remained poker-faced, or, as an Asian would put it, they “kept dignity.” I took this lack of response to mean that this would be the end of matters poetic in the course—little did I know that I had taken an irretrievable step down the slippery slope to poetic licentiousness. At the end of the class, the students asked: “Will we get a poem next week too?” It was a challenge that could not go un-met.

During the semester, several of our topics related to ethical issues that arise in the course of development work. One of these was the issue of when humanitarian intervention is a moral obligation. This produced a poem entitled:

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## USA — Top Cop?

In this world, most everywhere  
Are famine, slaughter, and despair.  
If we are a humane nation  
Have we not an obligation  
Throughout the world, to use our might  
To intervene and put things right?

If this is America’s hour  
As sole-remaining superpower  
Should we be the world’s police  
“Till every ethnic war shall cease?”

But, omnipotent we’re not.  
We can’t calm every trouble spot.  
What priorities should we use  
When we’re forced to pick and choose  
Among those horrible situations  
That now afflict so many nations?

And where do our interests lie?  
Would you send your son to die  
Just to help some other guy  
On whom you’ve never laid an eye?

Should we simply stand aside,  
Short of outright genocide?  
Or, with suffering ubiquitous  
Would it be, for us, iniquitous  
Not to act, and see lives lost  
When we *could* help at modest cost?

If you’re sure what we should do  
You haven’t thought the problem through.  
When opposing values clash  
It would be extremely rash  
To think you’ll get the satisfaction  
Of knowing what’s the proper action.



The ultimate “humanitarian emergency” is, of course, genocide. So we discussed such egregious cases as Rwanda and Cambodia, and our reflections produced a verse:

## Genocide – Why Stand Aside?

“Never again!”, the world replied,  
Responding thus to genocide,  
Reacting to the Holocaust  
In which three million lives were lost.

But, despite what we averred,  
Genocides have now recurred,  
And each new atrocity  
Increases in velocity.

In Rwanda’s genocide  
Half a million people died —  
When the slaughter reached its peak,  
One hundred thousand every week!

Cambodia’s slaughter gives us pause,  
For in this case, we see the cause  
Was not primordial ethnic hate —  
Zealotry sealed the victims’ fate.

In Bosnia, history played a role  
In driving up the bloody toll.  
Each side there thought that by fighting,  
Some ancient injury they were righting.

Genocide, in its many forms,  
Violates all human norms.  
If “Never again!” remains our goal,  
We must look within the human soul.



Issues of environmental protection in developing countries involve such vexing moral concerns as whether poor countries should put their first priority on ending poverty, even if this comes at the short-term cost of damaging the environment. Another poem ensued:

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## Poetry of Development Ethics

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### Eco-Ethics

Here's a thought we ought to ponder:  
If the planet's wealth we squander,  
That would be most antithetical  
To being fully eco-ethical.

Can those of us alive today,  
Living in our wasteful way,  
Utilize the world's resources  
Responding just to market forces?  
Or, for future generations  
Should we limit our predations?  
Is some form of rationing required,  
To leave to those whom we have sired,  
Sufficient stocks of oil and trees,  
So they too can live at ease?

In the kingdom of the animals  
Is man the rightful king?  
To exercise dominion  
Over every living thing?  
Or do all creatures, great and small,  
Have equal rights to share  
The fruits of earth's resources  
In the water, land, and air?

People in the LDCs  
Facing hunger and disease,  
Want to see their nations grow —  
But cleaner growth is also slow!  
With capital in short supply  
They'll stay poor until they die.  
Sustainable growth would seem to be  
For them, a total luxury.

So, does a rich, developed nation  
Have today an obligation  
To subsidize the added price  
So LDCs grow green and nice?

We've got to think these issues through —  
It's hard to know just what to do,  
Or know if what we do is just —  
That's why these things must be discussed.



This pondering regarding the responsibilities of the developed countries to help poor nations grow greener led us to a more general consideration of the obligations of the industrialized democracies to the emerging nations. We summarized our discussions as follows:

### Does Charity End At Home?

If charity begins at home,  
Around the world we should not roam,  
Helping other nations grow  
When our own poor are hurting so.

If we heed the LDCs  
And try to answer all their pleas'  
We'll spread our efforts way too thin,  
With nothing left for those within.

But with pictures on the foreign news,  
Of people who are forced to choose  
'Tween food or fuel each winter day —  
Well, who can simply turn away?

If this is America's hour,  
and obligation goes with power,  
Be it jobs at home, or foreign growth,  
We must do our share on both.



In the course of political development in the LDCs, moments of transition occur: from war to peace, and from dictatorship to democracy. During these transitions, some disturbing choices must be made as to when the requirements of justice must give way to the importance of peace and democracy, as this poem indicates:

### Tyrannical Trade-Offs

"If you want peace, then work for justice" —  
Is this always true?  
Or are there cases when one faces  
A choice between the two?

If a ruler, waging war,  
Kills civilians by the score,  
And keeps on killing many more —  
Are these crimes we can ignore?

Or, even as we fight him,  
Should we legally indict him,  
Thus embittering relations,  
Imperiling peace negotiations?

To move from cruel autocracy,  
To fragile new democracy,  
To preserve our nation's unity,  
Must the tyrants get impunity?

If the tyrants have confessed,  
So truth will not remain suppressed,  
Should Truth Commissions set them free,  
So they won't block democracy?

How much justice must we cede,  
To gain the other things we need?  
Must torturers go un-convicted,  
Despite the pain they have inflicted?

If you're the victim, would you feel  
Society should make that deal?  
We must listen to all voices,  
As we make these fateful choices.



As the semester ended, so did my career as a poet. In future courses it would be nice to shun this rhyme-creating vice. Being forced each week to write a verse is a problem much, much worse, than potentially to be a poet, and mercifully not to know it.

# Filling the Vacuum

## THE UNINTENDED CONSEQUENCES OF WITHHOLDING AID FROM BURMA'S MILITARY DICTATORSHIP

DOMINIC NARDI

Over the winter break I visited my in-laws in Yangon, Burma, a country which is governed by a military dictatorship with a horrible human rights record. I was shocked one evening when coming back from dinner my in-laws told me a bomb had exploded nearby. My father-in-law speculated that it was intended to protest China, which had just vetoed a UN Security Council resolution condemning Burma's government earlier that day—a suspicion later echoed in the international media.<sup>1</sup> Fortunately nobody was injured in the blast, but it did reveal discontent over China's persistent support of Burma's repressive military government.

### China does not appear to be concerned with social safeguards or ethical rules for aid.

When framing the often heated debate over whether international aid agencies should operate in countries like Burma, activists and scholars often portray a choice between the lesser of two evils: potentially legitimizing and aiding an unsavory regime, or leaving the poor without any assistance. However, this dichotomy overlooks the fact that such a vacuum rarely endures in the international system: a withdrawal of international aid merely allows other governments, such as China's, to pursue their own agendas. Unlike international aid agencies, China does not appear to

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be concerned with social safeguards or ethical rules for aid. Thus, the Burmese people suffer from both a lack of ethical aid, and dependency on a country that cares little about fostering sustainable development.

The world is justifiably aghast over the political, economic and social situation in Burma. The generals in power have ruled for over forty years and have impoverished the people of this resource-rich country. Burma has one of the lowest GDPs per capita in the region at \$1,800 in PPP terms.<sup>2</sup> Government budgets have been woefully negligent in addressing the HIV/AIDS epidemic; twice as much funding is allocated to defense as to health and education combined.<sup>3</sup> Furthermore,

despite an election in 1990 that saw the victory of the democratic opposition, the military refuses to withdraw from politics and detains over 1,000 political prisoners.<sup>4</sup> It has also conducted brutal counterinsurgency campaigns against ethnic minority groups.

Due to Western pressure, Burma is unable to receive aid from most multilateral development organizations. U.S. and European Union import sanctions have cost the country many manufacturing jobs. On the other hand, since the early 1990s China has given Burma hundreds of millions of dollars worth of loans and economic assistance, which have helped to construct dams, roads, ports, and other large infrastructure projects. Members of the China Association for Youth Volunteers have gone to Burma to work on long-term community-assistance projects. China's aid to Burma is part of a larger regional and global effort to present a

soft face on its rise to power. In much of Southeast Asia, Beijing's diplomacy has proven successful. Public opinion polls in other countries of the region show highly favorable ratings for China, particularly when compared to the United States, even though the United States provides more aid to the region. Additionally, many Southeast Asian students are studying in China and politicians seek to associate themselves with visiting Chinese dignitaries.<sup>5</sup>

Yet in Burma this charm offensive has failed to win over the masses. While there are no opinion polls taken in the country, a variety of anecdotal accounts, studies, calls for a boycott of Chinese goods, and dramatic events like the recent bombing confirm that Burma's population does not view Chinese influence kindly.<sup>6</sup> Many view China as a ravenous Trojan horse. Some of China's infrastructure investments have yielded benefits for the poor, yet this charity has come at the price of special privileges for Chinese interests and lucrative contracts. Other Burmese worry about the cultural and social impact of Chinese penetration. Since the early 1990s, an estimated one million Chinese immigrants have poured into the country.<sup>7</sup> In Mandalay, the seat of Burma's pre-colonial government, ethnic Chinese now comprise over a fifth of the population.<sup>8</sup>

Since 1988 China has logged, mined, and otherwise plundered Burma's northern hinterlands to feed the insatiable appetite of the Chinese economy for natural resources. Many forests in Burma are turning into "empty forests," devoid of wildlife, as tigers and other animals are hunted for Chinese traditional medicines. In 2005, over 1 million cubic meters of timber were exported to China, most of it illegally.<sup>9</sup> Several concerned Burmese environmentalists have described their northern neighbor as a giant vacuum

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cleaner sucking natural resources out of their country. This exploitation strikes a nationalist chord in Burmese society, which views its natural resources as a

## Burmese environmentalists have described their northern neighbor as a giant vacuum cleaner sucking natural resources out of their country.

national birthright, to be preserved for the country's own development. However, jobs in these industries often go to Chinese immigrants. Likewise, Burmese logs have fueled the timber processing industry in Yunnan, China, thus leaving Burma bereft of these higher paying, value-added processing jobs.

The West's conspicuous absence has also allowed China to strengthen Burma's military dictators. Despite protestations that it would not interfere in internal politics, China has aligned itself closely to Burma's military dictatorship. It has given the generals some \$2 billion in military assistance, allowing it to buy jets, artillery, and other weapons used to perpetuate their campaigns against ethnic minorities.<sup>10</sup> Politically, China has shielded Burma from intense pressure by the United Nations (UN) Security Council. Unlike Japan, which provides aid to Burma while carefully distancing itself from the military, China has not expressed concern over Burma's political crisis and openly embraces Burma's generals.

China's supplanting of Western aid is not unique to Burma, but has been repeated elsewhere in the world. While the West protests the genocide in Darfur, China protects Sudan at the UN Security Council and provides aid and investments in return for access to oil. Far from expressing concern over the genocide, on a recent visit Chinese President Hu Jintao agreed to loan

Sudanese President Omar al-Bashir money to build a presidential palace. China has also built better relationships with Zimbabwe, Iran, and Venezuela, all governments with which the United States has strained relations; China

has shielded all three from outside pressure to reform. In other parts of Africa, Chinese managers have upset local employees, leading to widespread discontent. This was clear in Zambia's presidential campaign last year, as opposition candidate Michael Sata staged a strong electoral challenge against Zambia's ruling president largely by criticizing the role of Chinese companies in the country's economy.

It would be irresponsible to lay the blame for the problems described above squarely at the feet of the West's refusal to engage in humanitarian assistance in Burma; the primary responsibility lies with the governments of Burma and China. However, the decision by Western governments to withhold development assistance did not merely create a dearth of aid, but allowed China to fill the vacuum. The result has not contributed to the betterment of the Burmese people. There is no middle class ready to challenge the privileges of the generals in power or the government's human rights abuses. Furthermore, China's growing influence in Burma has provided it with greater incentive to protect Burma in the UN Security Council, which has left the West and international aid agencies with little positive influence in the Burmese government. Not making friends with an unpleasant regime has simply allowed another unpleasant regime to court it.

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# Justice and Allocation in International Health Aid

## IS THE ECONOMIC JUSTIFICATION RATIONAL?

PLAMEN NIKOLOV

Imagine you are in charge of creating health policies in a small country with binding resources. Suppose that you have been granted a fixed amount of assistance, which may be applied to one of two medical programs. Program A, by focusing on those at-risk for a disease, will spare one million people by preventing them from acquiring the disease in the future. Program B focuses on those who have already contracted the virus and are therefore suffering from severe health problems. Should most of the funding be allocated to Program A, where the effects would be greater? Or should they be allocated to Program B, since it focuses on individuals who currently are severely ill? Should the funds be evenly divided? Trying to decide on the best resource allocation mechanism for international health aid will force one to examine the issue from both efficiency and ethical perspectives.

While this may be a hypothetical example, many development and health practitioners in Africa face a similar trade-off when allocating limited resources between HIV prevention and anti-retroviral treatment.

Developed, middle-income, and even many low-income countries around the world can finance both prevention efforts and anti-retroviral treatment for HIV/AIDS, but countries with very low incomes face binding resource limitations. In these countries, the issue is to what extent the international community should fund anti-retroviral therapy. ... [I]f the goal is to maximize

the health benefits produced, developing-country governments and international institutions should focus their health spending first on the prevention of HIV transmission, before moving on to treatment. The opportunity cost of emphasizing HIV/AIDS treatment before undertaking prevention in a resource-constrained environment is measured in millions of lives needlessly lost.<sup>1</sup>

Views such as these underline the challenges involved in determining what constitutes a viable policy for international health aid, while neglecting the ethical implications of reliance on the primacy of the economic cost-effectiveness perspective. Given the funding limitations for international health projects, when should society allocate resources to produce “best outcomes” and when should it give the severely ill a fair chance to benefit?

### Methods

The economic perspective on which the above argument is grounded is consistent

with the views of many economists. All scholarship in the social sciences, however, cannot help but reflect the values and biases of its authors or their disciplines. Do others find this economic focus on health benefits maximization convincing when human lives are at stake?

Much of the debate among social scientists focuses on three characteristics: equity, efficiency, and impact. Let us consider a hypothetical set of life-saving interventions—programs A, B, C. Cost effectiveness analysis (CEA) and benefit cost analysis (BCA) are two traditional economic cost-benefit tools. Cost effectiveness is a method that favors interventions which minimize cost per life saved—Program C in Table 1. Benefit cost analysis, on the other hand, selects those interventions with the highest dollar benefits of lives saved/cost per intervention ratio—Program B in Table 1. Both health economists and public health practitioners employ a system for selecting the policy

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**TABLE 1: Hypothetical Set of Life-Saving Interventions**

Program	A	B	C
Cost	800	240	150
Total Lives Saved	32	30	30
Lives Saved I	16	30	0
Lives Saved II	16	0	30
\$ Benefit of Lives Saved	640	900	300
Cost per Life Saved	25	8	5
Benefit-Cost Ratio	0.8	3.8	2

**TABLE 2: Hypothetical Set of Life-Saving Interventions**

Program	A	B	C
Cost	800	240	150
Total DALYs Gained	32	30	30
DALYs Gained I	16	30	0
DALYs Gained II	16	0	30
\$ Benefit of DALYs Gained	640	600	600
Cost per DALY Gained	25	8	5
Benefit-Cost Ratio	0.8	2.5	4

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which produces the most health per dollar spent; though some economists prefer to maximize social welfare per dollar spent.

Another technical concept, burden of disease, has gained momentum in measuring a society's health gap: the gap between society's health under ideal and actual conditions. A cost-effectiveness analysis may also be conducted in terms of disability-adjusted life years (DALY), rather than in lives saved, as in Table 1. It is important to note, however, that health interventions often have meaningful non-health ramifications—increased income, savings, school attendance, etc. In such cases, cost effectiveness alone is insufficient, and BCA must be used.

This observation creates an important question. If benefit of lives is at stake, how should it be measured? Perhaps more importantly, what are the ethical values embedded in the measurement? Economists prefer two broad methods to assign value: willingness to pay and human capital.

### Policy Challenges

Valuing human life through only an economic lens can entail some challenges. During his service as vice president and chief economist of the World Bank, Lawrence H. Summers was dogged by a memo bearing his name, purporting to advocate exportation of polluting industries to poor nations and dumping toxic wastes there. The memo, dated December 12, 1991, found its way to the press, and circulated widely on the Internet. In it, Summers wrote:

Just between you and me, shouldn't the World Bank be encouraging MORE migration of the dirty industries to the LDCs? I can think of three reasons: (1) the measurements of the costs of health impairing pollution depends on the foregone earnings from increased morbidity and mortality. From this point of view a given amount of health impairing pollution should be done in

the country with the lowest cost, which will be the country with the lowest wages.<sup>2</sup> ... I think the economic logic behind dumping a load of toxic waste in the lowest wage country is impeccable and we should face up to that.

Many international development practitioners sympathized with the following response offered by Brazil's then-Secretary of Environment, Jose Lutzenburger:

Your reasoning is perfectly logical but totally insane... Your thoughts [provide] a concrete example of the unbelievable alienation, reductionist thinking, social ruthlessness and the arrogant ignorance of many conventional 'economists' concerning the nature of the world we live in.

Summers' memo misses an important consideration of how policy is made. It is not the economic logic of his argument that is at fault—despite requiring a few strong assumptions but rather that Summers tries to give a static interpretation to a dynamic process. The economic perspective is just one tool in the dynamic policy-making kit. A policy is by definition a political process, an equilibrium produced by the assorted ethical valuations of numerous policy stakeholders.

## The economic perspective is just one tool in the dynamic policy-making kit.

A policy stakeholder like Summers—relying on assumptions about best aggregate outcomes only and without distributional considerations—is likely to assume too much about the other stakeholders in the policy process. Either he incorrectly assumes common rationality for all policy stakeholders or he faces uncertainty regarding the ethical valuations of those stakeholders who favor fair chances in the HIV debate, or who see the policy debate as both health problem and development issue. The ability to understand various perspectives and account for them in the policy proposal process is a trademark of an effective leader.

### Ethical Perspective

Although there is no single theoretical basis for CEA, BCA, and related techniques, utilitarian considerations have been an important factor in the ethical analysis and justification of such practices.

Following Jeremy Bentham, John Stuart Mill proposed an intuitively straightforward standard to decide whether actions were right or wrong. According to Mill, actions are right in proportion as they tend to promote happiness, and wrong as they tend to produce unhappiness, pain, and the privation of pleasure. Because utilitarians believe that both happiness and unhappiness can be measured in discrete units, this theory is particularly well-suited to a mathematical analysis in which the 'utility' of any given action can be determined by subtracting the pain it causes from the happiness it brings about. The goal of moral conduct is the production of the greatest social happiness or social welfare utility.

Health interventions chosen to minimize the disease burden will inevitably lead to ethical challenges. For example, many multilateral organizations, such as the World Bank, analyze cost-effectiveness in terms of DALYs. This

tool, however, assigns value differently to individuals of different ages; DALYs for infants and the elderly are given less weight than adolescents and those of working age. DALYs also place less weight on the lives of the disabled. This type of analysis places policy makers in a complicated position, where they may feel as if they must choose between cost-effective outcomes and equitable, ethical treatment.

This type of priority saving creates a major ethical dilemma between best outcomes versus fair chances with respect to age and disability/illness

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severity. Utilitarian partialists argue that most people—if placed in an “original position” in which they were unaware of their future economic and social circumstances—would elect to have resources distributed according to a utilitarian calculus, thereby maximizing the average utility over the whole of society, hence their own expected utility.

## Limited surveys indicate a sharp difference between health professionals and the general public.

In contrast to this utilitarian application of the veil of ignorance, which places equal value on the preferences—utilities—of every member of society, other theorists argue that, when placed in the original position, rational individuals would seek to maximize the prospects of the least well-off member of society. According to this ‘maximin principle,’ the primary goal of any social policy should be to maximize the welfare of persons most in need.

However, many development practitioners are dedicated to helping the worst off, not to making utilitarian calculations. Bioethicists, such as Norman Daniels and Paul Menzel, favor the use of equity weights in addition to consideration of health utility calculus.<sup>3,4</sup> They argue that CEA calculations should incorporate severity of illness, level of health potential, maintenance of hope, age, and assurance of treatment. Equity weights permit the formalization of “fair chances” considerations in the allocation of healthcare.

### Gender Perspective

While gains have been made, gender inequalities in health and education are still striking. Two-thirds of the 800 million people in the world who lack basic literacy skills are female. Girls are twice as likely as boys to die from malnutrition and preventable diseases,

and half a million women die each year from complications during pregnancy, ninety-nine percent of whom live in developing countries.<sup>5</sup> Investments in women’s and girls’ education and healthcare yield some of the highest returns of all development investments, including reduced rates of maternal mortality, better educated and healthier children, and increased household incomes.<sup>6</sup>

Modern cost-effectiveness mechanisms do not incorporate broader gender equity considerations *per se*. The striking absence of gender inequality from most aid-allocation tools suggests it is unlikely to be addressed in health treatment—a fact that is particularly worrisome due to higher prevalence of HIV for females in sub-Saharan Africa.<sup>7</sup>

### What is the Best Policy Decision?

Drafting health policy involves making tough decisions between best outcomes and fair chances. Economic cost-effectiveness would favor prevention efforts coupled with distribution of antiretrovirals only to economically productive individuals. Such a strategy would increase economic prosperity and government funds, allow time for replacement labor to be trained, and reduce the overall impact of the pandemic. But it also involves difficult ethical decisions for government leaders. It is also bound to be politically unfeasible given the varying preferences of development stakeholders and the ethical principles that underlie them. Bioethicists, development workers, and public health practitioners have raised objections to the use of CEA for prioritization in the health sector, and it has been shown that most people’s healthcare priorities diverge from those

recommended by CEA.

This is a complex issue, on which there are conflicting considerations and little consensus. Limited surveys indicate a sharp difference between health professionals, who tend to favor the more cost-effective alternative, and the general public, who favor giving all those in need a chance to obtain the necessary treatment or prevention.<sup>8</sup> This division of opinion goes to the heart of the debate over CEA and BCA, creating a dilemma for those health professionals who maintain that health policy should be based on the values of the affected population.

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# Interview with Bernard Schwartz

**I**n 2005, Bernard Schwartz gave a generous endowment to establish the Bernard L. Schwartz Chair of International Political Economy, ensuring a place at SAIS for those of preeminence in the field. He has contributed to SAIS more broadly by creating the Forum on Constructive Capitalism, dedicated to serious academic inquiry into the broadest possible distribution of gains from sustainable growth of global productivity. Mr. Schwartz graciously made himself available to speak with Editor-in-Chief Evan Mangino.

**Good afternoon, Mr. Schwartz. On behalf of the International Development Program I would like to thank you for taking time out of your day to speak with me this afternoon. If you don't mind diving right in, I was wondering how you came to be associated with SAIS, and the IDEV program in particular?**

Well, I don't know if there was any one particular event or set circumstances. But I have interests in common with the International Development Program and appreciate the opportunity to be involved.

My interest in SAIS goes back a long way. I have a great interest in contributing to one of the most significant intellectual think-tank resources located in the capital of the world. I have always been happy with the relationship I have with SAIS. There is a fascinating interplay between politics and economics, and I am happy to support the academic fellowship that flourishes at SAIS, translating think-tank theory into reality and public policy. The effectiveness of SAIS graduates is extraordinary.

**As the former CEO of Loral Space & Communications and a long-time executive in private industry, what role do you see private industry playing in the overall development process?**

The amount of capital that can be managed by private industry is significant. I feel it is important that private industries be allowed to operate freely guided by the profit motive. To the degree that private industry falls short in providing for development, then Western countries' governments can get involved through international aid efforts. We see China and the Middle Eastern countries getting more involved in development in this way.

But we have to remember that governments in developing countries have different cultures. They have different institutions. And they have different thresholds of tolerance for corruption and distortion. With all of these factors in developing countries, [private industry] is a tough business to be in. But you do see signs of success. To see parts of Africa get on track shows that failure is not indigenous to Africa. You can see real progress there, and that means you have to keep trying.

**I notice you mentioned the growing role of China in international aid and development, as well as evidence of progress in Africa. However, the Chinese government's recent aid efforts, particularly on the African continent, have been the subject of growing debate in the international aid community. How do you view China's current aid activities, and how do you feel they compare to Western aid efforts?**

There's always an intuition, a desire to have your ball team do well. You want your team to be the best one out on the field, to have an exclusive right. But that's just not the reality of it. I don't feel any alarm that China is going into the international aid business. They will send out resources that will meet the international interests of China and drive development in less developed countries. That's what globalization is all about. China is a big industrial force

in the world wherever they can be. You need not see ominous attachment to that development.

**In addition to national governments' involvement in international aid and development, there are also a number of supranational bodies like the World Bank, multilateral development banks, and the United Nations. What role do you see these institutions playing in future of international development efforts?**

I'm not as familiar with the work of the United Nations, but I will speak about the World Bank and the IMF.

The World Bank and the IMF have both done an enormous amount of good over the last sixty years trying to export modernity and human values around the world. However, I totally disagree with the criteria they have established for making loans to less developed countries. If these institutions have the improvement of human lives and modernity as their core principles, then offering loans on strictly commercial criteria is totally inconsistent with their goals. Western expectations of loan performance are not necessarily aligned with the promotion of human values and modernity in underdeveloped countries.

**What role then do you see for private finance organizations, like Citigroup, in promoting development?**

Citigroup and other private financial groups have mixed objectives, but they tend to do pretty well balancing them. On one hand they have a responsibility to their own shareholders, and so they have to generate profits. On the other hand, they are providing needed financing to governments to pursue activities to improve people's lives. Private finance can be an instrument of much good in the world, but they often have mixed results because they are working in a very

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difficult environment. I do think that private finance is necessary.

**With Muhammad Yunus recently being recognized with the Nobel Peace Prize for his work in microfinance, I was wondering if you could speak about your feelings on the power of microfinance to generate positive change in the developing world?**

I love it! It is an idea, the potency and simplicity of which is so powerful, that it is one of the truly great things I have seen over the last fifty years. It brings microinvestment to where there is no capital. It is converting

human capital into commercial capital and I think it is fantastic!

**The central theme and title of this year's edition of Perspectives is "The Ethics of Aid." The moral considerations of international aid—and development work in general—are far-reaching and complex. Do you feel there is a moral obligation for America and the rest of the OECD to assist people in the developing world?**

There are people who are motivated by strictly moral principles to improve living conditions and increase human development. And there are people who are motivated not by values. But there will be no peace, no safe borders unless

we have improvements in the quality of life to certain acceptable standards. However, whether [people and states working in development] are involved out of self interest or out of moral interest, I don't care.

I wish they had more moral involvement, but I feel that the Western world has demonstrated an enormous amount of good faith and generosity towards this problem.

*SAIS Perspectives would like to thank Mr. Schwartz for his continued generosity and for taking the time to share his thoughts. This article was the result of a telephone conversation held on 13 February 2007.*

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# Should Remittances Be a Development Tool?

HOLLY LARD

In recent years, efforts to use remittances as a poverty reduction tool have gained momentum. In 2004, Harvard Professor Devesh Kapur underscored this trend, entitling his Group of 24 United Nations Discussion Paper, "Remittances: the new development mantra?" Since then, enthusiasm for using migrants' private cash flows as a base for development has continued to grow. Therefore, it is important to pause and reflect on the ethical aspects of this new mantra.

Remittances are defined by the International Organization for Migration as, "the monetary transfer that a migrant makes to the country of origin."<sup>1</sup> Today there are nearly 175 million immigrants around the world—of which 3.6 million come from Sub-Saharan Africa—making the financial impact of remittances

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an issue of fundamental importance.<sup>2</sup> Officially recorded remittances, as tracked by the International Monetary Fund's Balance of Payment Yearbook, were \$96.5 billion in 2001.<sup>3</sup> And though the World Bank estimated that developing countries received \$167 billion in remittances in 2005, United Nations economists believe the annual volume of informal remittances may be 50 – 250 percent of that number.<sup>4,5</sup> Remittances have surpassed Official Development Assistance (ODA) almost everywhere, and in many countries are comparable to Foreign Direct Investment (FDI).

Research performed by Adams and Page contends that remittances can reduce the incidence of poverty: on average, a 10 percent increase in the share of international migrants in a country's population will lead to a 1.9 percent decrease in the share of people living in poverty. Moreover, a 10 percent increase in the share of remittances in a country's Gross Domestic Product (GDP) will lead to a 1.6 percent decline in the share of people living in poverty.<sup>6</sup> These statistics imply that more outward migration means less poverty in developing

countries. However, this provokes ethical consideration on whether the ends—reduced poverty rates—justify the means—increased outward migration. Is encouraging migration an ethical solution to poverty alleviation? What does a poverty strategy implicitly based on migration mean for those who are left behind?

## Theories and realities of immigration

Economists have argued that migration would benefit developing economies because the shrinking labor pool would increase the wages of the remaining workers. However, empirical evidence does not support this theory because it assumes that the majority of migrants are low skilled. To the contrary, research shows that migrants are relatively high skilled: between 1980 and 2000 the share of skilled migrants increased annually by 3.8 percent while the share of unskilled migrants increased annually by only 1.5 percent. In Sub-Saharan Africa, 16 percent of the tertiary-educated population has emigrated.<sup>7</sup> The fact that there are more Malawian doctors

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practicing medicine in Manchester, England than in all of Malawi is an illustrative example of this phenomenon.<sup>8</sup> Due to this exodus of skilled professionals, rather than unskilled labor, the theory that those left behind will have higher wages is unfounded.

In addition to a steady increase in remittances there are various social costs associated with high levels of immigration. Children of migrant parents performed worse in school and tended to be less socially adjusted.<sup>9</sup> Anecdotal evidence suggests that in Senegal, the social dynamic of villages is negatively affected by the disproportionate amount of males who migrate. For some poor households migration is an income diversification scheme, but what they gain in consumption possibilities from remittances may be offset by long term social traumas resulting from altered family and societal dynamics.

### Theories and realities of remittances

With increased migration has come an increase in remittances, which poses its own ethical questions. Through rigorous testing in the Kayes region of Mali, Jean-Paul Azam and Flore Gubert found that remittances can pose a moral hazard for the recipients of the money. They assert that “the implicit insurance contractual arrangement between the migrant and his family gives rise to opportunistic behavior which results in technical inefficiencies among migrant households.”<sup>10</sup> One way in which this is expressed is that, on average, agricultural yields for families receiving remittances tend to be lower than for families that do not receive remittances. Because of this moral hazard, remittances have had a negative effect on economic production at the household level in Mali.

Remittances can also negatively impact the macroeconomic condition of the recipient nation. The effects of remittances can be similar to the effects

of large-scale exploitation of natural resources. The massive inflow of capital from remittances causes the domestic currency to appreciate against foreign currencies. Thus the domestic currency is more expensive, causing exports to lose relative competitiveness. This can lead to the ‘Dutch Disease’ phenomenon and the corresponding macroeconomic decline. An empirical example is that a doubling of remittances resulted in about a twenty-two percent appreciation of the real exchange rate in a panel of thirteen Latin American countries.<sup>11</sup> However, conclusive evidence has not yet been produced to confirm concurrent decreases in competitiveness in these panel countries. Nonetheless, these currency overvaluations could lead to an unhealthy economic dependence on remittances and a decline in total factor productivity.

The impact remittances have on the balance of payments provides governments with the moral hazard not to undertake fiscal reform because remittances can play a role in enhancing

economic reforms, which would not bode well for long-term stability or development.

### Donor Efforts to Formalize Remittance Systems

Both the United States Agency for International Development (USAID) and the United Kingdom’s Department for International Development (DFID) have projects aimed at removing obstacles to money transfers. In 2004, United States President George W. Bush announced an initiative to lower transaction costs associated with remittances by 50 percent by 2008.<sup>13</sup> As an example of these efforts, USAID is working with the banking sector in Ghana to promulgate efficient remittance policies. DFID, in partnership with Nigeria, Bangladesh, and Ghana, undertook a similar project of “improving the terms of access to remittances.”<sup>14</sup> DFID, with the help of Travelex World Wide Money, has also created a website for people to compare the transaction fees of different Money Transfer Operators

## The cushion provided by remittances can reduce pressure on governments to institute fundamental economic reforms.

a country’s credit ratings. A country’s ratio of debt to net exports of goods and services is a key indebtedness indicator, which signals that country’s viability to investors. Remittances, which enter the balance of payments accounts as a net export, reduce this ratio, artificially improving a country’s credit rating. Uganda’s 2004 credit ratings improved from a B- to a B when remittances, which constituted 5 percent of its GDP, were included.<sup>12</sup> Coupled with recent debt-relief initiatives in Africa, which also improve the debt to net exports ratio, remittances create the opportunity for fiscally irresponsible governments to borrow heavily on international capital markets. The cushion provided by remittances can reduce pressure on governments to institute fundamental

(MTO). In addition, DFID is working on the introduction of new mobile phone technology in East Africa that will facilitate electronic transfer of remittances.<sup>15</sup> All of these projects will increase the traffic of remittances through formal channels.

A direct result of these projects is the potential financial gain for Western Union and MoneyGram, which dominate the formal MTO system in Africa. The 2006 World Bank report on migration noted that there are, “relatively high fixed costs associated with transaction processing operations, compliance with regulatory requirements, marketing and administration.”<sup>16</sup> These barriers to entry have allowed the established MTOs to build and maintain a large market share of the remittance industry. At Western

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Union, customer-to-customer revenue increased from \$2.5 billion in 2003 to \$3.3 billion in 2005, of which a large percentage was remittances. Operating profits increased by \$300 million to \$1.3 billion during the same time period.<sup>17</sup> MoneyGram International experienced similar exceptional growth; their money transfer business grew by 38 percent in 2005.<sup>18</sup>

These USAID and DFID projects were designed to accomplish two goals: first, to channel more funds through MTOs in an effort to better monitor money laundering and covert financing of terrorist activities; and second, to leverage remittances to achieve greater development impact. However, there have been other effects of these projects that have raised ethical concerns. Aid-financed programs promoting the use of MTOs for remittances directly benefit companies incorporated in the United States or Europe. For example, a survey of the top twelve banks in Ghana revealed that nearly all institutions use U.S.- or European-based MTOs.<sup>19</sup> In addition, as stated above, the rents from increased recorded remittance volume provoke complicated economic issues. Specifically, remittances tend to weaken domestic productive capabilities while overvalued currencies decrease export competitiveness and can increase the dependency of an economy on remittances. Additionally, the increased use of MTOs for remittances enhances the ability to record these transactions in a country's balance of payments and thus provides governments with access to fast capital on international markets. Given the negative economic consequences and the moral hazard issues that arise, the ethical question is this: should international aid donors such as USAID and DFID promote the use of remittances as a poverty alleviation measure?

## Conclusion

Economic models demonstrate that there is a correlation between remittances and poverty alleviation. To this end, there is a two-part solution to achieving higher remittance rates: lower the transaction costs and increase the number of people who remit money. The current initiatives of USAID and DFID directly target the former and implicitly promote the latter. However, increased migration also causes long-term social issues in developing countries and remittances create moral hazards for both the direct recipient and the government of the recipient country. But there may be a way to use remittances as a development tool while mitigating these negative consequences. USAID has begun to explore the use of hometown associations (HTA), which are groups of immigrants from a particular town who pool their resources to finance projects in their town of origin. The private contributions of HTA members are dedicated towards public goods, such as roads, which improve the quality of life and economic potential for the whole community. This innovation may be able to increase the development and financial impact of remittances; reducing the need for further outward migration, thus allaying the ethical dilemma of using remittances as a development tool.

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# IF **Governance Matters** WHY DOES AID CONTINUE TO UNDERMINE IT?

TIERNAN MENNEN

**G**overnance Matters, the influential set of governance indicators published by Daniel Kaufman, Art Kraay, and Massimo Mastruzzi, is now in its sixth edition and has gained wide acceptance as a benchmark for cross-country comparisons of governance.<sup>1</sup> The authors compile more narrowly determined measurements of democracy and governance from a number of sources—including independent watchdog organizations, private firms, universities, and think-tanks—to create aggregated indicators across six broad dimensions of governance: voice and accountability; political stability and absence of violence; government effectiveness; regulatory quality; rule of law; and control of corruption.<sup>2</sup> This influential governance measuring stick is the centerpiece of a growing paradigmatic shift in international development theory and practice: good governance is important for both political and economic development outcomes, and must be directly addressed by donors.<sup>3</sup> A corollary of this belief is the premise that the indicators can effectively identify countries on the path to development. Yet, despite growing support for the role of good governance in development approaches, current aid theory has yet to decipher how to create “good” governance. And just as often as not, current aid practices can be undermining the very good governance outcomes which they purport to champion.

South Sudan is in the midst of a massive recovery effort after twenty-one years of civil war with the Khartoum

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government. The Government of South Sudan (GoSS) is struggling to build a consensus amongst a fractured population ravaged by in-fighting, an ethnically-dominated administration and the former military movement turned political party, the Sudanese People’s Liberation Army/Movement. The international community is heavily invested in the process, and the natural resource wealth of South Sudan is not the only reason why. Each year, international aid organizations pour millions of dollars into the development of modern and technically competent government institutions, including: executive ministries, military and police

**The average South Sudanese person is left wondering whom the new government is actually meant to serve.**

forces, and an independent judiciary. Much of this aid in South Sudan is quite conspicuously funneled into new buildings, shiny Toyota Land Cruisers, and cross-continent seminars. However, the technical expertise and institutional infrastructure do not appear to be visibly improving, and the average South Sudanese person is left wondering whom the new government is actually meant to serve.

Reflecting on the aggregate indicators of the *Governance Matters* publications, it is important to consider whether emphasis on central-level governance structures in a weak, state-like region—such as South Sudan—is actually supporting good governance or merely creating an incentive structure to undermine. If you accept the premise that government is an organic process resulting from societal consensus, then the creation of government structures propped up by foreign aid should sound bells of caution and alarm. Few would dispute the need to support government institutions—and especially rule of law

institutions—in a post-conflict state like Sudan. But the level of support at which this assistance erodes, if not altogether eliminates, the downward accountability of a government to its citizens is not so easily determined. Nor is it so easy to wean a government accustomed to generous foreign assistance onto a leaner diet of self-sustainable taxation. How many of the *Governance Matters* indicators are actually enhanced by foreign aid policies that subvert state and local forms of revenue accumulation?

Good governance is the result of a constant dialogue, predicated on a fundamentally financial relationship, between government institutions and

taxpayers—whether citizen, business, or civil society organization. When the need for government to engage in this dialogue is marginalized by outside funding alternatives, the communication lines and power dynamics between government and the governed grow sclerotic and imbalanced; in the place of a balanced dialogue are found governance mechanisms catering to the alternative funding opportunities.

In South Sudan, the two year old government’s connection with the people already appears tenuous. My experiences over the last twelve months have revealed a growing disenchantment of the South Sudanese people with the ability of the GoSS to represent their interests and enact fair policies. People increasingly see GoSS officials as removed, unresponsive, and corrupt; many feel that corruption is growing at a rapid rate. After sitting through countless meetings between United Nations bodies and/or bi-lateral donors and their corresponding GoSS counterparts, I

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cannot help but wonder if incentives to court international aid are overpowering more organic, democratic governance processes.

A particularly stark example of foreign aid undermining good governance—and one with which I am intimately familiar—is the current approach to development of the judiciary in South Sudan. Customary law and the tribal chief-based customary court system have been the primary means for dispute resolution in South Sudan for centuries. These “traditional” mechanisms receive broad support from the population due to the importance of tribal customs and the transparent, open-air dispute

judiciary, aid encourages development of a parallel judiciary controlled by the central government. South Sudanese are left with a customary system undermined by lack of government support, and a statutory system with no judges and no community support.

Since governance and the rule of law are both deeply rooted in broadly accepted behavioral and social norms, no one—perhaps with the notable exception of a few overly ambitious donors—realistically expects these social institutions to develop and grow overnight. And the rationales for current funding mechanisms as well as the need to support fledgling government institutions are more complex than this article offers. But the example

to conform to externally imposed institutions? More likely, there should be some combination of approaches, but this article casts light on the immorality of focusing attention on one approach to the exclusion of the other.

### Endnotes

1. As evidence of the indicators' importance and reliability, the Millennium Challenge Corporation (MCC) uses five of the six *Governance Matters* indicators in its sixteen-indicator criteria for MCC compact eligibility. See Millennium Challenge Account – Indicator Descriptions, posted at [http://www.mcc.gov/selection/indicators/indicators\\_extended\\_descriptions.pdf](http://www.mcc.gov/selection/indicators/indicators_extended_descriptions.pdf).

2. Kaufmann, Daniel, Aart Kraay and Massimo Mastruzzi, “Governance Matters IV: Governance Indicators for 1996-2004,” World Bank Policy Research Working Paper No. 3630. Washington, DC. p 5.

3. This trend reached a new level of legitimacy when Paul Wolfowitz, World Bank President, gave an historic address in Indonesia. In his own words, “to put it more plainly: people need government that works.” Text of this address is posted at <http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/ORGANIZATION/EXTOFFICEPRESIDENT0,,contentMDK:20883752~menuPK:64343271~pagePK:51174171~piPK:64258873~theSitePK:1014541,00.html>.

## It is not so easy to wean a government accustomed to generous foreign assistance onto a leaner diet of self-sustainable taxation.

resolution process they entail. For the majority South Sudanese people, the numerous customary courts are the primary mechanism for access to justice. Statutory courts, on the other hand, are the exemplar of an institution little understood by the average South Sudanese. Like the formal judiciary in many developing countries, statutory courts in South Sudan are seen as corrupt and partial to moneyed interests.

And though many South Sudanese view statutory courts as opaque and illegitimate, foreign aid is being funneled almost exclusively to the statutory system in efforts to create a “modern” judiciary. The customary system—with its widely understood adjudicative logic and broad base of legitimacy—is virtually ignored, while customary laws on criminal justice, property rights, and investment are subsumed by statutory laws developed far away from the villages of South Sudan. Rather than fully incorporating customary courts into the formal

of South Sudan does shed light on some of the ethical complications of governance aid. The greatest challenge for governance proponents—including devotees of Messrs. Kaufmann, Kraay, and Mastruzzi—is to provide financial aid in a manner that does not subvert the fundamental precepts of governance and rule of law. In South Sudan, it is clear that despite a growing theoretical literature, practice has not been wed to theory in the promotion of good governance and the rule of law.

The harmonious alignment of social norms, constitutional structures, parliamentary legislation, and bureaucratic implementation is as rare as celestial convergence. But good governance assistance must consider the ethical implications associated with attempts to realign those components from the outside. Will foreign aid support the conformation of governance mechanisms to match existing social norms? Or, will social norms have

# A Worm's Eye View of a Food-for-Work Program in Bolivia

BRIAN NORRIS

In 1998, United States Agency for International Development (USAID) implemented an emergency food-relief program in the northern Potosí region of Bolivia, the social, economic, and political conditions of which I had become intimately knowledgeable as a third-year Peace Corps Volunteer. The intervention was part of a U.S. government food aid program,<sup>1</sup> the stated goals of which are to provide U.S. agricultural commodities to developing countries to enhance “food security”—broadly defined as, “access by all people at all times to sufficient food and nutrition for a healthy and productive life.”<sup>2</sup> In many such programs, the U.S. government buys—essentially ‘surplus’—agricultural products from American farmers and channels it into either emergency relief or development programs in poor countries.

U.S. food aid dates back to 1948 and still constitutes a substantial portion of the United States’ Official Development Assistance (ODA) today; food aid accounted for approximately nineteen percent of the \$10 billion of U.S. ODA in 2002.<sup>3</sup> The United States is the world’s largest provider of food aid, contributing two thirds of the world’s total in 1999 and 2000.<sup>4</sup> While most critical attention to food aid programs has focused on efficiency and compliance issues, far less has been said about the effects of such foreign aid on local social dynamics.<sup>5</sup> Of particular interest is the impact of food aid on long-term, local institution building, a development goal I consider to be the most important service

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international development could hope to offer.

I have based my reconstruction and subsequent analysis of this food-for-work program on phone interviews with three former non-governmental organization (NGO) workers involved in managing the 1998 programs in northern Potosí, as well as my own observations over a three-and-a-half year period living and working with communities and municipal governments in rural Bolivia. My first-hand examination of one food-for-work program in Bolivia will show how—despite good intentions—this type of intervention has the potential to undermine long-term local institution building.

The generally poor standard of life in northern Potosí—an arid, mountainous area 13,000 feet above sea level, bordering Chile’s Atacama Desert—and a so-called drought brought U.S. food aid under an emergency program in 1998.<sup>6</sup> Food products designated for this program—about \$5 million in wheat flour, dried peas and other agricultural products—would be used in two manners: food-for-work projects in rural areas, and monetization in regional markets. A local implementing partner, Helping Hands (HH), was to put forty percent of these food resources into projects where rural community members would provide manual labor for public works—road improvements, erosion control infrastructure, school improvements, etc.—and receive food rations as compensation. Under this arrangement, non-governmental organizations—like Helping Hands—provide technical assistance, materials, and logistical support in addition to food aid. A non-governmental organization (NGO) consortium would sell the remaining sixty percent of the food resources in Chilean and Bolivian markets—in effect ‘monetizing’ the

commodities—and channel proceeds into the development projects of local implementing partners. The two actions take place almost simultaneously; this model is representative of most food aid programs.<sup>7</sup>

In 1998, HH contracted a small team of U.S. expatriate workers to help implement the emergency food program which had created a surge of activity for the NGO. Food-for-work was an ongoing program for HH, and other NGOs had been implementing such programs in Bolivia since at least 1983.<sup>8</sup> According to HH national workers, however, the drought justifying the increase in food-for-work—through the emergency program—was questionable. According to them, the harvest that year in northern Potosí was not noticeably different from previous years. Indeed, during my time as a Peace Corps Volunteer many subsistence farmers were quite proud of the fact that nobody died of famine in northern Potosí, a fact they knew to be different from other areas of the world. “They say that in Africa, people die of hunger. Here, nobody dies of hunger,” was a common observation, both before and after 1998.<sup>9</sup> However, HH agreed to manage the U.S. emergency food aid program, because the financial resources from food aid monetization were attractive to the NGO, which lives from grant to grant.

While logistically burdensome and ultimately—in the judgment of many of the development professionals implementing the program—supply-driven, undertaking the food-for-work component was a worthwhile endeavor because it generated revenue and increased recognition for the organization. USAID evaluates NGOs implementing food-for-work projects according to how much food they distribute; the United Nations World

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Food Program (WFP) similarly uses “millions of tons of food distributed” as its indicator of success.<sup>10</sup> And as with the expenditure of financial resources, it is tantamount to a cardinal sin for an NGO to fail to distribute the amount of food it commits to; NGOs jeopardize future funding opportunities if they do not meet their commitments.

With food rations fixed for specific quantities of community work, NGO workers depend on community members to hold up their end of the bargain and complete the work within the NGO’s timeframe. However, community preferences for other work and leisure activities exist independently of the

stipulated that families complete a set quantity of work for a corresponding food ration—for example, 2 meters of trench dug for one family food ration. Though rations were to be disbursed only as the communities completed the work, HH lowered standards and requirements were relaxed as the organization strained to distribute the additional emergency rations on schedule. If rural communities engaged in activities that could imaginatively be considered a public works project, individual project managers would disburse food rations to meet their quotas; one expatriate program supervisor interviewed described this dynamic as “invent-a-project.” During the last months of the 1998 Bolivia program, HH authorized

more than the letter. For example, one community paid a mechanized grater to level a road—a task most often done with pickaxes and elbow grease—to complete its project and receive its food ration.

In this context, the perennial debate between USAID and NGOs in Bolivia over the split between monetized food and food-for-work are understandable. The NGOs overwhelmingly prefer monetization for a number of reasons. First, implementing food-for-work programs is administratively burdensome; distribution of rations, fighting fraud, and managing warehouses of food aid ties up valuable human and physical resources and reduces the level of effort devoted to other, more sustainable programming. Second, the implementing partners who use monetized food aid proceeds believe they are in the best position to make decisions on how to use aid funds; food aid would rarely top their list of priorities, but monetization gives them more discretion in using resources. Third, monetization of commodities is a highly effective skills transfer mechanism for a food marketing project.

USAID, however, prefers to put more money into distributive food aid through food-for-work instead of food monetization, because the United States Government Accountability Office (GAO) has criticized monetization as inefficient: Why buy products with US taxpayer money, ship it abroad, sell it, and channel that money into development projects when it could be channeled directly into development projects without the detour through monetization schemes? Furthermore, putting a higher percentage of food aid into food-for-work benefits U.S. food processors and producers of nutrient supplements, which USAID’s Bureau for Democracy, Conflict and Humanitarian Assistance includes among its “external stakeholders” in its 2004-06 mission statement.<sup>11</sup> Finally, despite the existence of a procedure called the Bellmon Determination, an analytical tool used to

## Resourceful communities rarely pass up the opportunity for outside resources, regardless of the provider or the service being provided—free stuff is free stuff.

administrative timetables delimiting these types of programs. Resourceful communities rarely pass up the opportunity for outside resources, regardless of the provider or the service being provided—free stuff is free stuff. And whether or at what pace the community adheres to the bargain they initially struck with the NGO can vary widely. As a result, NGO workers are often caught between an obligation to implement responsible development programming and the opportunity to improve their organization’s reputation, with both donors and the home office. This conflict of interests was evident in Bolivia where the HH director increased pressure to get food out of storage and into communities as time passed and the end date for the project neared.

As HH increased ongoing food-for-work programming, the organization’s commitment to helping the people of northern Potosí became secondary to meeting the organization’s obligation to USAID/Bolivia. On paper, the program

workers to distribute food regardless of whether communities had done any of the agreed upon work.

Although in principle no HH workers took advantage of this discretionary power, a number of abuses took place in 1998. Some communities gamed the system, claiming to have completed work they not done. As a result, HH sent workers to remote locations to physically verify work requirements, increasing the organization’s monitoring costs. On occasion, HH monitored local markets in Cochabamba to assure food rations were not being resold on the black market, which had happened in the past. Some communities presented the same project to more than one NGO operating food-for-work programs. In other instances, communities bid NGOs against one another trying to extract the greatest food ration for the least work—a scenario I have witnessed in other locations where redundant programming creates such perverse incentives. Sometimes the spirit of the agreement was abused

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assess the effects of U.S. monetization projects in local agricultural markets, concerns linger over the effects of commodity monetization on producers of local substitutes. The opposition between the NGO community and USAID were evident in 1998, as USAID/Bolivia was pushing for 50/50 division between food-for-work and monetization, while HH favored a 60/40 split.

Food aid programs do not, however, operate in an institutional vacuum, but rather alongside or around local institutions. In 1994, Bolivia passed the Law of Popular Participation (LPP), creating new municipal governments in places like northern Potosí and endowing them with funds to implement community projects like schools, roads, water systems, etc. By giving municipal governments significant resources, LPP significantly improved service delivery in rural areas. In the words of one peasant, “Before [LPP] we did not exist.”<sup>12</sup> But the public administration efficiency gains at the municipal level associated with LPP were relative; in absolute terms Bolivian municipal governments’ ability to deliver services remains quite low due to lack of institutional capacity.<sup>13</sup>

By promoting long-term local institution building on a number of fronts, NGOs can play a pivotal role in further developing institutional capacity. First, NGOs act as a mediator between distrustful citizens and government, providing government with an accurate assessment of local citizens’ needs and interpreting government behavior for citizens unfamiliar with public administration. Second, to the extent they provide services similar to those the municipal government will provide in the future, NGOs increase reasonable citizen demand for municipal services—‘priming the pump.’ Third, NGOs increase service delivery capacity on the part of municipal government to the extent they provide quality services, incorporating permanent municipal government employees in

the implementation and effectively transferring public administration skills.

However, there are at least three areas in which food aid programs undermine this type of long-term institutional development. The first relates to how food-aid changes the division of efforts within a local NGO. By channeling NGO efforts toward the onerous task of food distribution, service delivery and local capacity-building activities—technical specializations where small NGOs tend to excel—are often crowded out. This reduces the effectiveness of NGOs’ delivery of services to communities and capacity building assistance to municipal governments. Second, by providing services that the municipal government

and voice in projects. Payments in food, however, destroy this dynamic as they turn the logic of this social interaction on its head, particularly when external pressures compromise the work requirements and food is handed out indiscriminately.

We have seen in the Potosí case that the justifications for food aid—drought and food security—were questionable. Furthermore, these programs undermined certain key elements of long-term institution building goals. These criticisms of the 1998 food aid program would be easier to dismiss if they came from outsiders or from elite Bolivians. But the fact that they come from rural Bolivians of socioeconomic

## Conditioning aid recipients to expect payment in addition to services provided propagates a culture of handouts.

will not provide in the future—high levels of food aid, in this case—food aid undermines the ‘priming the pump’ justification.

The third way in which food aid undermines long-term institution building is related to how it affects the recipients’ attitudes. In the opinions of many Bolivians and aid workers, conditioning aid recipients to expect payment *in addition* to services provided propagates a culture of handouts. In the minds of stateside officials and interest groups food rations might be fair compensation for time away from productive activities, but, in the opinion of on-the-ground, in-country development professionals, they are not. To the contrary, many experienced NGOs in Bolivia believe that requiring communities to contribute monetary and material resources to projects promotes local ownership. Though the cash amounts are often so small as to be symbolic, they have important psychological effects for the communities and the service providers, increasing the communities’ sense of ownership

backgrounds similar to food aid recipients and from knowledgeable, ground-level development project implementers—many of them Bolivian—makes the them harder to ignore. At a fundamental level, the supply-driven nature of food aid programs was the root cause of the problems described above. This suggests the following policy prescriptions.

Total demand for food aid should be determined by development professionals on the ground together with their national counterparts. USAID field offices and local counterparts should develop a specific consultation mechanism to determine what the need is for direct food aid as well as food intended for monetization; they need to be free from having to allocate quantities of food determined at higher levels. To accomplish the latter, program administrators in USAID and WFP, as well as U.S. legislators, should look for ways to reduce overall food resources dedicated to food aid programming and devise administrative overflow mechanisms that would allow food aid to be supplied in

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quantities not exceeding local demand. By diverting excess food supply—beyond what is deemed necessary in the field—food aid programming will help prevent local market disruptions and eliminate the perverse distribution incentives faced by local NGOs. If that proves too robust of a policy prescription, then at a minimum the groups mentioned above should allow for greater say by local development experts on the portion of food to be monetized versus distributed directly. Either of these items will entail standing up to entrenched domestic agricultural, food processing, shipping and philanthropic interests.

In her book *Do No Harm*, Mary Anderson argued persuasively that quite apart from whether it accomplishes its stated goals, well-intentioned international aid can actually exacerbate problems where outsiders think it is not possible for things to get worse.<sup>14</sup> Similarly, the appropriate question for policymakers on the issue of food aid is not whether it is accomplishing the lofty goals set forth by legislation, but whether it actually undermines the overarching goal of developing local institutions. This worm's eye view from Bolivia suggests that food aid might be doing more harm than good.

## Endnotes

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3. See presentation by Randall Tobias, director of U.S. foreign assistance and USAID administrator Coordinator at CSIS, Feb. 5, 2007, posted at [http://media.csis.org/csistv/index.htm?070205\\_tobias](http://media.csis.org/csistv/index.htm?070205_tobias).
4. USGAO, "Food Aid: Experience of U.S. Programs Suggests Opportunities for Improvement," 2002 (GAO-02-801T).
5. For examples of program critiques that emphasize efficiency and compliance issues, see USGAO, "Food Aid: Management Improvements," 1993 (GAO/NSIAD-93-168); USGAO, "Foreign Aid: Actions Taken to Improve Food Aid Management," 1995 (GAO/NSIAD-95-74); USGAO, "U.S. Food Aid to Russia Had Weak Internal Controls," 2000 (GAO/NSIAD/AIMD-00-329). Some analyses do criticize food-for-work programs for creating dependency. See GAO, "Food Aid: Management Improvements" and Rhyne, Elisabeth, *Mainstreaming Microfinance: How Lending to the Poor Began, Grew, and Came of Age in Bolivia* (Bloomfield, Connecticut: Kumarian, 2001).
6. Most food aid concept papers selectively emphasize health indicators. See Food for the Hungry International, "P.L. 480 Title II DAP Concept Paper for 2002-2006," posted at [http://pdf.usaid.gov/pdf\\_docs/PDABT284.pdf](http://pdf.usaid.gov/pdf_docs/PDABT284.pdf).
7. I have substituted the name "Helping Hands" for the name of the actual NGO in consideration for development professionals who were very candid in interviews with me.
8. Food for the Hungry International, "DAP Concept Paper," p. 3.
9. Source: Author conversation in 2000 and interview with former Peace Corps Volunteer from the region.
10. WFP, posted at [http://www.wfp.org/aboutwfp/facts/2005/index.asp?section=1&sub\\_section=5](http://www.wfp.org/aboutwfp/facts/2005/index.asp?section=1&sub_section=5).
11. USAID/DHCA, "Strategic Plan for 2006-2010," posted at [http://www.usaid.gov/our\\_work/humanitarian\\_assistance/ffp/ffp\\_strategy.2006\\_2010.pdf](http://www.usaid.gov/our_work/humanitarian_assistance/ffp/ffp_strategy.2006_2010.pdf). In one case, "increased emphasis on monetization resulted in an increase in the demand for bulk commodities, because they tend to be easier to monetize, and a decrease in the demand for processed commodities. [U.S.] Agricultural processors became concerned about the decline in demand and the reduced predictability of purchases of their products," p. 15.
12. Quote from author interview, 1997. LPP created 314 municipal governments where 110 had existed before and 2,900 non-nationally elected posts where 290 had existed. National to local transfers increased from ten to twenty percent of the national budget.
13. Indeed, departmental level governments in Bolivia estimate that they can spend only between fifty and sixty percent of their budgets. See USAID Office of Transition Initiatives April-June 2006 report, posted at [http://www.usaid.gov/our\\_work/cross-cutting\\_programs/transition\\_initiatives/country/bolivia/rpt0606.html](http://www.usaid.gov/our_work/cross-cutting_programs/transition_initiatives/country/bolivia/rpt0606.html).
14. Anderson, Mary B., *Do No Harm: How Aid Can Support Peace—or War* (Boulder, CO: Lynne Rienner Publishers, 1999).

## Message from the Director

I'm very happy to be able to read, and contribute to, the current issue of SAIS Perspectives on the critical issue of ethics in development. All of us do development, because we want, ultimately, to do good for other people around the world. But any action involves choices and unforeseen consequences that put ethical questions front and center. This issue deals forthrightly with some of these questions, and suggests that doing the right thing may not be as straightforward as it seems.

The SAIS International Development

program has gone through some important changes in the past year. We're smaller now, more focused on the three tracks of finance, politics, and SC&D, and trying better to integrate the economic, political, and social dimensions of development. In May, we will move into new quarters at 1717 Massachusetts Avenue, where we will join Africa Studies, Economics, and International Policy on the same floor. We are looking forward to working with all of these programs, drawing on SAIS's interdisciplinary strengths in areas like environment and public health.

A generous grant from the Bernard and Irene Schwartz Foundation has allowed us to greatly expand many program activities, particularly the Summer Internship Program under Cinnamon Dornsife's leadership.

Best wishes to the second year students preparing to go out and work in the development field, and to the new and returning students for a very productive summer.

Best regards,  
Frank Fukuyama

# International Development Program (IDEV) Update

**Dr. Francis Fukuyama**, the Bernard L. Schwartz Professor of International Political Economy is serving in his second full year as Program Director. **Cinnamon Dornsife**, Associate Director, is also in her second year. **Reyna Truscott**, Program Coordinator, is currently on maternity leave, and she and her husband, Danny, are the proud parents of Caleb Joshua Truscott, who was born on February 24, 2007. **Mary Roes**, Program Assistant, is ably coordinating program affairs in Reyna's absence. **Dr. Melissa Thomas**, Associate Professor of International Development also continues in her second year with the program. **Dr. Dorothy Sobol**, coordinator of the Emerging Markets specialization, formally joined the International Development Program in Academic Year 2006/2007. **Dr. Grace**

**Goodell**, Professor of International Development, will be on sabbatical leave in Academic Year 2007/2008, but will continue advising students in the Social Change and Development track during that time. **Dr. William Douglas** continues his association with IDEV as student advisor. We honor the memory of **Dr. Isaiah Frank**, who passed away in May 2006, and who had held the position of William L. Clayton Professor Emeritus of International Economics.

The program remains focused on three program tracks, which are described below:

**Finance and Development** encompasses emerging market

finance, microfinance, and public finance. Microfinance has become a major growth area within development in recent years, but one that requires knowledge of conventional finance as it becomes integrated with the latter. Students in this track can look to careers ranging from working in the field on a microfinance project, to working at a U.S. government, foreign government, or multilateral agency, to banking or Wall Street.

**Politics and Governance** focuses on issues related to institutions, governance, rule of law, public administration, accountability, anti-corruption, and democratic development. Institutions are important in their own right and, in

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## Frankly Speaking AN APPRECIATION OF ISAIAH FRANK

The time has come for us to say a  
Bit about our friend Isaiah  
Frank, who helped our IDEV students so,  
Until it was his time to go.

Isaiah Frank was kind and gentle —  
Never rude nor temperamental.  
He was our mentor and our guide;  
He always took the student's side.

When advising IDEV students,  
Isaiah's wisdom and his prudence,  
Plus his obvious affection,  
Would point them in the right direction.

When teaching us some abstract thought,  
As teacher, Isaiah always thought  
To give some simple illustration,  
To help the students' cogitation.

In our Finishing Review,  
Isaiah knew just what to do.  
When our logic was fallacious,  
Professor Frank was always gracious.  
He never showed exasperation —  
He'd just provide some "clarification".

Although a man of strong convictions,  
On certainty he placed restrictions.  
Opposing views he'd not deride —  
There might be some truth on their side.

For Isaiah, development was not abstract —  
His analysis never lacked  
A humane appreciation  
Of the people of each nation,  
Whose lives and hopes were all involved,  
And so their problems must be solved.

Now Professor Frank has left,  
Leaving IDEV much bereft.  
His passing gives one's heart a wrench,  
Because Isaiah was a *mensch*.

## IDEV Update

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recent years, have been recognized as being critical to economic development. Students in this track can look to careers either making policy in national agencies or multilateral organizations, or working in organizations promoting democracy, human rights, or rule of law in the field.

**Social Change and Development (SC&D)** focuses on the social changes that effective development requires at all levels, from the village up to the national political and economic elites, and in various social sectors such as the urban, rural, informal, and labor areas. SC&D analyzes the socio-political process through which such changes occur, and

the institutionalization needed to make the changes sustainable. SC&D emphasizes participatory development and has separate entrance requirements of two continuous years of field experience in a developing country. Students in this track are prepared for careers in grassroots organizations in developing countries.

## Alumni Updates

Having a great year as a Luce Scholar in Phnom Penh, Cambodia, **Liana Bianchi** (SC&D '06) is working with a local NGO that implements integrated community development and natural resource advocacy against illegal logging and land-grabbing. Liana secretly longs to join several of her fellow SC&D alums, who are currently scattered throughout Eastern Africa.

After working at Microsoft for eleven years, **Robert Bortner** (Bologna '86, IDEV '87) left in September 2001 to return to economic development work. In 2004, Robert started the Seattle-based non-profit Community Empowerment Network (CEN), which empowers rural communities in developing countries to break their cycle of dependency by promoting a culture of learning and self-reliance where individuals access and apply information to improve their living conditions, maintain a vibrant culture, and preserve their environment. Having made terrific progress focusing on the Brazilian Amazon, the organization soon hopes to expand to Mozambique. CEN is definitely interested in SAIS alumni to join the Advisory Board or perhaps take a more active role. Robert can be reached at [rbortner@acumenintl.org](mailto:rbortner@acumenintl.org) and encourages those looking to get involved to go to [www.communityempowernet.com](http://www.communityempowernet.com).

After spending six years in Bangkok, **Ashvin Dayal** (SC&D '93) and his family have just moved to Delhi as Oxfam GB's Regional Director for South Asia. Ashvin is looking forward to connecting with what

he believes is a fairly active SAIS alumni network there.

After graduating from SAIS, **Tadd Eakin** (MIPP, SC&D '01) spent two years as a Senior Program Officer in a USAID-sponsored independent media development project for the Balkans, with an emphasis on Kosovo. Afterwards, Tadd worked for Women's Edge Coalition, a leading non-partisan organization shaping U.S. policy to benefit women worldwide, as the Director of Development and Grants Management, where he learned a lot about securing foundation money. He is currently in 'job search mode' looking for project management and "thinking outside the box" opportunities in international development.

**Sara Gray** (IDEV '06) recently moved back to Washington, DC after completing a dual-degree program at the Wharton School of the University of Pennsylvania. She is currently working part-time as an Analyst with the Credit Risk Analysis office at the Inter-American Development Bank while looking for a full-time position.

**Reuben Jessop** (SC&D '90) has been happily living in Bangkok, Thailand since 1994 with his wife Chalerm Sri Udomphant and their two children Natcha and Cholatarn. After working in commercial banking and equity brokerage, Reuben has returned to development work. He is currently on a long-term contract with German Technical Cooperation (GTZ) to help small and medium-sized Thai enterprises become more competitive through improvements in their ability to

access finance. Reuben expects to be with GTZ at least through 2008. He sends his greetings to all of his fellow classmates and wishes them well.

Having managed the Latin America portfolio since 1999, **Lael Parish** (Bologna '81, SC&D '95) assumed responsibility for the International Development and Trade program at the Moriah Fund in 2006. The Moriah Fund is a private foundation that makes grants to promote human rights and social justice in the United States and internationally. As the Program Officer for Latin America and International Development, Lael is supporting efforts to promote rights and welfare of peoples and communities negatively affected by current development and trade regimes, and to increase their capacity to impact the policies and regulations of these institutions. Moriah's Latin America program focuses specifically on Guatemala, where it seeks to promote social justice and advance human rights, particularly those of indigenous peoples

**Daniel Zell** (SC&D '03) and his wife Erica are the proud parents of Austin Samuel Zell, born 26 February 2006, who is a bundle of joy and loves to chase and/or be chased. Daniel is a project manager of FEMA Flood Insurance Studies for Dewberry in Fairfax, VA. He recently worked with Katrina evacuees in Memphis and surveyed storm damage in Mississippi. He is currently managing a project studying the entire coastline of Mississippi.



This photograph was taken outside the village of Tibaani, in the Kakhetian region of the Republic of Georgia.

*Susan Smith, MA '08, is a first-year International Policy student. In 2005-2006 she was a Fulbright Scholar in the Republic of Georgia researching national minority integration in the Kvemo Kartli and Javakheti regions.*



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