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The Final Deathblow to Development Planning? A comparative book review

The Tyranny of Experts: Economists, Dictators, and the Forgotten Rights of the Poor

William Easterly

Basic Books, New York, 2013, 394pp., \$29.99, ISBN: 978-0-465-03125-2

Aid on the Edge of Chaos: Rethinking International Cooperation in a Complex World

Ben Ramalingam

Oxford University Press, Oxford, 2013, 440pp., £25.00, ISBN: 978-0-19-957802-3

When William Easterly released his best-seller 'The White Man's Burden', it was seen as the only book in a chain of recent works that dared to go against 'the inevitable social-democratic consensus... that aid is a worthwhile undertaking but could be better' (Maxwell, 2007). The aid community was still head-in-clouds after the 2005 Paris Declaration had given it a new sense of direction and purpose. Cautious optimism about aid and other forms of external support for development was reflected in a series of critical but uplifting publications by, among others, Jeffrey Sachs (2005) and Roger Riddell (2007) on how to achieve greater aid effectiveness.

More recent work on the future of aid and development strikes a rather different, much darker tone, fuelled by donor's abysmal implementation record of Paris Declaration principles and their increased discomfort with emerging market trade and investment flows in a post-crisis world. Perhaps most notably and radically, Dambisa Moyo (2009) has declared aid to be 'dead', a post-colonial relic effective only in propping up corrupt dictators. The latest books by William Easterly and Ben Ramalingam are adding to the increasingly gloomy-looking aid and development literature.

Easterly's book is in fact not about aid as such. On several occasions, he has even claimed the book's subject is not what 'we', Westerners, can do for development, although we believe it is so implicitly (see further). Instead, Easterly's narrative is built around what he calls the consensus view in development practice, i.e., that poverty is a problem amenable to technical fixes. Self-acclaimed development experts, including not only aid agency staff, but also Western politicians, NGOs and philanthropists, bestow power and legitimacy upon 'benevolent autocrats' (read: dictators and domestic elites) that, with the experts' assistance, will implement the technical solutions deemed necessary. By avoiding opposition, strongmen can deliver those solutions more efficiently than democracies, the logic goes. That the economic and political rights of development's ultimate beneficiaries are often trampled in the process is of second order. According to Easterly, this 'tyranny of experts' passes by and reinforces the real cause of deprivation: 'the unchecked power of the state against poor people without rights'.

Ramalingam largely agrees with Easterly on the grand failure of the expert approach to development, but focusses more narrowly on the aid industry. Ramalingam tears apart the mechanical practices of planning, measuring and evaluating development outcomes, which have become endemic to modern-day aid. Drawing on complexity theory, he shows how our attempts at applying home-grown experiences to developmental problems elsewhere always fall short due to our infinite lack of knowledge about the local, multifaceted reality in which these problems are situated. Ramalingam believes that this knowledge gap is insurmountable: even the most careful attempt at

mapping social reality will not allow for plans that can be executed with Fordist precision. After decades of failures, donors have reached a state of criticality. At this 'edge of chaos', the donor community's ability to transform is at its greatest, with tiny changes causing large ripples.

So where does this leave us? Although Easterly's book concentrates on his criticisms of the technocratic approach to development rather than on what ought to replace it, the last few chapters point to his faith in 'spontaneous solutions' that emerge through experimentation, market competition and learning-by-doing. Easterly positions himself as a champion of societies marked by individual freedoms, where ideas and technology can flow freely from the bottom up and which through signals such as prices and ballot box results provide feedback and hold local economic and political problem-solvers accountable for their actions. One could be forgiven for reading in this the textbook example of a liberal market democracy.

For Ramalingam, the bankruptcy of expert-led development implies the aid industry should accept its inability to directly attribute to impact. Donors need to consider 'catalytic aid', which does not create development per se, but expands the space for positive change. Much like Easterly, Ramalingam believes the true development experts are the poor themselves. Unlocking their potential will require two important changes in aid. First, donors will have to accept a more experimental approach to aid, testing multiple interventions and taking note of those that promote the intended progress. Contrary to current 'best-practicitis', experimentation allows ample room for failure. Second, the aid community needs to change its methodological toolkit. Concepts like linearity or averages are ill-suited for the 'wicked', highly unpredictable and interdependent problems that aid agencies attract like magnets. Ramalingam argues that more attention should be given to outliers. Studying positively deviating cases among mothers fighting malnutrition, for example, will help to discover the self-organising capacity of the poor as they navigate the complex adaptive system in which they live. Network theory can act as the 'killer app' to scrutinise social reality's idiosyncrasies.

Both books rightly point at important sore points and strange quirks in development thinking. Easterly brilliantly describes technocrats' obsession with the fate of nations rather than nationals, evident in the popular image of skilled migration as 'brain drain' to the sending country, rather than as a deliberate and often successful coping strategy by individuals and their families. Indeed, worldwide restrictions on migration may well be the clearest example of technocrats' neglect of individual rights. Another interesting passage is Easterly's debunking of the 'benevolent autocrats' myth, where he draws on Daniel Kahneman (2011) to lay bare the psychological biases, heuristics and attribution errors that, together with measurement error in growth rates, lead us to over- and misinterpret the relation between autocratic leaders and economic development.

Ramalingam excels when he explains how donor impact is impossible in a complex adaptive system, a provocative but potentially game-changing idea. Unlike Easterly however, he still believes aid has a role to play as development catalyst. But donors should be modest in their objectives and measure only the things they directly contribute to. Trying to quantify progress on gender equality or democratisation creates the wrong incentives and overstates aid's ability to influence. Also Ramalingam's focus on outliers is refreshing. All too often outliers are treated as unwanted results that mess up nice regression results. Ramalingam, however, points to them as sources of knowledge about complex adaptive systems' hidden features.

The two books have their deficiencies as well, however. Both authors tend to make a caricature of the development community. Easterly overlooks development experts' efforts to support civil society, nurture bottom-up democratisation processes and help developing countries

integrating into global markets. Ramalingam rather too quickly discards the current struggle for ownership and participation in the aid system as window dressing.

Furthermore, Easterly's constant flirts with the ideas of Friedrich Hayek, could easily be (mis)interpreted as advocacy for a minimal state and maximum market mechanisms, even if he explicitly states he wants to avoid these old discussions. He fails to keep a clean distinction between the debate on freedom and rights for the poor versus technocratic development on the one hand, and the state intervention versus free markets debate on the other. Easterly's account appears to defy a large literature emphasising the importance that strong states and trade protection had in the development of much of the West and South East Asia. True, as Ramalingam would point out, simple mimicry of those strategies may not be advisable. But ignoring such historical pathways seems a prime example of the very ahistorical 'blank slate' approach to development that Easterly himself criticises.

It is somewhat disappointing to see how few practical solutions both books offer for the many problems they highlight so aptly. Easterly completely avoids the hard but crucial question of how outsiders should engage with autocratic leaders, if at all. We are not convinced that a hands-off approach, following logically (if implicitly) from Easterly's conceptualisation of individual rights, would be the best way forward. In a similar fashion, Ramalingam devotes a large chunk of his book to complexity theory concepts, but struggles to translate them into practice. Often he falls back on management lingo and hollow-sounding expressions to obscure his inability to suggest how experimentation could be facilitated. There is no investigation of particular donor incentive structures that might stand in the way of experimentation. Moreover, Ramalingam remains on the surface of which forms an experimental approach might take. It is unclear who should decide on the experiments to be rolled out. If designed at donor level, how would they differ from a planned approach to development? Do the last 60 years of development assistance not add up to a whole lot of experimentation as well, regardless of whether it was planned or not?

Dennis Essers and Bert Jacobs

Institute of Development Policy and Management (IOB), University of Antwerp, Antwerp, Belgium

Emails: dennis.essers@uantwerpen.be ; bert.jacobs@uantwerpen.be

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