

Meaningful Results from Homegrown Solutions

A Bottom-Up Model for Fighting Poverty

The secret to successful aid, according to the highly respected international development economist Bill Easterly, is that there is no secret. “One approach to a successful aid project is just to immerse yourself in the local community, put people in charge who are themselves highly motivated, be adaptive and flexible to respond to whatever the local people think about how they can help themselves, so that you customize the ‘standard project designs’ to fit local circumstances. Most aid projects fail because there is nobody in the field making all these necessary adaptations and fixing unanticipated problems as they arise.”

Recently, a diverse group of supporters of WomensTrust, an emerging nonprofit model for social development and the empowerment of women and girls in Ghana, gathered in New York City to listen to Dr. Easterly, one of the few generally acknowledged “gurus” of foreign aid. Easterly, who worked for the World Bank for over fifteen years, is the author of *The White Man’s Burden: Why the West’s Efforts to Aid the Rest Have Done So Much Ill and So Little Good*. The book, published in 2006, is a grim appraisal of “The Big Plan,” the West’s “illusive quest to lift countries out of poverty.” According to Easterly, the ill-considered, top-down and paternalistic contributions of two to three trillion dollars by western nations between 1950 and the year 2000 resulted in virtually zero growth in the recipient African nations during that time frame.

“It just didn’t do anything. It’s like a Greek tragedy of hubris and arrogance. We thought that we knew the problems of Africa in advance,” he said, glancing around the room. “There was this fixation of giving aid to governments, but no one was held accountable and there was no effort to get feedback.”

In particular, Easterly rebukes the World Bank, where he worked as an economist, for the presumptive way it gave away money. He noted that the Bank made an extraordinary effort to chronicle the aspirations of the poor people in what it titled “Voices of the Poor.” “But they forgot to do one thing,” he said. “They never asked the poor people themselves, ‘What do you think about the World Bank?’”

The Bank failed to do what any entrepreneur would do, namely to ask the customer what he or she wanted and whether s/he liked the experience. “Throwing money at the problem has been sold as a panacea. We might be better off doing what Dana did in Pokuase. You go and you get to know people. You gain their trust, not for paternalistic purposes. You go with the intention of finding out how we can help.”

“Maybe five percent of the answer ‘to poverty’ in Africa is sending financial aid,” he went on to say, “but ninety-five percent of the answer is what Dana is doing.” Easterly distinguishes between two types of donors: planners who believe in imposing top-down big plans on poor countries and searchers who look for bottom-up solutions to specific needs.

“Modest” efforts like those of WomensTrust are far more likely to yield meaningful reductions in poverty. “You start by saying, ‘I don’t know the answer.’ You have to search your way forward.”

Easterly was asked at the end of his presentation how he would rank WomensTrust among the programs he had surveyed in Africa. Although he admitted he had not done a comprehensive study of such programs, he responded by saying, “WomensTrust is probably the best project that I have seen in Africa. It is modest. And that is the great thing about the model. There can be only one World Bank, but there can be 100,000 WomensTrusts.”

These remarks were compiled from William Easterly’s Aid Watch blog from Pokuase, posted on April 10, 2009, after he visited the WomensTrust project in Ghana for the second time -- and from an interview conducted by SmartMoney’s Dyan Machan in front of a gathering in Manhattan, New York, in late September. For more information, go to www.womenstrust.org.