Viewpoint
Doing Development Differently
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Doing Development Differently

International aid must use different approaches to address the massive systemic problems it seeks to solve.

BY LENI WILD

The current system of international aid is outdated and ineffective. Even before the COVID-19 pandemic, many of the poorest countries were significantly off track to meet the United Nations’ Sustainable Development Goals, a set of global targets that countries established in 2015 for tackling poverty, reducing inequality, and protecting the environment by 2030. Trends have only worsened in the past year. Hunger is on the rise, and we are projected to face the first increase in global poverty in more than 20 years. Inequalities within countries remain and are widening in many nations. Young people globally are three times more likely to be unemployed than adults. Conflict and instability have intensified in many parts of the world. In 2018, the number of people fleeing war, persecution, and conflict exceeded 70 million, the highest level recorded in almost 70 years. The COVID-19 pandemic will likely lead to further social unrest and violence.

International aid is but one part of the solution, with important roles played by overall levels of economic growth, the capacity and efficiency of governments, and investment by the private sector. But current aid models are struggling in the face of these multifaceted challenges that require new modes of cooperation and support.

I have come to this conclusion after working in international aid and development for almost 15 years. Tackling complex issues such as inequality, extreme poverty, and conflict must be grounded in a more realistic understanding of how change happens. History teaches us that when big breakthroughs occur in these areas, they are usually domestically driven, cumulative, untidy, and unpredictable. Domestic reformers and their international aid partners, therefore, need to focus less on grand strategy and the amount of aid money raised, and more on identifying specific problems and building responses that allow them to test, learn, and pivot where needed to find effective solutions.

DITCH THE TEMPLATE
Finding the right solutions requires a systems perspective. Countless different factors come together to produce outcomes; these factors themselves constantly change and evolve, and they are all interconnected. Action taken in one part of a system will have knock-on effects elsewhere.

Human systems are made up of people, relationships, organizations, and institutions. Long-term change to such systems requires shifts in behavior and incentives. There are no easy solutions, and money alone is unlikely to be sufficient. Instead, processes of discovery are needed to figure out exactly what will work in a particular setting, country, or region.

Current international aid models struggle to operate in this way, for at least three reasons. First, international aid has become increasingly “projectized”—that is, it has focused on developing high-level strategies and plans, and enforcing compliance with those plans, rather than adopting a wider perspective on how to manage uncertainty in addressing complex problems. Efforts concentrate on meeting predetermined targets rather than assessing realistically whether aid is achieving the desired impact.

Second, aid has become too narrow in scope—its underlying assumptions too often center on providing more money, more technical inputs, and more technocratic solutions, when the major problems do not admit such easy fixes. The difficulties are typically knotty, involve politics and power, and require behavioral changes. For instance, while international aid has sought to tackle inequalities in terms of access to education or adequate health coverage, it has concentrated on narrow inputs, such as funding for new buildings, equipment, and supplies, rather than recognizing the need to strengthen the motivation and incentives of frontline staff, engage users themselves in reform processes, and understand how political influence can shape performance and outcomes. As a result, schools get built, but children do not show up and learn; health centers exist, but they do not reach the most vulnerable.

Third, international aid programs continue to adopt blueprints or templates taken from elsewhere that are not appropriate to the local context they are meant to address. Organizations import solutions—often from donor countries—rather than work with local groups to
understand their problems and find contextually appropriate responses.

Instead, these organizations need to learn to do things differently. Aid delivery must become much more problem focused and politically smart. It must concentrate on getting to the underlying issues or problems preventing better outcomes—essentially by asking lots of why questions. In many countries, this needs to be accompanied by brokering or facilitating reform coalitions, in environments that are politically challenging, complex, and uncertain, and where partners may be less than perfect.

Aid also needs to become much more flexible, adaptive, and oriented toward learning. Dealing with complex problems and unpredictable processes of change requires rapid cycles of testing, adapting, and assessing. This approach requires strong feedback loops that can test initial assumptions about how change happens and allow for adjustments in light of what is learned.

Finally, aid must be grounded in local leadership and users. Change is best ushered in by the people who are close to the problem and who have the greatest stake in its solution. While aid organizations praise local ownership and participation in development, such talk has rarely resulted in change that is genuinely driven by individuals and groups with the power to influence the problem and find answers.

We have examples of what this approach can look like in practice. For instance, at the Overseas Development Institute (ODI), a UK-based think tank and provider of advisory support, I was part of a team that worked closely with an international NGO called The Asia Foundation, whose mission is to address poverty across Asia. We helped document what they have termed their “development entrepreneurship” model, which found striking success in the Philippines.

The Asia Foundation was able to facilitate two significant reforms. First, through a combination of research, advocacy, lobbying, and network building, it helped formulate and pass legislation on the registration of land titles, which resulted in a 1,400 percent increase in residential land titling, helping to resolve conflicts over land ownership and protect the poorest from losing their properties. Working as part of a civil society network, the foundation also helped to pass a law restructuring excise tax on alcohol and tobacco, which generated more than $1 billion earmarked for health expenditures for the poorest.

Small teams drove these reforms. Their members had worked on the issues for some time and had connections to local leaders and political players, enabling them to surmount obstacles when some powerful individuals and organizations fought back. On property rights reform, when differences of opinion emerged, the original team was split in two to pursue different solutions. One group focused on digital solutions but became mired in bureaucratic politics and was halted, while the other focused on legislative reform and ultimately succeeded.

In addition, the foundation facilitated and mediated for local leaders and groups rather than directing their activities. The head of the foundation’s work in the Philippines likened himself to a coach helping a team achieve its goals. The Asia Foundation saw its role as an intermediary between frontline reform activists and the funder, USAID. Taking this stance allowed them to work flexibly and untethered to predetermined timetables or work plans and ensured that they could genuinely support local leadership efforts.

**THE WAY FORWARD**

What would it take to move international aid from a set of good pilots to more sustained changes in practice? From my experience working and advising within large aid organizations, change is needed on at least three levels: systems and processes; staff behaviors and incentives; and leadership.

First, aid organizations can find greater flexibility in existing systems and processes. I have found that there is often more room to work adaptively and innovate within such systems than staff perceive. The problems lie not in the formal systems but in informal, everyday habits and ways of working.

For example, staff in aid organizations, and their partners, often cite fixed procurement models as a core challenge for more adaptive, innovative aid delivery, but a growing diversity of procurement models are available. USAID has recently pioneered greater use of “co-creation” for procurement, allowing potential partners to help collaborate in funding calls and the design of new aid programs. Some local governments in the United Kingdom have used “alliance contracting” to tackle complex domestic social issues, allowing different organizations to collaborate on design, and allocating resources to these organizations to cooperate and share responsibility for outcomes as part of program delivery. The aid industry must spread awareness of these examples and give staff confidence and training to use them when appropriate.

Second, aid organizations need to be able to motivate and support aid staff to embrace these ways of working. Senior program managers play a crucial role in building relationships with partners, managing accountability pressures from above, and giving space for learning. Organizations must invest in teaching some of these softer skills.

Third, greater incentives for adaptive leadership are needed. Organizations must empower senior management to promote locally led or more decentralized innovation and problem-solving, including with partner organizations. At a minimum, leaders need to allow space for these ways of working and find the balance between oversight and acquiescence for decentralized decision-making, by setting clear expectations for how decisions are made and ensuring higher standards of openness and transparency.

In general, the international aid community suffers from a hunger for certainty that prevents the cultivation of robust systems for dealing with uncertainty and constrains funding decisions and the space given to partners. Leaders too often tinker with the management of individual projects, rather than reorienting whole portfolios and strategies. Building genuine local leadership remains by far the weakest element—much more needs to be done to show genuine commitment to locally led, decentralized problem-solving and innovation.