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Haiti: international aid risks replacing rather than strengthening partners

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Bonn, 25 February 2013. Haiti is remembered by the general public with sadness for the disastrous earthquake that struck in January 2010, killing an estimated 250,000 people and making over a million homeless. That record-breaking disaster was followed by others, such as the cholera epidemic that broke out in October 2010 and Hurricanes Isaac and Sandy in 2012, which caused serious flooding and destroyed much of the harvest. All this happened in what was already one of the world's least developed countries.

The international community has long been involved in Haiti, which is and was, even before the 2010 earthquake, among the largest per capita recipients of development aid. After the quake, according to the United Nations Office of the Special Envoy for Haiti, Bill Clinton, the international community pledged US\$ 10.37 billion in official aid (excluding debt relief), with humanitarian relief in response to the earthquake and the cholera epidemic accounting for US\$ 2.57 billion and recovery and development aid for US\$ 7.8 billion. An additional US\$ 3 billion in private funding has been donated to international non-government organizations (NGOs) and UN entities. Taken together, this is equivalent to more than the country's gross domestic product of some US\$ 12 billion in 2011.

So far, so (bad or) good? Not quite. Not long ago, Jonathan Katz, who has reported from Haiti for Associated Press (AP) for many years, published a book entitled *The Big Truck That Went By. How the World Came to Save Haiti and Left Behind a Disaster*. Katz wondered what had become of the enormous amounts of international aid that had been pledged. His answer: first, as a large proportion of the money had yet to be disbursed, it had not benefited the Haitian people; second, the international community had largely bypassed the Haitian government and civil society and so kept them weak rather than strengthening them.

It might be said, of course, that this is just another in a line of slating reviews of international development cooperation. Unfortunately, however, even though he describes many personal experiences and presents journalistic rather than scientific arguments, Katz finds himself very much in

professional company with his criticism. The following picture emerges from his arguments:

Of the humanitarian assistance pledged by governments for 2010–2012, 94 percent was at least disbursed. Disbursement in this context means transfer to an implementing organisation, but not necessarily the completion of a measure. The funds were spent primarily on medical care, food aid and the provision of emergency shelter. Many people were helped in this way. The picture changes when it comes to recovery and development aid, which, according to a promise made at the International Donors' Conference for Haiti held in New York in March 2010, was to form the basis of "a new future for Haiti." Of the total of US\$ 7.8 billion pledged for 2010–2012, only 51 percent has been disbursed so far. Despite a number of improvements (in physical infrastructure, for instance), the Haitian people are becoming increasingly disappointed with the slow progress. A disbursement rate of 51 percent in three years does not, of course, permit a conclusive assessment. Recovery and development aid is undeniably longer-term and particularly difficult in fragile contexts. And the time it takes to implement programmes also depends on their nature. Disbursement is not, after all, an end in itself: the crucial factor is the effect it has on development. Nonetheless, given the statements issued by the international donor community, action needs to be taken more quickly. In the report entitled *Can More Aid Stay in Haiti and Other Fragile Settings?*, submitted by his office in November 2012, Bill Clinton called for increased disbursements.

More serious is that most disbursement in 2010–2012 bypassed Haiti's public financial management and procurement systems, meaning that the government was not involved in any way. In the case of humanitarian relief the figure was 99 percent, for recovery and development aid 86 percent. Multilateral donors made more use of government systems than bilateral donors. Even allowing for the fact that the government's ability to take action was seriously restricted immediately after the earthquake (numerous ministries had been totally or partly destroyed) and rapid action is essential in the case of humanitarian relief, the

virtual bypassing of the government poses problems. After all, the Haitian government had submitted a reconstruction plan for the donors' conference held in New York in March 2010, and the international donors announced at that conference that they would provide their aid "in a manner that strengthens the authority of the State, makes local governments more effective [and] builds the capacity of local and national institutions."

An argument repeatedly advanced is that weak state structures and widespread corruption in Haiti prevent the more rapid, appropriate use of resources. It is true that Haiti appears in the unprestigious top group of the 2012 *Failed States Index*, where it ranks seventh (immediately after Afghanistan). In the 2012 *Transparency International* corruption index of 176 countries, Haiti is found very near the bottom, in 165th place. Yet this argument does not tell the whole truth. The international community must accept that it is doing too little to overcome this situation and exacerbating the structural weaknesses at which complaints have been levelled. There is a danger of this turning into a vicious circle.

This is not only claimed by such journalists as Katz, but also confirmed in official quarters. In the 2005 Paris Declaration on Aid Effectiveness the international donor community committed to respect partner countries' ownership and so, for example, to use and strengthen their public financial and procurement systems whenever possible. And in the 2007 Principles for Good International Engagement in Fragile States and Situations it clearly committed itself to the principle of focusing on "state-building as the central objective".

When reviewing adherence to these commitments, the OECD came to the sobering conclusion in the country report on Haiti in 2011 that the massive international presence in Haiti had not strengthened the national institutions, but had, on the contrary, partly taken the state's place. In his report Bill Clinton therefore advocated "for funding to programs that are Haitian-owned and

Haitian-led, with more funding channelled through Haitian institutions, more procurement done locally, more attention paid to job creation, and more emphasis placed on building sustained local capacity at both the national and departmental levels."

Are NGOs better than official donors? Not necessarily. Foreign NGOs (and private service providers) are playing a huge role in Haiti, not only because of the aforementioned US\$ 3 billion in private donations, but also because many of them are acting as the official donors' implementing organisations. The study entitled *Haiti: Where Has All the Money Gone?* published by the Center for Global Development (CGD) in Washington in June 2012 refers to the rise of a "quasi-private state in Haiti". It points out that, at times, foreign NGOs have "greater influence over local politics than the local population", while their accountability often leaves a great deal to be desired. The CDG study therefore calls for greater transparency of the use of resources and of activities and, above all, for systematic and widely accessible evaluations of the effects achieved. It should be added that Bill Clinton's call for national capacities to be strengthened in Haiti also applies to foreign NGOs. They, too, should see their overriding objective as being to make themselves superfluous rather than their local partners.

In a review of Katz's book on 21 January 2012, an AP editor came to the conclusion that people should seriously think twice about donating to an international aid organisation. Further reactions of this kind are likely to follow. Unfortunately, the reviewer fails to say what the would-be donor should consider. One suggestion might be this: donors (and taxpayers) should require humanitarian assistance and development cooperation organisations to say what they have achieved (not only what they have done) and how far they have succeeded in strengthening partners sustainably. Such information should be at the centre of public relations work in the development field.