

Why Countries Need a Donor Monitor

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Money for government officials stuffed into envelopes. Gifts of cars, computers, and overseas junkets. Budget switching. Pressures to falsify reports and hide information from public oversight. Blacklisting. Destruction of minority communities, cultural heritage, and the environment for productivity and profit. Violation of international and domestic laws.

It sounds like the typical criticism of multi-national corporations or of business practices in the Third World or of military juntas and corrupt international regimes. But, it isn't.

It is the standard practice in the international development community that has become part of promoting the careers and self-interest of the donors and international "cronies," with the peoples of the Third World becoming little more than a means to private ends. It occurs with your tax dollars and mine, and with funds attracted through appeals to our humanity and generosity for funding to stop these very same problems.

Though much of it could be considered "criminal" – in violation of international treaties, country constitutions and laws, and existing professional ethics codes – little of it is ever prosecuted and almost all of it is conducted with no public oversight. Attempts to report it or reverse it are often career-ending for anyone in the field.

The practices listed above are taken from ordinary activities of the U.N. system and international banks, international country donors, NGOs, and missionary organizations that I have seen mostly unchanged (and possibly worsening) during the 20 plus years that I have spent as an international development consultant.

A standard critique of international aid is still true today – that it is too often still designed to serve the short-term interests of the donor countries and the agenda is one of "dependency" and "neo-colonialism" – the promotion of international trade rather than stability. Sometimes the donors themselves set agendas that directly violate international (or their own country) laws to promote country interest agendas that may only respond to the needs of a small group of businesses or elites in donor countries (such as agendas to open up markets in the Third World and "transition" countries in an attempt to more easily extract their resources, or to sell them products they don't really need rather than to promote viable and competitive markets and secure and stable contexts for growth and appropriate investments) (Frank, et.al., 1972; Wallerstein, 1979; Lempert, 1995, and 1996). More often than not, however, there is an emerging understanding that protecting natural environments, creating stable and competitive economies (good for business in the long-run), promoting diversity, rights, and local cultures are appropriate goals of development and are good for everyone in the long-term. Nevertheless, while there are a

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number of NGOs that put the interests of peoples of the recipient countries first on their agendas (promoting sustainability and democracy, protecting cultural diversity, protecting the environment), the reality is that their incentive schemes undermine what they claim they are there to do (Wedel, 1998, Lempert, 1995). Even with these new understandings, agendas are quickly subverted and distorted.

What goes wrong in international development assistance is not the amounts of the aid or the conditions attached to it; the standard debate between “North” and “South.” The heart of the problem is one of management incentives for the international actors providing assistance.

The solution is as much a managerial or administrative problem than it is one about empathy. It is about finding a way to change the incentives in organizations that lack the checks that one finds in business, in other areas of government, or in domestic NGOs.

Given that there is almost no real direct accountability of any of the international development agents either to the beneficiaries (and their cultures and environments) or to the international public, change is not going to happen from within the organizations, themselves. It needs to come from without, through new kinds of monitoring; country Donor² Monitors, seeking to regulate the “industry” and its standards in each donor country and also monitoring overall impacts. This article helps to define the problem and outline the role of this new kind of oversight organization representing public interests at the end of the recipient beneficiaries (and usually that of future generations that require the protections) and of the aid contributors or taxpayers who give their money in a kind of blind trust that experts will use it appropriately for the long-term benefit of mankind in places far away, difficult to understand, and undesirable to visit to monitor the results.

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The Problem in the Incentive Structures of International Development Organizations – Governments ultimately have to answer to their people. Businesses ultimately have to answer to the consumers of their products and to the communities where they work. NGOs that advocate for members are ultimately accountable to those constituencies. But the case of international development agents is a bit different. The long-term harm that they often do to the communities they serve and to humanity through short term subsidies either to corrupt officials or to the “poor” whose symptoms they may quickly relieve are mostly invisible to the current recipients or to donors who accept on faith that short-term band-aids are really long-term solutions. Further, the mechanics by which they operate are not subject to any real controls. Unlike businesses that do ultimately have long-term interest in operating in stable communities and in reducing corruption, aid agencies have

² There is a bit of a problem with language in development. “Donors” can refer to all development assistance since all really give donations in some form, but NGOs often subcontract for the “major donors” that may be country aid agencies or international organizations (who, themselves, seek donors and are donors) and often don’t think of themselves as donors. Taxpayers are really the “donors” but there is a distinction between voluntary donations that they make directly and involuntary contributions that they make to development through their taxes. In these cases, they are usually referred to as the “funders.”

an incentive scheme that actually allows them to thrive on poverty and instability; the very harms they are supposed to cure.

Similarly, rather than have incentives to stop corruption, development agents use the relationships that they create to “sell” their funders on the idea that they are well placed and that they are making gains deserving of future funding! In politics in Western countries, the problem of “capture” of public bureaucracies by the groups they are supposed to regulate and change, through mechanisms of lobbying and “revolving door” hiring, has gained increasing attention. Bureaucrats and their regulated “stakeholders” often seem to form coalitions that promote the interests of both against the mass public. These coalitions also form in international development but with even less of a check. Overall, the incentive structure is perverse and it is almost entirely unregulated.

In the international development world, one would think that the interests and incentives of development agents are those that are stated by the projects and by aid agencies that fund them – sustainable development, protection of international environment and heritage, and safeguarding of the world’s treasures. In some cases, where results can be measured, such as in stopping the spread of epidemics or protecting a certain identifiable resources, some of these do hold true. Where the donor country citizens have a direct interest in a quickly measurable result (similar to that of providing relief), the control system works. But most “development” isn’t easily measurable because the overall goals are defined as long term. When the results are too far away and difficult to measure, a second set of incentives set in. Those incentives are those of the individuals who administer aid, and their incentives are in keeping the “long-term” out of reach so that aid projects continue indefinitely.

The incentive for development assistance professionals is not to solve problems because, ironically, solutions put them out of work on the very problems and areas where they have specialized expertise that may be hard to transfer. Losing work in international development is not like losing work in a developed country and having to find another position or even having to move to another city. In the world of development assistance, the elimination of a job usually means a forced relocation for one’s entire family to another country in addition to potentially long periods of unemployment. It means the loss of a visa and potentially rapid pressure to uproot. It may mean having to start all over in a place less secure, where one doesn’t speak the language and has no contacts. For those living in the country (either married to a local or a national of the recipient country) it usually means the loss of a prestigious position with high salary and good benefits, in jobs that exist in special niches in the job market that are difficult or impossible to replace.

What this means is that the key incentive for anyone working in development assistance is to keep one’s job at whatever costs and consequences, and to keep the money flowing. The fundamental problem in the incentive structure is that development professionals are co-dependent on the very problems they are supposed to be solving. They are, literally, in the “poverty business.” There is no rising tide to raise all boats in the poverty business of the development industry. The tide that sinks the other boats and causes other

colleagues' programs to fail, or that sweeps more resources into one's hands by eliminating colleagues who are more professional or efficient but who cost more, is the norm. The incentive for development professionals is to generate new problems to solve and to create exclusive relationships with government officials. Those officials demand their "cut" in return for guaranteeing access to a pool of "poor beneficiaries" who can be used as targets of aid in the design of projects that bring more money through the hands of the projects and the officials. This is the situation in international development. It is an incentive structure gone bad and literally gone mad.

Some of it might be condoned if it were for an appropriate ends. Development organizations might have to include high officials in some schemes in order to reach groups victimized by discrimination. Officials do need to be "included" as part of any change process. Training and gifts could have public benefit. But much of this standard justification cannot really be connected with reality or results when put to a hard test. What has developed is a process that has little real touch with development objectives and the long term interests of beneficiaries. What has emerged is a "system" of collusion that keeps donor money flowing and that serves to promote ends that are largely the opposite of what is needed. In my experience, for every one project that makes a concession in order to do good, there are nine projects that are too lazy to care, or where the relationships between the donors and the local elite community creates a cozy cocoon in which they protect only each other.³ Those that are investigated and exposed are only the tip of the iceberg, because there are no existing institutions with the resources or interest to do the monitoring.

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The Harms to Developing Countries and to the Globe – The results of this system of skewed incentives are the very opposite of the stated goals, with consequences for communities in the developing world and for the world as a whole. They can be described in at least five categories – wasted spending, disruption of foreign systems to keep money flowing, promotion of corruption, overall fraud, and "dumbing down" of the development system:

- Falsification of Poverty or the Creation of Illusions of Need: Donors as Santa Claus - In many developing countries or areas, there is no need for aid at all, but development organizations are still there, find the places comfortable to live, and enjoy the benefits foreign funding that exerts little or no scrutiny. In order to keep working, they often either invent "poverty" and "need" to extract foreign donations or they work to prolong and actually create poverty (!) to justify their own projects.

³ I note that this is in development work, as distinguished from disaster relief, where anything necessary to gain access to beneficiaries could be acceptable in an emergency. The problem in development is that few people doing "development" work – long term social and cultural change – really understand or seem to care about the difference between that and "relief"; throwing resources into communities to get them back on their feet in response to conflict or natural disaster.

One of the biggest offenders in the falsification of need is the U.N. system and international banks, where governments can change poverty measures and set agendas that the international agencies then do not challenge, given the way the systems are now structured. It is typical for countries to impoverish certain ethnic groups or regions through discriminatory policies and to create the impression that the only solution is foreign support (though the simple solution is for them to redistribute their own wealth). UNICEF and the ILO, for example, are required to work on rights-based solutions that would end these inequities in developing countries by forcing government to attend to children or other groups. But that would change the preference of the organizations' administrators for continually treating symptoms and becoming an extra arm of the local governments and they do not seem to follow their own institutional requirements⁴. Similarly, though the UNDP is committed to an agenda for sustainable development, that should require countries to plan their populations, consumption, and productivity growth, it has substituted an agenda of treating symptoms (in a list of "Millennium Development Goals") that acts to postpone poverty or ratchet up its consequences in the future (by increasing the population and running countries to the limits of foreign technology that the UNDP freely provides, in connection with other aid donors).

In a market system, where good ideas work, competitors instantly copy it and it replicates. In development, projects are often described as "models" that offer "lessons learned" and that will similarly have large sustainable and replicable impact. But, governments that rely on foreign aid and development agents have little incentive to promote such replication through a communications strategy about a model that works. When development agents talk about "replication," what they mean is the chance to do the very same project over and over again, under their management and with the fees that they earn for themselves, each time that they do.

Where countries have overcome disasters and no longer need relief assistance, but need support to achieve long term stability and "development", the "need" for aid is often a lie that is marketed to unwary donors that keeps the pipeline of foreign funds open. There is often plenty of money in countries receiving aid; either held by the rich and not taxed or just over "consumed" by the poor through poor population policies, consumption on luxuries or social ills, corruption, or waste. It is easy to measure where budgets are open or where development agents act to measure it. The reason that aid may be sought is not because there aren't local funds, but because there is a kind of "bankruptcy" and need for restructured spending, population planning, taxation, oversight, and measurement that continually goes unmeasured and unaddressed. Without a control system and planning, the focus remains on the need for "aid" or "capital." Development agents remain locked into the "relief" mentality of treating symptoms. (See Piven and Cloward, 1986)

Donors often see themselves as Santa Claus, redefining "need" away from global definitions of "economic stability and harmony with a culture's capacities and plans", and substituting the reality of "relative poverty" compared to the richest of the First World, that may not really be a problem at all. When I measured the wealth of one

⁴ These requirements are established in the Legal Charters of both organizations and affirmed by upper management.

community for a \$5 million European funded project last year, I found that the community was already living at the standards of Europeans in the early 20th century. They weren't "poor." They were bankrupt. Unlike Europeans at the same stage of technology, they consumed everything they earned in ways that stopped them from growing. Yet, the donor didn't want to change their spending and savings. They wanted to keep bestowing gifts. "But they are poor", they said.

Criticisms that were made of development agencies, decades ago, offering inappropriate gifts still remain true today, because the same incentives remain unchanged. Projects offer high profile goods like lavish hospitals, sometimes in response to local surveys claimed to be "democratic" and "participatory" because, projects report, "We asked the poor what they needed, and this is what they said they needed." The answer to the critics was to "include" the poor, but the results are often no different because of the questions that are asked. In other cases, unneeded aid is given because a development agent sees the potential to serve as a middleman to deliver something a donor wishes to give, whether or not it is appropriate. Why are foreigners building state-of-the-art hospitals for countries that do not even understand the concerns of basic nutrition, sanitation, and health? How will they pay for the upkeep? That is the wrong question in the development world where the incentives are to promote transactions and being the intermediary where one can take a cut.

Relative to the richest group of people in the world, there are groups that are always "poor." But every example of relative differences in lifestyles should not be an invitation to a foreign aid project. But, development agents generally don't ask, "What system is broken, leading to unsustainability, and needs to be fixed to put a culture or system back on track?" That implies looking for problems to solve, rather than just generating projects to shovel in resources, where projects earn their living, much like investment bankers, by promoting transactions rather than results.

Much of this stretches to the absurd. I recently evaluated a project where the UN system was entering the university textbook business, from writing to publishing, even though a market solution was perfectly viable and the professors and students who were benefiting were supposed to be learning how to create functioning markets and administrative systems. The project documents said that the textbooks were "needed" and that "students" and the country would be "better off." Why couldn't these professors fulfill their own functions themselves and sell their own books? The answer is always the same among the development community. "They can't. They are too poor."

- Disruption of the Countries to Promote Agendas that Keep the Money Flowing – The incentive of development organizations to treat symptoms rather than to treat the causes, doesn't just sometimes prolong agony of the suffering for the private benefit of the aid merchants. In many cases it makes it worse and leads to increasing frustration and conflict that can fuel terrorism or civil war.

When aid organizations postpone poverty by contributing to population increases, to corruption of government officials, to dislocations in tax policies (through the foreign

subsidies), through dislocations in investment and planning (by giving foreign technologies freely, without creating any systems for technological growth), through replacing government institutions or the market rather than by forcing them to reform so that they are accountable and effective, and by weakening local cultures and social infrastructure that kept systems in balance in the past, they also ratchet up the size of the problems they should be solving.

Unfortunately, the way that the philosophy of “the market” has entered development is not in the logic of how wealth is created, how contexts are stable, or how operations are efficient. It is in the form of increasing “productivity;” a term that itself was applied to most developing countries when they were colonies, and that is still applied today even though they are legally autonomous. Business, government and legal professionals turn their own professional skills and approaches on their heads when it comes to work in the Third World or Second World.

No business, for example, would ever fail to produce a balance sheet and to look at its assets and retained earnings to see how it was growing. Nor would investors fail to predict a long-term profit stream and to assess value on the basis of those long-term assessments. But when it comes to working with a country rather than a business, these sound practices and measures are discarded.

Instead of balance sheets and measurements of a country or community’s assets (its natural resources, its cultural heritage, its people, its recreation space), or even of its own well-being as locally defined, the standard measure of development projects is short-term profit; even if that means mortgaging off future assets and postponing the costs of problems to the future (pollution, rootlessness, and other social costs). Unlike business valuation that incorporates future liabilities, development projects look almost entirely at current income growth, no matter how it is produced. To convince donors, they show quick “productivity gains” that usually are the kind of short-term results that financial analysts would discard when evaluating a company, because they are one-short benefits from foreign technology or capital. In the development world, they treat symptoms of poverty with quick fixes. Similarly, instead of conducting long-term planning for sustainable development, system planning in development is replaced by only “investment planning”.

When international development agents like the UN enter the Laotian jungle highlands and declare that the minorities there will ultimately need the equivalent of skyscrapers and factories in order to assure their “equality” with the developed world, they aren’t just generating investment projects for short term productivity that keeps the development agents busy. They are also violating international law and national law by weakening or putting processes in place that destroy the very cultures they claim to be helping. The standard package of development solutions, repeated by all of the major funders in development (the international banks, the UN, the EU, and major country aid programs) is to offer the solution of trade and exports, factory labor, and State designed curricula; all in the interests of “productivity” that has the easily measurable impact of destabilizing environments, consumption, and chances to be independent and different. Once these

cultures are disrupted by the higher populations and consumption, their growing dependency makes them further reliant on continued outside technology and investment.

The underlying approach creates a dependency on outside help after projects bestow foreign technology “transfers.” This disables the systems that are ordinarily needed in a country for true growth and promotes a trajectory where future costs will mount, resources will disappear, and productivity increases will soon fall; hence the need for new interventions in the form of crisis “relief.” It seems almost as if it is by design.

- Capture by Government Officials, Promotion of Corruption – Development project officials often talk about how they are opposed to corruption and how projects are now designed to address corruption. In fact, the process of development aid is intrinsically corrupt because of the mechanisms that are established to reach the beneficiaries, and development agents have almost no incentive to root it out.

In 1997, I went to one of the countries of the former Soviet Union to design a new World Bank portfolio on legal reform, championed by President James Wolfensohn in a new portfolio designed to reduce corruption and promote the rule of law. I was sent as the international consultant to clean up a project designed by a Ministry of Justice with a local consultant and that the World Bank had defined as “self-dealing” and in violation of Bank rules. But, the World Bank gave the money to pay me directly to the Ministry of Justice that had been accused of self-dealing. Rather than establish accountability controls as a condition for other loans, as is standard bank practice, the World Bank claimed that the money was given to the Ministry to respect their “sovereignty” and to give them “incentives.” Their incentive was to immediately ask me for a kickback of 10% of my contract on arrival, and then to demand that I put my name on the same self-dealing report that the Bank had said was illegal. I refused to commit either act; both felonies under U.S. law. I produced a report that followed U.S. and international law. The country refused to pay me. U.S. courts wouldn’t enforce the contract because of the unwillingness to oversee international relations, and they told me to seek relief in the foreign country, under the very same Ministry of Justice, and where the World Bank had said there was no rule of law. Meanwhile, the World Bank has sovereign immunity. New laws now require the World Bank to protect whistleblowers, but under what courts can they be enforced?

What happens at the level of the World Bank, where donors could easily exert leverage if they chose, by withholding money and setting conditions, to avoid problems like those described above, happens all the way down the line on the scale of development projects. Aid agencies enter into the same questionable relationships with officials, and offer the same rationale of “respecting sovereignty” even when they, themselves, are victims of pressures for bribes. Nobel Laureate Joseph Stiglitz, who worked for the World Bank, has published critiques of the World Bank group saying that this is by design; the lenders close their eyes to a large amount of funding in order to get officials hooked on borrowing. The situation with the “smaller” donors – i.e., almost everyone else, including unilateral government donors and even the U.N. -- is different, but the results are the same. The smaller development agents need to spend money and prove that they

can get a project off the ground in the “real world” in order to keep money flowing. If they slow the flow of money, they risk money going to other agents who can show “results” of getting agreements with host country government officials, to accept projects. What that means is that all of the leverage is lost and the power balance shifts to the local officials who play donors and projects off of each other in choosing to partner with the ones whose projects are the most corruptible by host country officials.

It sounds like a good idea to promote “strong local pride” and “protect the culture”, but this is now largely a euphemism for “not standing up to local corruption, local inequality, and to the officials whose behaviors and incentives are the real root causes of problems.” Corrupt officials play donors off of each other for the most corrupt deal that requires the least amount of real change, that allows elites to seek money from foreign taxpayers rather than to have to contribute their own money, and that offer them the most control. In a sense, they sell access to the highest “bidder” and take on the weakest projects. Indeed, development professionals make investment bankers look like amateurs, taking their “cut” for designing project implementation that hands over money to local authorities with no strings for some a scheme of “poverty reduction.”

The pressures for direct or disguised payoffs to government officials (everything from vehicles, computers, trips abroad, and discretionary control of large “infrastructure investment budgets”) are not only in return for granting “access” to beneficiaries or “agreeing” to some project such as “improving the capacity of the government.” They are also in return for helping to construct false indicators that will help to promote future funding. Since many development agents do not want to have to measure real benefits to citizen beneficiaries (something that increases their costs), they substitute measures like “acceptance rates of foreign inputs” as their measure of success. In projects that are designed to “improve” the quality of governance, for example, what the aid community does rather than to try to change incentives that create poor governance, is to offer “workshop attendance figures.” To inflate those figures, they pay government officials with “lunch and attendance money” that is often well more than their salaries; putting the money into envelopes that are discretely delivered.

On one recent multi-million dollar project to a bankrupt district, I was shocked that the development agent described the donation as a “negotiation” in which “several concessions” would have to be made to officials described even in national newspapers as corrupt, in order to “convince them” to take money that an analysis showed the district should not receive unless they made several key reforms. What they wanted the money for, in a district in Vietnam in 2006, was to keep building military monuments to fund what they called “Enemy Hatred” (the Killing of Americans and French), to fund the infrastructure projects that brought no productive returns but offered high kickbacks (paving over dirt roads that only trucks took once a day, driving only an hour from the nearest main city), for citizen consumption of alcohol and tobacco, and to build bigger and bigger tombs to their dead and to their ancestors, as well as for continued population growth. The officials were the source of the problem, having spent the district’s money on infrastructure that had no real measurable returns and only made the officials rich. The development agent knew well that even if they directed the project expenditures to

other categories, that without basic reforms all they were really doing was promoting budget switching in which the officials would still buy what brought them kickbacks, while using the aid to pay for what the local funds should have been buying. The district could have used the money for schools with state-of-the-art laboratories with money they already had. Meanwhile, their population growth was leading to migration into Laos to steal resources and colonize their neighbor. But the European donor had no incentive to fight for the community. Their incentive was to get an agreement signed and move on to the next project, for which the development agent also got a “cut.”

- Distortions of the Reality: Fraud – Most of what is written above will never appear in the media of a developing country and will never find its way into project evaluations or reports. It will rarely be discussed among the development community, except in private moments. And it will probably never be addressed. All of that is by design in the current systems of development aid.

In business, truth may be withheld from outsiders in interests of trying to protect a company from liability, but it is often admitted inside companies and forms a part of calculations. Business cannot exist without empirical information – of markets, of costs, and of changing products. In the business of development, by contrast, evaluation of results from the perspectives of beneficiaries is discouraged if it doesn't have the likelihood of leading to something that development agencies can use to sell a future project to donors.

My first introduction to the field of development consulting was in 1983, where a USAID official from the Philippines called me from overseas to interview me by phone. When I showed up for work a few weeks later, she explained that the purpose of the call was mostly to ensure that my ties to the U.S. Congress weren't strong and that I wouldn't be collecting information on USAID projects. When I did finish my report, on how USAID could comply with national laws and help Philippine local governments, my finding that aid was being misused to support the Marcos dictatorship and to evade national law, in ways that would hurt U.S. interests, was immediately “classified.” “Don't tell Congress what you have found,” I was told when I finished the assignment, “or you'll never work for us again and your career in this field will be over.” My career wasn't over, but I learned that the case was not an isolated one and the pressures to compromise reports were endemic.

In a project for a UN agency last year, I evaluated a project funded by the U.S. where Congressional intent to help change local laws for rights holders was replaced by just funding of a national ministry for an already existing public function. Even before I began the evaluation, the central evaluation office gave directions for what the conclusions were to be. The report was to start off with a long list of “achievements” and positive gains. Later, when I began to document money paid to government officials in envelopes and redesign of the project in order to just subsidize a government budget and reduce the obligations of the wealthy in that country, without making the Congressionally required changes, the evaluation was stopped. The grounds were that I had used a different “methodology”, though the methodology and approach had all been approved.

A department Inspector General in the U.S. dropped an investigation. The bribes and waste in the program did not significantly enrich one individual or any specific American employee that would have pushed them to enforce the law. Yet, all were enriched by keeping funding for the program going. The bureaucracy also had an interest in hiding the results because they feared that Congress would shut down the whole program, across multiple countries, if the evidence of mismanagement were exposed.

In business, top management brings in consultants as part of a change process that gets to the bottom of problems and helps improve results, but in the development world, the incentives are different. Evaluations are designed as advertisements that become documents used to seek funding rather than advice for internal changes. The processes are largely rigged to pick evaluators who will come up with a pre-determined answer and to produce reports that can be sent to donors to seek more funds. If forced to provide a “real” evaluation, development agencies do everything from cutting off real access to beneficiaries so that no real information is collected (something easy to do in a foreign country where local officials and militaries may have a stake in continued flow of aid money) to changing the scope or resources of the evaluation. Often, the point of the evaluation is to concentrate on designing the “Phase II” of a project, or its rerun in another area. Evaluators are often blacklisted. As one veteran development consultant told me early in my career, “The definition of a good consultant is not one who tells the truth, helps the beneficiaries, or improves results. It is one who gets rehired.” Another told me that whatever the project, the answer to the question, “Have you done this before?” or “Do you know how to do this?” should always be “Yes,” because no one knew or could measure the standards, or would really care.

The problem isn’t just in evaluation. It is also in design. Most industries have industry benchmarks on costs and effectiveness and seek to follow standards. In the development industry, case studies rarely offer any kinds of cost information since this kind of budget practice is viewed as a trade secret, even though the stated purpose of projects is to offer models to government or the private sector to do something more effectively. Similarly, best practices are barely recorded in any useful way and standards, if they exist, are usually secretive. Most standards in development are only at the level of procurement costs for inputs and almost nothing is done to compare outputs with costs. Projects are usually treated as if they are unique and no previous standards apply.

In many cases, foreign aid projects that offer a standard measurable output (such as the impact of an outreach-extension service) are actually much less effective than already existing government efforts, even with all of the costs of corruption added in. Even with government corruption costs, the high staff salaries of development projects and the huge overhead costs of foreign monitoring, can make the foreign funding less cost effective than just giving money to a corrupt government. But, this can undermine the rationale by which the foreign project is marketed to donors; that foreign standards are higher, that the foreign project introduces a new model, and that outcomes are somehow different or better.

Ultimately, part of the reason many foreign projects never really do better than the systems already in place is because they become captured by the local systems and agree to lower their own standards and goals to meet those of local officials, as part of an artificial determination of what is possible. Real accountability of the projects does not exist because the beneficiaries and funders are cut out of the information chain.

- Cut Costs rather than promote any results: The “Dumbing Down” of the Development System – With citizen taxpayers and donors having little real way of monitoring results or knowing which development organizations to fund, many organizations are trying to position themselves as “cheaper” or “closer” to local problems because they are run by local staff. The result is not to increase cost-effectiveness but to degrade quality and to keep salaries high among the few managers. At the same time consultant salaries are also being driven downward and “volunteers” are often sought to replace professionals, with the impact also to drive the real professionals out of the sector.

Look at most development organizations today and what you will find are likely to be a group of young expatriates who are inexpensive to hire and may have no professional skill beyond a bachelor’s degree, an older professional higher up in the hierarchy who has risen as an administrator but also without a relevant higher degree, and a group of local project administrators in the host country.

The current trend in “efficiency” is the “localization” of development aid; seeking nationals in the developing country to administer projects. The logic is that local hires are much cheaper (often at one tenth the salary!), that they understand the local context better and can speak the local language, and that institutions should ultimately be run by locals, rather than by foreigners. The reality is somewhat different, and it affects almost every development organization working in the Third or Second World.

The original reason for employing foreigners was that they were outside of local patronage networks, that they were not subject to the kinds of political threats and pressures that could be exerted by governments and extortion elements against locals, that they had greater experience and could demonstrate results for much higher quality work, and that the goal of “development” was culture change and objectivity that those “inside” the system could not objectively perceive or creatively confront. With the agenda of projects influenced by processes described above, such that projects tend reinforce elite structures and existing problems while just introducing foreign technology to increase outputs, none of these quality arguments now serve a purpose. The result is a self-fulfilling prophesy. Projects are now less able to offer new ideas or to stand up to local elites. They have become their own patronage networks for friends and family, taking foreign money to enrich selected groups. The end is to give higher salaries and benefits to locals to do what they would otherwise do as government workers in public functions at much lower salaries. Now, instead of reforming the government, the incentive is to continue to degrade it in order to make their projects the only alternative. With less outside supervision, they also have the incentive to invent their own realities of

what is possible and why, and making it difficult for anyone to challenge their conclusions.

Meanwhile, the foreign expatriate role is being reduced to that of finding donors and glad handling them. Recently, I have had interviews for jobs in the U.N. system where the thrust of the questions had nothing to do with the professional skills of the position, but was rather on how I could sell particular projects to host country funders while keeping the government recipients of the projects happy with the money they received. The expertise of the position had become little more than a fundraising category label.

This selling off of agendas to donors has become a case of the blind leading the blind. Many donors want to do good. Many want to give funds for real change that will stabilize countries. But, the money game pushes development agents to become businesses in the worst sense of the term. Some sell their access and act as lobbyists for corporate agendas rather than promoting the long-term stability. In Vietnam, a “Communist” country, I was astonished to see that it was actually foreign businesses and governments who were now more concerned about human (minority) rights, about opposing corruption, and about protecting the rights of workers and children than the development community because they were now the constituencies who were committed to the long-term while the development community’s interests were focused on short-term gain! What had happened was that the expatriate community working in development had created a relationship with mid-level government bureaucrats that made them a mouthpiece for those government officials. Development professionals had convinced themselves (wrongly) that any criticism of their counterpart government bureaucrats would lead to their expulsion, even though the upper leadership was ready to hear about potential solutions that would be in the long-term interests for modernizing the country and for protecting what made it special. Thus, the foreign advocates for silence on human rights, for silence on worker rights, and for silence on the destruction of the country’s cultural diversity and heritage, were the NGOs and development administrators. To show their “loyalty” to the mid-level bureaucrats who gave them visas and allowed them to run their programs, they promoted an unrestricted trade agenda and asked that foreigners outside the country silence any criticisms of the country for violations of international standards! Many of the agents of change had turned their role on its head and became the advocates of the inequities they were there to change.

Overall, the development profession is now filled with administrators promoting infrastructure and high technology gifts that countries don’t need or can’t absorb because they have little incentive to educate the donors or protect the beneficiaries.

- Development organizations run credit projects and design banking institutions because this is what donors promote, but almost none of the projects have anyone who can draw up a balance sheet or understand how to make banks sustainable because actual project expertise does not lead to funding or status. In fact, I observed one leading NGO in the small credit field that had found a way to bring in more money on “follow-up” projects when the banks they were running failed, due to lack of any business expertise in the project. The second phase similarly offered no more expertise.

- Health projects still build hospitals that can’t be financially sustained.

Environmental groups promote commercialization and “eco-tourism” rather than protection.

- Developers promote trade even though they know it destroys local communities.

The situation has become absurd.

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Roles/ functions that are Needed Given Holes in the Current System: Before pumping more gasoline into a gas tank with a hole, the priority should be to fix the hole. In the international aid industry, there is much more of a need for quality control and standards than for more money. There is little quality control from within and little from without (from donors and taxpayers) and even less capacity from the intended beneficiaries in developing countries. What is needed is to begin to create a series of new, independent, monitoring institutions in each country. It is even possible that such monitoring alone could make the need for additional development funds unnecessary, if it successfully plugged the holes and turned projects towards achieving results.

Where government and the profession, themselves, fail, the best hope is outside monitoring through a different kind of development NGO role that builds on some successful approaches. A good model for this is the one that Transparency International has begun, with a focus on government and business corruption. The same kind of model is needed in the development field.

■ Failure or Lack of Role of Government - Currently, the relation between aid givers and beneficiaries is almost entirely controlled by the very organizations who are conduits for the money, and whose interest is in increasing the flow with no oversight. There are few controls or checks. Increasing or decreasing the aid is now the main public control, but it doesn't really address the key issue of quality. In the case of direct donor contributions on church plate collections or in response to other appeals, to non-governmental organizations, there is no way for the givers to really know how their money is spent or, if they know how it is spent, to know whether that was the most efficient or appropriate way to spend it. In the case of government spending, the only direct mechanism of control is the system of “Inspector Generals” or “Ombudsmen” within the donor organizations. But this self-policing has limitations.

My first experience with an Inspector General, some 20 years ago, was with USAID, when I reported illegalities to USAID's IG office. Though Inspector Generals are directly tasked by law to investigate any violations of law or inefficiencies/ misuses of spending, the reality is somewhat different. They act to protect their agencies against outsiders. The USAID official sought to impress on me that he was a good person who had “opposed the Vietnam war and knew that governments could perform illegal acts,” before letting me know that in the case of the illegality I had exposed in his agency, he “learned to fight in the gutters of New York” and would use all of those skills to fight me if I tried to clean up the illegality in his own agency.

I have had experience four other times with the IG mechanism in other agencies and the results have been the same. Apparently, the only real incentive of IG and Ombudsmen is to protect the reputations of their colleagues by preventing any one among them from acting too greedily. If individuals are profiteering off of the agency and stealing from the overall pot, that they want to know about, perhaps out of a sense of jealousy. Other exposes are apparently seen as potential challenges to their agency's funding, and their incentive is to fight anyone who would try to enforce the very standards they are hired to uphold. Without real independence from the agencies and with no financial incentive to enforce legality (something that outside lawyers and monitoring NGOs can have), they are often part of the problem rather than the solution.

- The profession, itself, will not act to raise standards. Education of development professionals could arguably be better, but the key to reform probably isn't with the education system. From the first day on the job, honest and professional development workers learn how the system's incentives really work, and many are either corrupted or forced out. There is a reason why the development field doesn't attract many Harvard or Stanford M.B.A.'s, or top public managers or lawyers (other than to bank projects where the focus is already narrowed to "productivity" rather than "development") and it isn't only the salary. It is the overall anti-intellectualism and anti-professionalism in the industry, described above. The development field attracts many who think having a good heart is the only important skill, rather than one of many, in the field.

While the development community does try to organize itself abroad, in the form of brown-bag lunches (through the UN or American clubs), lectures, regular donor forums, and NGO Centers and linkages, none of these self-police or seek to develop ethics codes or standards. They share little information on benchmarks and models, and mostly seem to organize to promote themselves. What is shared is rarely systematized in an attempt to create a standard. Consultants avoid any attempts to organize or to unionize to try to improve salaries or professionalism, possibly because many are already in their roles to promote other agendas (to make contacts for a business career, to add to full time salaries as scholars, to promote the agendas of organizations that they once worked for full time in a "revolving door", or just to have something to do in a foreign country). The current goal is "harmonization" in the hopes of combining funds efficiently, but it is often a power play among organizations to try to establish a role of leader, rather than an attempt to improve quality and results.

- Monitoring NGOs point the way - In representing the tax-paying, donating public and the beneficiaries, a few NGOs have started to take the first small steps and are pointing to reforms in the right directions, though there are no NGOs that specifically monitor overall development aid or development professionalism.

- Several years ago, "50 Years is Enough" was established as an outside critic and monitor of the World Bank group, and has contributed to debate on bank functioning and on impact of its policies.

- The Government Accountability Project in the U.S. seems to be the most visible of the NGOs that are focused on government accountability, in general, and that have begun to focus on whistleblower protections and other procedures in international agencies; those least subject to monitoring. They have already had positive impact in changing whistleblower laws and seeking to increase accountability of the World Bank and the U.N. system.

- Transparency International has focused overall on government and business accountability in efforts to monitor corruption globally and in specific countries, and has promoted ethics codes and legislation for general transparency and oversight. Their work has implications for development actors in the Third and Second World, but they are also partly funded by the international donor community and have focused less on standards that would monitor their own benefactors.

- Other NGOs focus on impact on specific sectors and indirectly monitor the activities of development actors on areas of their concern, such as environment or cultural diversity. Some, like Oxfam and Action Aid, have sought to monitor some of the impacts of trade and globalization, and their voices have played a constructive role, though they are also incomplete in themselves. It is possible that they could be linked to a more focused organization that offered a full range of measures.

- The press and scholarly journals also continue the function of investigating specific charges and giving a voice to criticisms, but they mostly do it on an ad-hoc basis and offer no regular monitoring of development actors. Unless there is a specific allegation of corruption that could affect a particular development agent, the impact on the development community is also questionable. Though there may be discussions among development professionals in the First World, the reality overseas is that development administrators do not seem to regularly read any professional publications and many do not even read the country's local press (either English or local languages). They read listserves but participate little in discussions. Mostly what they use communications media for are for advertising and funding.

Two Roles that are Needed in Donor Monitoring – The two missing roles that would change the incentive systems of development agents are those of monitoring the development industry, itself, from the side of the inputs, and monitoring the overall impact on the countries. Both roles logically belong together in an organizational network of in-country measurement and overall international oversight.

- Monitoring and Regulating the Industry: Procedural and Professional Standards, Incentive Systems, and Qualification – Up to now, development assistance has been viewed as something that either does not need any professionalism or that it too diverse in professional disciplines to fit any one standard. But the ethical obligations and public administration concerns are common across professions. Issues of accountability, transparency, reporting, and obligations to both the funders and to the beneficiary communities can be codified and professionalized through the work of a development monitor NGO.

- Monitoring and Regulating Policy for the Globe and Beneficiaries in Each Country – It seems that the only general standards of development in use today are those promoted by the World Bank and the UN system; for annual income increases (Gross National Product) and for short-term poverty reduction (really, postponement). Neither of these measures capture the real goals of development – sustainability of the globe’s cultures, protection of global wealth (bio-diversity, cultural diversity), gains in the wealth and happiness of the individual in each country on a per capita basis rather than on an aggregate basis (population growth actually lowers per-capita wealth and ability to enjoy it) and others. Nor do is there any organization regularly measuring the negative impacts caused by development, overall, or attributing them to the projects of individual development actors, on the power of elites, on income inequality, on dependency, and other measurable areas. Global taxpayers and contributors need this information from a source they can rely on and this is also a perfect role for a development monitor NGO.

How this should work in both of these roles is outlined in the following two sections.

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The Role in Monitoring Professionalism and in Regulating the “Industry” – A strong independent monitoring organization that can use international leverage of the press or the courts to sanction or pressure individuals and organizations in the development field, could have a major impact on regulating development contracts, professional codes, methodology and standards, and benchmarks and indicators. This role would promote both professionalism and accountability. What are needed are clear models of contracts and whistleblower procedures, systematization of procedures, and collections of information that rate and expose those who do not live up to them. Some examples of the problems and what can be done, are as follows.

- Contracts – the need for transparency, accountability, and whistleblower protections – While international donors continually call for more transparency among Third World governments, their own contracts and accounting practices should be on file for full public review on every project, with monitors pushing the process towards detailed line items, so that everyone can see where money really goes and why.

Even in something as apparently simple as consulting contracts for evaluation of projects, these one-page contracts are now often invitations for pressure and fraud with no one monitoring the process. Now, rather than pay for days worked, agencies seek to make payment to contractors in lump sums, allowing them to withhold payment until reports are delivered in “satisfactory” form; with no professional guidelines or protections as to what constitutes “satisfactory.” What should be independent monitoring has been turned into a high stakes poker game where the equivalent of a year’s salary can be on the line between an organization and a consultant. Since consultants are often only as good as their previous contract (in checks by the next client), development organizations use contracting power to force consultants to bet their entire careers on the stake of each project. The pressures to distort, falsify, and omit, are enormous. In my experience, the

truth always wins out when a consultant stands eye to eye with a client and behind professionalism (with the exception of one World Bank payment that remains in dispute). But it comes at a price; weeks of wrangling and loss of future contracts with that client until the incident is forgotten (roughly five years).

Contracts for the World Bank, for the UN system, for USAID, and for many others, even on projects to promote transparency in the government procedures of a developing country themselves, still keep their own procedures cloaked in secrecy; largely in violation of international and local laws. Nevertheless, no organization exists to expose and challenge them. Many times I have questioned these provisions before signing, and have lost work, including one occasion, ironically, when USAID was ready to hire me as their senior “Democracy Fellow”, to develop better standards for protecting rights! The UN Evaluation Office policy in 2006 was to: ensure the transparency of, and public access to, all evaluation reports⁵. Yet, at the very same time that this transparency is legally assured, a contract that I was required to sign took away the same public oversight and gave the impression that the process is secretive and for the benefit of government and project stakeholders.⁶ Monitors would help to enforce these public rights.

- Professional codes – If lawyers can be disbarred in the U.S. for failing to protect the interests of a single client, why is it that this code, and others in similar professions, do not apply when a development expert supports the violation of the cultural or land rights or other aggregate interests of a community or even of a country, on a development project? The answer is that there is currently no monitoring and there are no sanctions, but there could be.

Ten years ago, after constantly facing pressures to violate laws or to override professional codes and their ethical obligations to the beneficiaries that I was either legally (on USAID, World Bank, UN and other public money) or morally (on NGO projects) bound to help, I worked to redraft my various professional codes to apply them to development work. I published these ethics codes in professional journals in three disciplines (Lempert, 1997 (a., b., c., d.), 1998), preparing them in ways that could be easily copied from the journals and used by professionals. I encouraged others to use them and began to send them to clients every time that I was considered or had just been offered a new contract. I informed clients that I offered the highest professionalism and that it would be to the credit of their projects. The result confirmed many cynic’s prediction. Rather than lead to acceptance of professionalism and higher standards, my efforts led to my losing work; in some cases the rescinding of contracts already offered. In one case where I went to court on a World Bank project, my articles were used in an attempt to discredit me, personally.

⁵ UNDP Evaluation Office Guidelines, section 20 (k).

⁶ In our contract is the following clause: “The consultant shall not communicate with any person, government, or other entity external to UNDP any unpublished information made known to the consultant by reason of his or her association with UNDP except as required by this contract or upon written authorization by UNDP.” (Section 3: Unpublished Information).

My experience after 10 years is that I never saw a single ethics code in use in the development field. None of my professional organizations have promoted my adaptations or their pre-existing codes when used for work overseas. None have set up procedures to enforce their already existing rules that should also have applied in international development work. I have had to stop formally presenting the codes to clients, in order to be able to work.

Codes can and do improve professionalism, and Transparency International has promoted them for business and government in the Third World. Somebody needs to perform the same function for development professionals.

- Methodology and standards (General) – Just standardizing some very basic procedures in development analysis would help to eliminate a large number of projects that are wasteful and that are created by development agents or by corrupt officials without any real benefit. Requiring organizations to follow through with commitments and checking their analysis and compliance would establish a quality seal that would help contributors distinguish between “real” and useful projects and fraudulent or wasteful ones.

The initial parts of the process of development interventions must be to appropriately analyze the problem in terms of root causes, to find out what is broken and is generating the symptoms, how interventions address each root cause, and then whether the intervention fits established criteria (whether it is a public function or a market function that is failing, whether giving foreign technology is a sustainable input or a dependency creating input, and so on). All development agents could and should do this if required.

Standard measurement tools could also be enforced on developing agents. In my development career I have seen only one project that used the appropriate scientific method of looking at impact on a control group and on a recipient group, to see if results were actually due to the project, and to determine the amount of the results owing to the project. Westerners learn the scientific method in the 6th grade and the need for control groups and measures, but with no outside scrutiny, almost none use it.

Many of the indicators listed in the next section below – how projects fit an overall scheme of sustainable development, and what their impacts are in various dimensions – should also be applied to every intervention, as part of an overall process.

- Benchmarks (Applied) – The reason development projects continually re-invent the wheel and seek money making claims for it each time they do, is because there is no systematization of information that establishes ideas in the public domain and details their comparative costs and results. This kind of information storage is the role of an independent monitor. Part of the role must also be to establish a mechanism to enforce reporting by development agents so that measurements are routinely made available and are used. What the organization can also do is establish the necessary measures and seek to standardize the reporting or conversion of those measures for common use.

It is sad but true that many development agents now have no idea how to conduct a cost-benefit analysis or project appraisal and have no idea what an accounting system that allowed for comparative measurements would even look like. Small credit projects are run without any standard management tools and measures of impact or of economic viability. Inputs are given with no idea what a standard output should even look like, or without understanding the different modalities of offering assistance (whether a loan, a subsidy or a gift are appropriate, and why). Monitoring would change this.

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Role/ Standards in Monitoring Impact – Lester Brown of the Earth Policy Institute and Worldwatch began their series of annual “*State of the World*” books in the 1970s and 1980s, monitoring global resources, population, and several other indicators for humanity. These kinds of annual public indicators, conducted for each country (and ethnic group) and applied to the activities of development projects, is the kind of monitoring that beneficiaries and contributors to development projects need.

The role of such an organization should be to monitor development agents on three levels: their global impact, their national impact, and their overall professional quality. Though these could be aggregated into overall assessments on a national basis (and might need to include some national measures as a way to view the individual projects), the real need is to push the international development agents to do their jobs. If they are meeting their obligations, they should be compiling these kinds of national and international assessments demonstrating their positive impacts on protecting and building assets, cultural diversity, and stability, and improving situations of having no negative impacts on various important public goods and concerns. These measures need to go beyond simple calculations of a project’s own goals that too often are just calculating specific impact on productivity rather than on the most important measures in development, and that too often avoid any measures of long-term or negative impacts. All of this also needs to be placed into the public domain. In cases where there already is screening (such as for environmental or cultural impact on World Bank projects), an independent agency is necessary to monitor the integrity and quality of such screening and to conduct follow up on the results of the processes over time.

The goal of this kind of monitoring and data collection serves several purposes. The larger one is to promote global values and progress towards global values as well as to protect the peoples of the countries where these organizations work. It is to also serve the professional purpose of developing higher overall standards in development (through best practices), promoting replication of projects that work, preventing duplication, and promoting overall openness and transparency in the donor community in a spirit of cooperation rather than competition.

In some developing countries, this is now impossible to do inside the country, since governments prevent any monitoring of their own policies. This is why monitors are especially needed. In the field of human rights, monitors have been able to collect

information and work from outside the country to effectively put pressures on countries. Whether they work in the country or outside, the goal of such monitoring is to prevent international development agents from acting in collusion with host governments to evade such monitoring by using the rationalization that governments do not “allow” it. In fact, development actors need to establish such monitoring as a condition of assistance, and outside monitors must pressure them to do it.

Minimum measures in the three areas of global standards, national impact, and project quality need to include the following as a minimum.

- Global Standards – Some suggested indicators that could be used to measure the value of a project, from the perspective of the contributors and humanity, could include the following. Some of them overlap, in an effort to ensure full coverage. Some of these are debatable and require different expertise, but they are a start at offering indicators on recognized international concerns that are implicit in international development assistance.

- *Impact on Global Environment - Biodiversity and Global Climate Security:* Does the project protect the planet or contribute to dangers to the planet by addressing the root cause issues that have an impact on the planet (e.g., population, consumption)?

- *Impact on Global Security (Disasters, Population Migration, etc.):* Does the project help stabilize any of the underlying factors that currently contribute to global conflicts (population, resources consumption, climate change, etc.) or does it just seek to postpone them to pacify a trouble spot?

- *Impact on Global Cultural Diversity:* Does the project promote the cultural survival of an endangered or threatened cultural group or just promote homogeneity and loss of cultural diversity?

- *Impact on Global Heritage:* Does the project seek to promote or protect an aspect of global cultural heritage or promote values that undermine these protections?

- *Overcoming of the Legacy of Colonialism and Hegemony and Protection against potential new harms of Trade:* Does the project help reverse the legacy of colonialism and build new self-sufficient communities or does it reinforce it by preparing areas to enter new trade regimes under a new form of imbalance in which they will be dependent?

- *Impact on Global Equity:* Does the project seek to change the relative imbalance in powers between the globe's 6,000 cultures, in ways that promote concepts of fairness and justice and move human civilization to a more tolerant and just world?

- *International Legal Scrutiny* - Does the project fully comply or conflict with signed international treaties, and how has this been determined in the design and administration of the project? Are global principles being followed or political/administrative/ bureaucratic ones?

- National Impact – The indicators for national impact are partly similar to those above, but focus on the concerns of people living in the communities and countries where development projects are run. Note that “fair trade” and “poverty reduction” (postponement) are not the key indicators. Structural fairness is a global concern (above) and the level of poverty is less important than structural impacts on political

mechanisms that will lead to fairness within countries and communities. Stable and equitable systems will have a better impact on “poverty” in ways that are locally defined than will an outsider’s definition of “need” and a call for disruption of culture and existing productive systems to satisfy external norms in the short-term.

- *Impact on Sustainable Development*: Does the project work to re-establish the balance of sustainability ($\text{Population} \times \text{Consumption} = \text{Resources} \times \text{Productivity/Resource}$) and for what LEVEL of beneficiary (e.g., culture for minority population, area if geographical)? Is this balance projected over TWO GENERATIONS (50 years) so as to ensure that sustainability criteria were used correctly? Carrying out this analysis requires including measurements of environment and consumption.

- *Impact on Wealth per Capita*: Does the project seek to protect the key aspects of the country or a culture's wealth per capita (consider all measures of wealth: natural, cultural, human heritage and assets)? These measurements require national asset accounting, as the appropriate measures of wealth, rather than income or productivity.

- *Fiscal Sustainability* – Are projects just taking over an established government function with outside assistance, or are they really offering a model and change that will convince the government/ public to use its own resources more appropriately? Is tax policy appropriate so as to encourage equity and prevent outside support from just subsidizing the rich? Is wasteful consumption redirected by the project or just encouraged by outside subsidization? Are savings and reinvestment being encouraged in a sustainable way, or are projects just encouraging dependency on foreign inputs of capital and technology, and encouraging bankruptcy (creating a “moral hazard”)?

- *Support to Inequitable Regimes/ Democratization Impact/ Promotion of Corruption* – Was there a de-facto payoff for “access” to run the project? Are government officials being subsidized in “capacity building” or “logistics” where the real problem is their incentives, such as the amount of public participation and control in the system? Is there double dipping on projects where the same projects are run by different donors? Are projects “enabling” unjust regimes or are they convincing and pressuring them to change by using leverage?

- *Dependency Creation* – Are projects just taking over a market (or government) function with outside assistance, or are they offering a model and change that overcomes an existing imperfection in the market?

- Quality Rating/ Monitoring by Project – As this initiative strengthens, it can work to establish standards on particular types of project interventions and to offer quality ratings in a kind of “*Consumer Reports*” of development assistance. Whether by donor or by level of specificity of project, such ratings could be used to inform the public where they should make their contributions, and where they should exert pressure for change, as well as to open avenues of scrutiny for the media.

Performing this function will require collection of public and private information in an information bank as well as standardization of information. Some of the information collection might have to be surreptitious, relying on informants and good will to turn over documents, acting in the role of a private investigator for the public good.

Over time, professionalism on projects could be held to certain disciplinary standards for scrutiny. For example,

- any projects that include “*awareness raising*” should follow the standards of social marketing: targeting specific behaviors to change in a continuum of awareness, action and repeat action;
- any projects that include “*capacity building*” would need to have prior and post-intervention measurements of skills, as well as scrutiny of whether incentives existed to use those skills.

The specific measures and outcomes in those countries would be subject to scrutiny.

The exposure of sycophants, enablers, and essentially “co-conspirators” in the vice, stagnation, and corruption in the development world, can only occur through such mechanisms. Only such scrutiny can challenge the explanations that development “diplomats” now give about how they are not using leverage because they are seeking shared values and progress, and determine whether or not such “diplomacy” is really an excuse for shared negligence or criminality.

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