

BEYOND STATISM:

A NEW APPROACH TO DEVELOPMENT ASSISTANCE IN THE 21ST CENTURY

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The twenty-first century is a world of fundamental interconnectedness. Largely as a result of a multidimensional set of processes which began mid-century – most notably, the advent of relatively low cost international air travel, the revolution in information and communication technologies, and the events of 1989¹ – globalization has initiated the unbundling of the relationship between sovereignty, territory, and state power. One of the most important outcomes of this increasing interconnectedness is the emergence of a new “global politics” that prefigures the partial demise of nation-state² autonomy. No longer is the nation-state the sole actor in the field of international development; transnational social movements, community-based organizations (CBOs), and particularly nongovernmental organizations (NGOs) now also influence the process. Taking

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¹ The events of 1989 include, but are not limited to, student demonstrations in Beijing’s Tiananmen Square, the fall of the Berlin Wall, the Velvet Revolution in Czechoslovakia, and the fall of communism in Bulgaria, Romania, and elsewhere in Eastern Europe.

² “Nation-state” is defined here, as it was by Max Weber in his seminal 1918 essay, *Politics as a Vocation* (Politik als Beruf), as the agency that upholds the monopoly of legitimate violence. See Max Weber, *Politics as a Vocation*, in *THE VOCATION LECTURES* 32, 33 (David Owen & Tracy B. Strong eds., Rodney Livingstone trans., 2004) (“[T]he state is the form of human community that (successfully) lays claim to the *monopoly of legitimate physical violence* within a particular territory....”).

the Weberian definition of the state as that agency which upholds the monopoly of legitimate violence,³ it is clear that the state is no longer the only actor in this increasingly crowded field of global violence, to say nothing of organized terror.

However, as with globalization itself, the withdrawal of the state as the sole locus of power in the international system and the attendant arrival of a more pluralistic governance architecture have not been uniform processes. Indeed, the need for a more responsive global governance framework is evermore acute when one considers the changing nature of “complex emergencies”⁴ and the fundamental challenge it presents to the international aid system. And yet we are confronted with the dated reality of a Bretton Woods system and current governance architecture, as manifested by the World Bank and the International Monetary Fund (IMF), dating from mid-century.⁵ The contention of this paper is that, given the changed nature of current global emergency, the allocation of “Official Development Assistance”⁶ (ODA) fails to effectively account for or utilize the local capacity inherent within the nongovernmental sector and therefore undermines development.

It does not follow directly that engagement by the NGO community is the cure-all for the difficulties arising from the changing role of the state in global

³ *Id.*

⁴ “Complex emergencies” are defined as the humanitarian crises associated with conflicts. They are multi-causal and their annual number has grown from five in 1985 to twenty-eight in 1995. MARK BRADBURY, AID UNDER FIRE: REDEFINING RELIEF AND DEVELOPMENT ASSISTANCE IN UNSTABLE SITUATIONS 5 (1995).

⁵ Amartya Sen, *Slicing Up the Spoils*, THE GUARDIAN, July 19 2001, at 21.

⁶ Official Development Assistance (ODA) loans are defined by the Organisation for Economic Co-Operation and Development (OECD) as: “Grants or Loans to countries and territories on Part I of the Development Assistance Committee (DAC) List of Aid Recipients (developing countries) which are: (a) undertaken by the official sector; (b) with promotion of economic development and welfare as the main objective; (c) at concessional financial terms [if a loan, having a Grant Element of at least 25 per cent]. In addition to financial flows, Technical Co-operation is included in aid. Grants, Loans and credits for military purposes are excluded. Transfer payments to private individuals (e.g. pensions, reparations or insurance payouts) are in general not counted.” OECD Web Site, <http://stats.oecd.org/glossary/> (search “official development assistance loans”) (last visited May 6, 2006).

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governance. To make such a conjecture on the ineffectiveness of current development assistance during complex emergencies presumes three things. First, this paper supposes a change in the nature and scale of international violence; second, that violence negatively impacts development; and third, that development assistance (as distinct from emergency relief) during times of complex emergency is worthwhile in and of itself. To establish a legitimate case for reform requires that a case for these three points be made.

As for the first claim regarding the new nature of violence in the twenty-first century, one need not look far for supporting evidence. The clear distinction between “old” and “new” wars is well documented in the research of, among others, Mary Kaldor.⁷ Kaldor concludes that, whereas the “old” war is linked to the process of state building, what Prussian general and influential military theorist Carl von Clausewitz most famously referred to as the continuation of politics by other means, “new” wars are part of the process of state unravelling and highlight the increasing intra-nationalization of violence.⁸ For his part, Mark Bradbury locates in the diffusion of the Cold War a shift from an ideologically driven, anti-colonial, and statist struggle towards a more intra-national form of violence where ethnic and religious fundamentalism now play a key role.⁹ Building on both of these views, it is especially clear in a post-September 11th world that the state is no longer the sole actor with a monopoly on violence.

A further point of contrast between old and new wars is the increasingly blurred civilian-military distinction. In 1900, the ratio of civilian to military casualties during war was 1:8.¹⁰ Today by contrast, the ratio is nearly 8:1.¹¹ The

⁷ MARY KALDOR, *NEW AND OLD WARS: ORGANIZED VIOLENCE IN A GLOBAL ERA* (2001).

⁸ *Id.* at 17; *see also* CARL VON CLAUSEWITZ, *ON WAR* (Pelican Books 1968) (1832).

⁹ Mark Bradbury notes that the end of the Cold War marks a shift from an ideologically driven, anti-colonial, and proxy superpower warfare towards internal violence where ethnic and religious fundamentalism now play a key role. BRADBURY, *supra* note 4, at 11.

¹⁰ KALDOR, *supra* note 7, at 8.

¹¹ *Id.*

empirical evidence underlying this statistic is similarly astounding. Over fourteen percent of the 1990 civilian population of Cambodia is estimated to have died as a result of war.¹² Another reflection of the changing nature of violence is the flow of refugees. According to the United Nations High Commissioner for Refugees (UNHCR), by the end of 2004 there were over nine million refugees worldwide.¹³ Clearly both the nature and scale of international violence in complex emergencies have changed from their historical antecedents, and present new obstacles to development during the twenty-first century.

Understanding the new reality of international violence today, a second assumption requiring clarification is that complex emergencies involving violence negatively impact development. At the most basic level, war imposes enormous human, social, and economic costs on the countries involved. During the forty years from 1950 to 1990, fifteen million deaths were caused either directly or indirectly by war in developing countries.¹⁴ Furthermore, sixty-five out of the seventy-nine countries experiencing war and political violence in 1993 were still considered developing.¹⁵ The costs of war also extend beyond the immediate casualties directly caused by violence to include long-term ramifications for development efforts, particularly the destruction of existing capital and the

¹² Similarly, Afghanistan, Mozambique, and Lebanon have all suffered civilian deaths greater than five percent of their 1990 populations in the previous twenty years. Frances Stewart, *War and Underdevelopment: Can Economic Analysis Help Reduce the Costs?* 5 J. INT'L DEV. 357, 364 (1993).

¹³ United Nations High Commissioner for Refugees (UNHCR), *2004 Global Refugee Trends*, 2 (June 17, 2005) available at <http://www.unhcr.org/cgi-bin/texis/vtx/statistics/opendoc.pdf?tbl=STATISTICS&id=42b283744>. The "total population of concern" to the UNHCR – defined to include Refugees, Asylum-seekers, Returnees (returned refugees), Internally Displaced Persons (IDPs), Returned IDPs, and Various – is estimated to have increased from seventeen million persons at the end of 2003 to over nineteen million persons by the end of 2004. *Id.*

¹⁴ Stewart, *supra* note 12, at 357. "War" has been defined to include international war, civil war, and government violence against citizens. *Id.*

¹⁵ *Id.* The link between war and development is further explicated by noting that among the ten countries listed in the Human Development Report with the lowest life expectancy, five suffered significant wars in recent years: Ethiopia, Afghanistan, Angola, Somalia, and Chad. *See* BRADBURY, *supra* note 4, at 5.

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reduction of new investment.¹⁶ The World Bank's seminal *World Development Report* on poverty attributes this negative relationship between war and development to the "massive destruction of rural infrastructure and productive assets."¹⁷ The negative implications of war on development are undeniable.

Given the intra-national nature of violence in the twenty-first century and its negative implications for development, I must now qualify the third assumption of this paper: that ODA (as distinct from emergency relief) is worthwhile during times of complex emergency. To be sure, the argument that donor aid should focus on emergency relief and avoid undertaking development efforts during crisis is not an unpopular one. The justification for this argument is two-fold: first, development efforts would constitute a waste of resources and, second, refraining from development assistance during war could pressure the combatants to submit to the non-violent negotiation of their grievances.¹⁸ However, for two reasons I believe that development assistance during conflict (rather than confining assistance exclusively to post-conflict situations) is a worthwhile enterprise in itself.

First, there is no way of predicting the end date of a complex emergency and, thus, the costs to human life at which development efforts should be resumed. Curtailing development assistance during war merely raises the development costs of war until its conclusion, thereby increasing the likelihood that the cumulative need will exceed the resources available for post-war efforts. The second reason for continuing development assistance during a complex emergency is that relief and development are indispensable to each other.¹⁹ Given their cyclical relationship, a reduction in aid retards development, causing a further increase in the future aid required to achieve the same level of

¹⁶ Stewart, *supra* note 12, at 358.

¹⁷ WORLD BANK, WORLD DEVELOPMENT REPORT 1990: POVERTY 36 (1990).

¹⁸ Stewart, *supra* note 12, at 376.

¹⁹ *Id.*

development. Because they are complimentary efforts, stopping development assistance during war would block relief efforts at large. To avoid the marginalization of the poor and the victimization of the many, development assistance is a sine qua none for development progress and poverty alleviation during war.

Given these three foundational precepts – the advent of a new form of international violence; the negative implications of war on development; and the undeniable necessity of ODA during times of conflict – we must now ask why development efforts in the twenty-first century have been relatively ineffective. Returning to the opening discussion of the multidimensional set of globalization processes, it is my opinion that the outmoded nation-state-centric delivery modalities of traditional ODA are to blame for this increasingly apparent failure to account for development realities in the twenty-first century.

As we have seen, the state is no longer the only actor in the international system. Without embracing alarmist forecasts regarding the end of the nation-state as a means of governance, there is merit in the argument favoring a shift away from an outdated and state-led approach to official disaster response. The research of Theo Schilderman confirms that one critical factor behind ineffectiveness today is the tendency to overlook the important role of nongovernmental organizations.²⁰ The essential argument is that international aid policies toward internal wars and complex emergencies assume states to be the only actors in the system; thus, they require re-examination. Official responses to the outbreak of complex emergencies today are inadequate. They presuppose

²⁰ Theo Schilderman, *Disasters and Development: A Case Study from Peru*, 5 J. INT'L DEV. 415 (1993).

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local communities to be helpless, passive recipients of development assistance rather than active and resourceful agents crucial to its delivery.²¹

Second, current efforts do not recognize that skills are often times available locally that could be enhanced and mobilized for disaster mitigation. Instead, it is standard operating procedure to employ foreign “experts.” This strategy is doubly detrimental in that it creates a dependency on external resources and lets local resources go to waste.

A third critical factor behind the failure of the existing state-centric modality of assistance during crisis is rooted in the concept of development itself. Whereas the United Nations Development Programme’s qualitative measure for “human” poverty, *The Human Poverty Index*, accounts for dramatic differences in the development of countries at the same income level (e.g., Brazil and South Africa),²² the standard gauge for development in ODA calculations is the more quantitative World Bank measure of “income” poverty based on per capita GNP.²³ Because large bureaucratic international agencies such as the

²¹ *Id.* at 418. Further, Jean Dréze notes that “international relief agencies frequently find their operations encumbered by heavy and hasty investments in transport, storage, information, communication, administration, and the like when resources of this kind are, to some extent, readily available within the affected countries.” Jean Dréze, *Famine Prevention in Africa: Some Experiences and Lessons*, in 2 *THE POLITICAL ECONOMY OF HUNGER* 123, 159 (Jean Dréze et al. eds., 1990).

²² “The Human Poverty Index (HPI) measures deprivation in the same dimensions as the Human Development Index (HDI). The variables used are the percentage of people expected to die before age 40, the percentage of illiterate adults, and a composite economic variable consisting of the percentage of people without access to health services and safe water, and the percentage of underweight children under age five. HDI measures the average achievements in a country measured in three composite variables - life expectancy, educational attainment (adult literacy and combined primary, secondary, and tertiary enrollment), and real GDP per capita. The HPI attempts to bring together, in a composite index, different characteristics of deprivation in the quality of life in order to arrive at an aggregated determination of the extent of poverty in a country (or community). The HPI concentrates on the deprivation of three essential elements of human life already reflected in the original HDI – longevity, education, and standard of living.” United Nations Development Programme (UNDP), *1999 Human Development Report: Rwanda* 12 (Oct. 1999), available at <http://www.unrwanda.org/undp/hdr99.pdf>.

²³ The World Bank uses GNP per capita to “classify countries as low-income (GNP per capita of \$765 or less in 1995), middle-income (including lower-middle-income, \$766 to \$3,035, and

International Monetary Fund (IMF) and the World Bank are often so far removed from the center of crisis, their number-centric calculations often leave real people out of the development equation. A case in point highlighting this neglect is the United Nations Development Programme's report on development, aid, and conflict in Rwanda.²⁴ The study elucidates the irony that up until the outbreak of widespread genocide in 1994, and indeed for the period following cessation of hostilities, Rwanda remained one of the most heavily aided countries in the world with development aid accounting for fifty percent of the country's nominal GDP for the period 1994 to 1997 (inclusive).²⁵

On April 7, 1994 a carefully orchestrated program of genocide began in Rwanda and resulted in the execution of an estimated 800,000 people, mostly Tutsis and moderate Hutus.²⁶ In the years leading up to this tragedy – “a time when torture, violence, corruption, racist discourse, and genocidal preparations were becoming state policy and civil war raged” – international aid to the Rwandan regime more than doubled.²⁷ As a study by Peter Uvin concludes:

Rwanda's genocide was the extreme outcome of the failure of a development model that was based on ethnic, regional, and social exclusion; that increased deprivation, humiliation, and vulnerability of the poor; that allowed state-instigated racism and discrimination to continue unabated; that was top-down and authoritarian; and that left the masses uninformed,

upper-middle-income, \$3,036 to \$9,385), or high-income (\$9,386 or more).” TATYANA P. SOUBBOTINA, WORLD BANK INSTITUTE'S DEVELOPMENT EDUCATION PROGRAM (DEP), BEYOND ECONOMIC GROWTH: AN INTRODUCTION TO SUSTAINABLE DEVELOPMENT 15 (2d ed. 2004), available at <http://www.worldbank.org/depweb/english/beyond/global/beg-en.html#toc>.

²⁴ 1999 *Human Development Report: Rwanda*, *supra* note 22.

²⁵ *Id.* at 4. The total nominal GDP for the period 1994-1997 was 5.7 billion dollars whereas pledged aid was 2.86 billion dollars for the same period. Committed aid for this period was 1.6 billion dollars. *Id.* at 53, 54, 57, 63.

²⁶ United Nations Development Programme (UNDP), *UN Rwanda Country Profile: History*, http://www.unrwanda.org/undp/Rwanda_Country_History.html (last visited May 6, 2006).

²⁷ PETER UVIN, DEVELOPMENT, AID AND CONFLICT: REFLECTIONS FROM THE CASE OF RWANDA 1 (1996).

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uneducated, and unable to resist orders. It was the failure of a practice of development cooperation based on ethnic amnesia, technocracy, and political blindness.²⁸

And the evidence is by no means confined to Rwanda. A multitude of countries engaging in inter-communal violence – among them Kenya, Liberia, Burundi, Somalia, and Zaire – were all large recipients of foreign aid and all but one (Kenya) were considered to be model “developing” countries at the time.²⁹

The fundamental flaw inherent in such misguided efforts, largely symbolic of the current methods of ODA delivery during times of crisis, is a conception of development with numbers rather than people at its core. What is required is a more holistic definition of development, one rather unlike that employed in the World Bank’s *World Development Report*.³⁰ If development aid is to extinguish rather than exacerbate inequality and mal-development, its design must no longer be top-down, authoritarian, and ignorant of local dynamics.³¹

These three critical factors of failure – overemphasis on a state-centric approach while under-utilizing local NGOs; giving preference to foreign “experts” over locally available skills sets; and a misguided conception of the development process – all justify the claim that current ODA is failing in its mission. Without any constructive alternative, however, deploring current ODA delivery is of little tangible value. It is not by mere default that I am arguing for a new role to be played by the nongovernmental sector. Rather, there is inherent value in an increased role of civil society in the provision of public goods, namely security, assistance, and development.

²⁸ *Id.* at 24.

²⁹ *Id.*

³⁰ SOUBBOTINA, *supra* note 23, at 7-11.

³¹ 1999 *Human Development Report: Rwanda*, *supra* note 22, at 34.

The added value of NGOs vis-à-vis large bureaucratic agencies like the IMF and World Bank is three-fold. On the one hand, they are less constrained by political imperatives.³² Drawing their motivation largely from humanitarian ideals, nongovernmental organizations are (as the theory goes) able to work more effectively at local levels. At best, they can offer knowledge, skills, enthusiasm, and a grassroots perspective on development assistance during conflict without the often-accompanying complex political and bureaucratic arrangements.³³

Secondly, nongovernmental organizations are better able to pool information, knowledge, and capacities while avoiding the cynicism of those they serve.³⁴ In contrast to external aid agencies under the state governance architecture, development assistance delivered by or channelled through NGOs carries with it a legitimatizing imprimatur.³⁵

A third and final benefit of channeling ODA through local capacities is the increasing presence of NGOs in the international arena. Just as the shape of global violence and international emergency is taking new form, research indicates that so too are the bodies responsible for its arrest.³⁶ The number of known international NGOs has exploded in the past quarter-century, with a sharp rise dating from the early 1970s, continuing into the twenty-first centuries. According to the London School of Economics, there has been a precipitous increase in the number of international organizations during the past three decades, from approximately 13,000 in 1981 to nearly 50,000 by 2001.³⁷ The emerging presence of such key development-assisting and capacity-possessing

³² MICHAEL TODARO, *ECONOMIC DEVELOPMENT* 659 (8th ed. 2003).

³³ *Id.*

³⁴ *Id.*

³⁵ *Id.*

³⁶ MARLIES GLASIUS ET AL., *GLOBAL CIVIL SOCIETY YEARBOOK* 2002 310 (2002); *see also* DAVID HELD ET AL., *GLOBAL TRANSFORMATIONS: POLITICS, ECONOMICS AND CULTURE* 54 (1999).

³⁷ GLASIUS ET AL., *supra* note 36, at 194; *see also* HELD ET AL., *supra* note 36, at 54.

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organizations is also evident in the makeup of many recent international conferences on war and development.³⁸

Moreover, the funds allocated to NGOs have also risen dramatically of late. Between 1970 and 1990 the finances devoted to developed country NGO projects and programs in less developed countries grew from less than one billion dollars to over five billion dollars.³⁹ Underlying this trend is the move by the European Commission to increase the proportion of funds allocated to NGOs from zero percent in 1975 to forty percent by the mid-1980s.⁴⁰ The pledge by the United States at the Copenhagen Social Summit in 1995 to channel nearly half of its foreign aid to private NGOs within five years is also significant in this regard.⁴¹ Long gone are the days when the nation-state is the sole recipient of international development aid; NGOs have increased in number as well as international influence and are clearly relevant players in the international and development communities. It is estimated that in the opening years of the twenty-first century, the work of NGOs in developing countries affects some 250 million people.⁴² The influence of NGOs in developing countries is further multiplied by a constructivist approach to diffusion theory, whereby actors' preferences are shaped by the social environment in which they find themselves.⁴³

As a result of increased NGO activism in the world today, social realities and expectations of aid delivery are breaking away from intellectually prior state-centric modalities. The deepening and widening of development assistance during

³⁸ In this regard, the 1992 UN Summit on Environment and Development in Rio is of particular importance. Following this event, many UN conferences have been more open to NGO input in both the dialogue and policy making processes.

³⁹ TODARO, *supra* note 32, at 658.

⁴⁰ BRADBURY, *supra* note 4, at 7. Research further estimates that NGOs in developing countries are affecting the lives of 250 million people. TODARO, *supra* note 32, at 659.

⁴¹ *Id.*

⁴² *Id.*

⁴³ For literature on constructivist social theory, see ALEXANDER WENDT, *A SOCIAL THEORY OF INTERNATIONAL POLITICS* (1999).

the post-Cold War period, together with the breakdown of the sharp distinction between internal and external – the “Great Divide”⁴⁴ within International Relations discourse – is resulting in the increasing empowerment of alternative channels of power.

A number of factors then, including privatized violence in the twenty-first century and its negative implications for development, necessitate the rethinking of development assistance. By certain estimates, over sixty million people in the world today are considered at risk, and unless ODA modalities are revised, this number is likely to increase.⁴⁵ Simply put, the scope and scale of new global emergencies – from Afghanistan to Haiti; Rwanda to the former Yugoslavia; and Iraq to Central Asia and the Caucasus – are overstressing the current capacity of governments and international agencies to respond effectively.

To counter the “New World Order” of political instability and increasing violence requires greater dialogue at all levels on how best to reform the system. Three key characteristics of the nongovernmental sector – less political constraint; greater legitimacy among local populations; and an increasing international prominence – all point to the need for an increased role to be played by the NGO.

Although the nongovernmental sector holds much promise, it alone cannot provide the answer. Development aid during complex emergencies must be needs-driven rather than donor-driven. Insofar as effective development assistance must respond to local realities, the role of the local NGO is critical. Because NGOs are (*ceteris paribus* and at least in principal) more in touch with

⁴⁴ For a representative sample of literature informing this “Great Divide” within the international relations discipline, see HELD ET AL., *supra* note 36; FRIEDRICH V. KRATOCHWIL & EDWARDS D. MANSFIELD, *INTERNATIONAL ORGANIZATION AND GLOBAL GOVERNANCE: A READER* (2d ed. 2005); *THE POLITICAL ECONOMY OF GLOBALIZATION* (Ngair Woods ed., 2000).

⁴⁵ BRADBURY, *supra* note 4, at 34. The term “populations at risk”, as it applies here, means those in need of or dependent on international aid to avoid large scale malnutrition and deaths, including refugees, internally displaced persons, and others in need. *Id.*

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local issues, they are better able to assess local needs, and are – by extension – more effective agents through which to channel development assistance.

The number of complex emergencies today is four times greater today than during the period of 1978-1985.⁴⁶ More than forty million people – nearly one percent of the world’s population – are currently at risk.⁴⁷ I have argued that the gravity of today’s complex emergencies and the necessity of preventing the future failure of ODA mandate the rethinking of “official” development assistance. Hopefully, it is now clearer that the comparative advantage of local and national nongovernmental agents over international agencies warrants a greater role for the NGO in the allocation of official development assistance during war.

⁴⁶ See *The CIA on Global Humanitarian Emergencies*, 21 *POPULATION & DEV. REV.* 913, 914 (1995), available at <http://uk.jstor.org/cgi-bin/jstor/viewitem/00987921>.

⁴⁷ *Id.* at 915.