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So why does development fail? Here's why…

"Why does development fail?" To a familiar and fundamental question arrives insight from an unusual source with, potentially, far-reaching significance.

Rory Stewart is an unusual politician – far too cerebral for a start – and someone able to bring a diverse pre-politics perspective to bear. Stewart chose his speech in the parliamentary debate on the tenth anniversary of the Iraq war (13 June 2013) to reflect on his learning from his time as a provincial governor from 2003 to 2005. His analysis deals not with the decision to go to war per se (arguments all heard before) but, having made that decision, with why the UK's post-war development efforts were such *"a failure and scandal".* (It's worth ten minutes of your time: click http://www.bbc.co.uk/democracylive/house-of-commons-22891120 and fast forward to 1hr 30min 27 sec).

Although a speech about the specifics of Iraq, it is the implications of this beyond Iraq – to the UK's engagement with low-income countries through international development efforts – which are revelatory and worthy of consideration by anyone with an interest in development.

Stewart outlined a number of underlying reasons why the UK's intervention failed. Among the most important being (paraphrasing):

- Inappropriate incentives: officials not having the right incentives to understand and address key issues *("The entire structure of our organisations, their incentives, their promotions, recruitment, the way they interact with policy-makers… does not help us to acknowledge failure").*

- Weak capacities: poor knowledge and skills in how to deal with the complexity of a different environment and in developing the right *"relationships with the local reality".*

- Ineffective and misleading reporting processes: monitoring procedures which allow a picture of progress to be painted while reality moves in a profoundly different direction *("every week I claimed great success").*

- Lack of in-depth analysis: among officials and observers (such as the media) an absence of critical reflection on performance *("it isn't helped by the way we talk about it")*.

- Lack of moral courage: a reluctance to openly articulate informed criticism of policy and practice *("it is not good enough that not a single senior diplomat formally recorded their opposition to what was going on")*.

What all this adds up is that we do not *"acknowledge failure"* because, as a country, *"at some level, we're not serious"*.

The analysis is damning and, I'm sure, correct. But how does this have any relevance beyond the historic and specific context of the UK's miserable record in Iraq? Well, taking the above factors – I'll call them the Stewart Framework – and applying them to the UK's wider development efforts channelled through DFID, presents a revealing picture.

Inappropriate incentives: For a DFID civil servant, say a technical adviser, typically posted for three years in-country, career incentives encourage you to:

- Be hyper-critical ("tough") of any projects or contractors that you inherit (after all, they're not yours).
- Develop new projects and (crucially) get these approved. Projects don't have to be "good" (in the sense of dealing with underlying causes) but need to be consistent with formal and informal compliance signals from DFID management. Don't worry overly about how do-able projects are. Once these begin to get going – these will take eighteen months or so to set up – and their performance scrutinised, you will be on your way to a different posting, and no one will connect bad performance with you.

Incentives have all to be seen in a context of DFID – with a rising budget and higher profile – as a more political entity than in the past. This is a process that started under the last government and has continued in this one. Decision making takes place in a political space in which what matters is looking good (scalable images) and sounding credible (sound bites). The technicalities of "how to" are inexorably squeezed out, piffling concerns in the context of the bigger picture. There is a basic misalignment between personal and organisational incentives and genuine development goals.

Weak capacities: When DFID and its predecessor (ODA) had a smaller budget it had a reputation (in relative terms) for competent technical know-how. By common consent (including – if quietly – from within DFID) its technical cupboard is increasingly bare, with know-how such as contractor and budget management and internal procedures emphasised. Most of all, in an era when high budgets are its distinguishing feature and its biggest problem (how on earth to spend all that money?), the capacity to deliver projects that spend large amounts is highly prized. How/how well matters less.

Ineffective and misleading reporting processes: The furious on-going overhaul of DFID processes – epitomised by the tortuous new "business case" format – has resulted in: (a) new levels of bureaucracy; and (b) an emphasis on delivering and reporting on (easily-measured) direct deliverables, rather than on underlying changes in the real world affecting poor people. More broadly, the larger DFID's budget and profile has grown – and the more frantic its efforts to demonstrate its toughness with suppliers – the more invasive and crippling the bureaucratic burden has become.

Lack of in-depth analysis: With little incentive to go beyond the superficial, DFID's own analysis seldom reaches the underlying reasons why intervention fails. In doing so, officials are safe in the knowledge that conventional media coverage scarcely moves beyond clichéd partisanship, with its familiar characterisations:

- Aid bad: *The Daily Mail* and the bovver-boy, "Hate Johnny Foreigner!", Right
- Aid good: *The Guardian* and the querulous, hand-wringing, "You just don't care!", Left.

The essential dysfunctionality of the UK aid machine – how and why it is the way that it is – remains unexamined.

Lack of moral courage: I am not privy to the innermost debates of DFID but there is not much evidence of deeper thought about underlying efficacy when targets have to be met (with bonuses dependent on these) and the wider rules governing behaviour – "spend big, act tough, look good" – apply. And from the wider aid community – contractors, academics and NGOs – there is the usual noise but few question the validity of the aid machine itself (of which they are, of course, a paid-up, dependant part). No-one prominent from the aid world has stated publicly that the large and expanding size of the DFID budget is a hindrance to achievement. And so this territory is left to less considered voices, and the usual ping-pong of "aid good-aid bad" starts again. Nuanced, thoughtful views are scarcely heard.

What all this boils down to is that there is a close parallel between the factors behind the failure in Iraq – incentives, capacities, processes, scrutiny – and those which characterise the UK's wider development effort now. Like Iraq, development is not something we are serious about. Rather it's a game for DFID and other development actors where laudable aspiration is confused conveniently with achievement, and where failure cannot be acknowledged.

Of course, some may say "surely some mistake here. Iraq may not have been our finest hour, but even if there is a passing likeness between the factors impacting on Iraq's post-war rehabilitation and current DFID development endeavours, DFID's wider development work achieves and excels. The processes may be similar but outcomes are completely different, aren't they?"

Really?

The Iraq experience is unique in terms of its blazing prominence and the scale and consequences of its failure. But anyone thoughtful and engaged in development for a period of time – and able to detach their own self-interest from their analysis – will acknowledge the development industry's "emperor's new clothes" secret. Namely, in terms of the underlying essence (failure), DFID's experience (with rare exceptions) is many small, diluted Iraqs. How many? Forty? Fifty? Hundreds? I don't know, but it is widespread, and probably close to the norm. Without the notoriety and drama of Iraq, much of our broader development experience is a series of mediocrities and disappointments that constitute collectively a similar level of failure and of scandal. Believing that the same underlying set of causal factors applying to both can produce different results is untenable and is disingenuous.

In the light of the above, what can be done? This is not the forum to set out an agenda for reform. But, as a starting point, with the Stewart Framework as its guide and externally shaped and driven, there needs to be an urgent, independent review of DFID's performance and structure, including its incentives, capacities and processes and the level of scrutiny around it. And from this, perhaps, an agenda for a better and smaller DFID may emerge.

And if you still doubt the links between the Iraq experience and DFID now, take a look at the political noises guiding both. David Cameron expresses his pride in the UK's aid spending – *"it makes me proud to be British"* – in much the same, blind self-righteous way that Tony Blair speaks of the UK's role in Iraq – *"we can look back with an immense sense of pride"*. Such hubris did not serve the cause of development in Iraq – and it doesn't serve the cause of international development now.