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# The Humanitarian Aid Regime in the Republic of NGOs

## THE FALLACY OF ‘BUILDING BACK BETTER’

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In recent years, the international community has questioned the efficacy of international humanitarian aid based on the lack of results following the Haiti earthquake, leading to calls for reform and broader discussions of aid effectiveness. This paper proposes the contested existence of an international humanitarian aid regime consistent with broader definitions of regimes proposed by Stephen Krasner and Bruce Bueno de Mesquita. Delving into the manifold reasons for the ineffective response to the Haiti earthquake, the humanitarian aid regime itself proved its own worst enemy. The lack of efficacy is evident through examples drawn from key elements of the humanitarian aid regime including the relationship between political power and aid decisions, the principles of particular interests, and norms of the humanitarian aid regime. These characteristics lead to a lack of harmonization between donors and implementing partners, minimal accountability to beneficiaries, and little coordination between peer agencies competing for scarce resources. Drawing conclusions from Haiti’s pitfalls, the paper offers best practices and lessons learned as alternatives to traditional humanitarian aid, upholding new reforms within the regime as progress toward a more effective future response.<sup>1</sup>

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**O**n January 12, 2010, the largest recorded earthquake in Haiti, measuring 7.0 on the Richter scale, devastated the country leaving 300,000 dead and more than 1.5 million homeless. The disaster precipitated an enormous outpouring of support from the international community, estimated at more than \$12 billion in relief and recovery aid. However, despite the efforts of the United Nations Stabilization Mission in Haiti (MINUSTAH), international organizations (IOs), non-governmental organizations (NGOs), and private volunteer organizations (PVOs), Haiti remains in critical condition two years later, begging the question: where did the money go?

In order to effectively answer this question, this paper proposes the existence of a humanitarian regime—based on the conceptual framework of Stephen Krasner—that, in

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and of itself, crippled its own effectiveness in Haiti. First, I propose the existence of the regime, and second, demonstrate how the regime's lack of efficacy reciprocally resulted in ineffective aid delivery and inadequate response in Haiti. I conclude by drawing insights on potential reforms and obstacles the humanitarian aid regime faces.

### **Conceptual Framework**

In *International Regimes*, Stephen Krasner defines a regime as “sets of implicit or explicit principles, norms, rules and decision-making procedures around which actors expectations converge in a given area of international relations” (Krasner, 1983, 2). According to Krasner, regimes develop structures of governance based on five long-term practices: egoistic self-interest, political power (both particular interests and common goods), norms and principles, usage and custom, and knowledge (Krasner, 1983, 2). Krasner's Realist orientation typifies regimes as states, but the humanitarian aid regime takes a distinctly multipolar shape, comprising states-as-donors, international organizations, and non-governmental organizations (NGOs).

Based on broad notions of independence, neutrality, and impartiality in crises (e.g., natural disasters and complex emergencies), the humanitarian aid regime certainly fits these broad characterizations. There is, however, ongoing debate among experts in humanitarian assistance about whether a humanitarian aid regime exists. While Smillie and Minear (2004) identify a “humanitarian enterprise,” and Eade and Vaux (2007) discuss a “humanitarian architecture,” the existence of a humanitarian aid regime *per se* is not explicit. While Krasner's framework applies to regimes in general, Bruce Bueno de Mesquita leads a contingent of authors who interpret these practices in the context of the humanitarian regime.

In terms of self-interest, Bueno de Mesquita posits that “leaders make aid and policy decisions” that reflect their self interest, “with an eye to how they influence political survival” (Bueno de Mesquita 2007, 254). Within the humanitarian aid regime, there are competing self-interests among host countries, implementing agencies, and donors. These competing interests limit the harmonization of aid, thereby rendering the regime ineffective. While one key stakeholder, the beneficiaries, is oft excluded,

correspondingly, “aid donation generally improves welfare for residents in the donor nation” (Bueno de Mesquita 2007, 270).

An excellent example of donor nation self-interest can be found in the case of rice imports from the United States relative to the livelihoods of American farmers. The 2008 U.S. Farm Bill provides subsidies for American farm production and creates price controls and barriers to foreign food imports, creating artificial incentives for increased production by American farmers (Lehrer 2010, 640). While this benefits American producers, it inevitably creates unusable surpluses. In 2011, for example, there were 1.128 billion bushels of surplus corn (Wilson 2012). Food aid provided a potential solution, turning “the problem of surplus stocks into an opportunity to pursue strategic, welfare, and economic policies” (Friedmann 1993, 35). Thus, food aid actually benefits the American economy by allowing prices to remain elevated while simultaneously disposing of surpluses, regardless of their externalities for the recipients of food aid.

The U.S. government in particular has stringent standards, and all food aid exported under government-funded contracts and grants must comply with certain specifications. Federal Acquisition Regulations stipulate that all aid must be flown on “U.S. Flag” airlines—known as the Fly America Act (Federal Acquisition Regulations. 1995, Subpart 47.4, section 3-1(b)). Similarly, the 1982 Buy America Act, a sub-clause of the Surface Transportation Assistance Act, gives preference to procuring domestically produced materials for projects funded by federal monies (Surface Transportation Assistance Act. 1982, Title 49, Part 661.5). These regulations support the national interests of the U.S., but may not serve the interests of the recipients.

At present, despite its long shadow, foreign assistance comprises only 1% of the federal budget, providing great incentive to the American national interest to continue pursuing humanitarian response (Foreign Assistance 2012). Senator Richard Lugar aptly states the connection between national interest and humanitarian aid:

Development assistance, when properly administered, remains a bargain for U.S. national security and for our own economic and moral standing in the world...Foreign assistance is a key component of the U.S. national security strategy...but beyond the national security imperative, I strongly believe that no global superpower that claims to possess the moral high ground can afford to relinquish its leadership in addressing global disease, hunger, and ignorance (Lugar 2012).

Curiously, this rationale ignores whether countries that receive foreign aid *want* it, not to mention if recipients benefit. Nonetheless, it confirms *de facto* legitimacy upon the humanitarian aid regime by affirming the support of one its sprincipal backers—the United States.

Similarly, ‘tying’ aid to national interest and branding demonstrate the humanitarian aid regime’s *de jure* legitimacy. U.S. Public Law 480, known as “Food For Peace” (FFP)—is the funding mechanism through which U.S. food can be incorporated into overseas aid packages. Food aid is part of a larger phenomenon called “tied aid,” or assistance, that must be spent within the donor country. For example, 93% of USAID funding is tied (Mitchell 2011), and in 2012 USAID awarded 59% of its \$14.5 billion in foreign assistance spending to U.S. contractors (Taborek, 2012), a clear indication of allegiance to American interests and policies.

Because this aid is tied, it comes with certain requirements, such as branding, obliging those who implement humanitarian aid programs to submit to donor policies for funding. According to Mark Ward, the Director of the Office of Foreign Disaster Assistance:

The United States Government, through USAID, requires the NGOs we fund to ‘brand’ the assistance they provide to people in need with the Agency’s handshake, logo and the words ‘From the American people’ in local languages. Branding is not just required by law; it ensures transparency when America provides aid. We believe that the people we help have a right to know where their assistance is coming from (Ward, 2010).

However, branding can also foster resentment towards the donors and can endanger humanitarian workers, as in the case of Pakistan’s floods in 2010 (Worthington, 2010). Further, branding reflects the coordinated efforts of the humanitarian aid regime to demonstrate their efficacy.

Bueno de Mesquita asserts a more logical rationale for the relationship between aid and political power, seeing aid as “an instrument of national policy and as an instrument of humanitarian concerns” (Bueno de Mesquita 2007, 252). Greatly simplifying Bueno de Mesquita’s thesis, aid from country A to country B elicits pro-A policies on behalf of country B, and therefore, aid is a form of political coercion (2007, 254). Humanitarian aid thus becomes a manifestation of national interest for both parties.

Particular political interests in humanitarian emergencies are divided between the affected state and donor states. Because humanitarian aid is inherently political, “aid transfers only take place when they are in the political interests of both leaders,” although these deals often improve the welfare of the donor more than the recipient (Bueno de Mesquita 2007, 261). These exchanges often create parallel structures to responsibilities abnegated by the recipient state government: health care, education, and access to markets and goods (Ghani 20005, 10). In crises, government infrastructure may be unable to provide these services, making the humanitarian aid regime essential. Conversely, these parallel structures also facilitate dependency, in that “poor countries are often the sites where international financial organizations and bilateral donors contract UN agencies and NGOs to perform functions that are normally performed by the state. The delivery of services by these groups leads to a higher cost structure and the creation of financially unsustainable and unaccountable practices” (Ghani 2005, 11). By proxy, the humanitarian aid regime demonstrates its particular interests; making itself indispensable by attending to the core functions of the state.

In addition, the humanitarian aid regime provides “common goods” (basic public necessities such as order, welfare and public works, e.g.) remarkably well, although harmonizing the varied interests of donors and NGOs often proves difficult. Both donors and NGOs “have incentives to quickly produce large, identifiable projects rather than to spend costly time harmonizing programming with other donors” (Winters 2012, 2). Instead of inter-agency coordination, each agency separately seeks recognition for its own achievements, hoping to improve individual returns on investment and cost recovery.

This lack of harmonization leads to an overall lack of transparency, as well as parallel structures that undermine local recovery efforts. Winter argues, for example, that:

As donors opt to proceed alone, not coordinating their programs with one another, this makes it more difficult for the government to track all foreign aid flows and to prepare budgets incorporating information about what foreign donors are doing. A lack of donor harmonization can result in excessive concentration in particular sectors or geographic regions, creating ‘aid darlings’ and ‘aid orphans’ within a country and possibly inhibiting widespread poverty alleviation or equitable economic growth (Winter 2012, 4).

It can also lead to aid dependency among affected populations and thwart local recovery efforts. The lack of harmonization stands in stark contrast with the otherwise ostensibly uniform norms of the humanitarian aid regime.

The norms of impartiality, neutrality, and independence predominate throughout the humanitarian aid regime, but the latter perpetuates a lack of inter-agency coordination and harmonization. Each “peer agency,” or NGO, maintains “its own distinctive culture, incentives and rules of operation” (Ghani 2005, 11) that discourage cooperation. This organizational individualism also produces different indicators, priorities and methodologies that, in turn, produce different results. Moreover, each peer agency reacts differently to each emergency, according to their specific mandate and interpretation of humanitarian principles.

Compare, for example, the missions of World Vision and Save the Children. Although both organizations share an overall objective—improving the lives of children—World Vision has a distinctly faith-based humanitarian mandate, whereas Save the Children focuses principally on education and eschews either political or religious affiliation. While ideally this would mean that distinct organizations with similar mandates would target different affected populations, this is rarely the case. Nor do normative similarities necessarily intimate effective response, though knowledge and learning within the regime provide better results.

However, transformation may be on the horizon, a sign of knowledge and learning reflected in the humanitarian aid regime. The High Level Forum on Aid Effectiveness, which produced the Paris Declaration on Aid Effectiveness, advocates ownership, harmonization, alignment, results and mutual accountability as the preferred norms of the humanitarian aid regime (OECD 2005, 4). As per their definition:

- Ownership implies that countries put national development strategies into operation.
- Alignment ensures that aid flows are correlated to national priorities, aimed at strengthening capacity and employing local procurement systems, while avoiding creating parallel structures.
- Harmonization entails that implementing agencies use shared analysis and programming to avoid overlap.
- Managing for results encourages a results based, and transparent system for assessing progress against national development goals.

- Lastly, mutual accountability ensures that partner countries implement agreed commitments on aid effectiveness (OECD 2005, 10).

In spite of these principles, the response to the 2010 earthquake in Haiti provides a compelling case for the existence of an ineffective humanitarian aid regime. While analysis of the Haitian earthquake response indicates that the regime has not yet changed, it is exactly these principles that were lacking in Haiti, as the forthcoming examples will show. Adherence to this new framework for aid effectiveness should improve the efficacy of the humanitarian aid regime, because it will counteract ineffective actions like those seen in Haiti. If anything, these principles strive to make the humanitarian aid regime more effective despite the failures in Haiti. Nonetheless, in future humanitarian response efforts, ensuring that the principles outlined in the Declaration on Aid Effectiveness are followed is essential to increasing the success of the humanitarian aid regime. Despite these aspirational goals, however, the Haitian case shows there are many barriers to their fulfillment.

### **“Building Back Better” in Haiti**

Haiti has a tumultuous political and economic history, and is characterized today by limited infrastructure, poverty, and natural disasters. In 2008, Tropical Storm Jeanne grazed Haiti, stranding thousands in the remote eastern region of Gonaïves for three days without water (Farmer 2011a, 211). The storm foreshadowed the epic proportions of disasters possible in Haiti. Paul Farmer, the UN Deputy Special Envoy to Haiti, stresses this point: “Everyone knows that Katrina killed 1,500 in New Orleans and on the Gulf Coast, but very few outside of our circles know that what was then Tropical Storm Jeanne, which did not even make landfall in Haiti, killed an estimated 2,000 in Gonaïves alone...” (Farmer 2011a, 31). Two years later as Bill Clinton, UN Special Envoy to Haiti, surveyed the earthquake damage, he remarked that, “This is worse than what has happened before, but I’m confident that Haiti will recover and will build back better” (Farmer 2011a, 77).

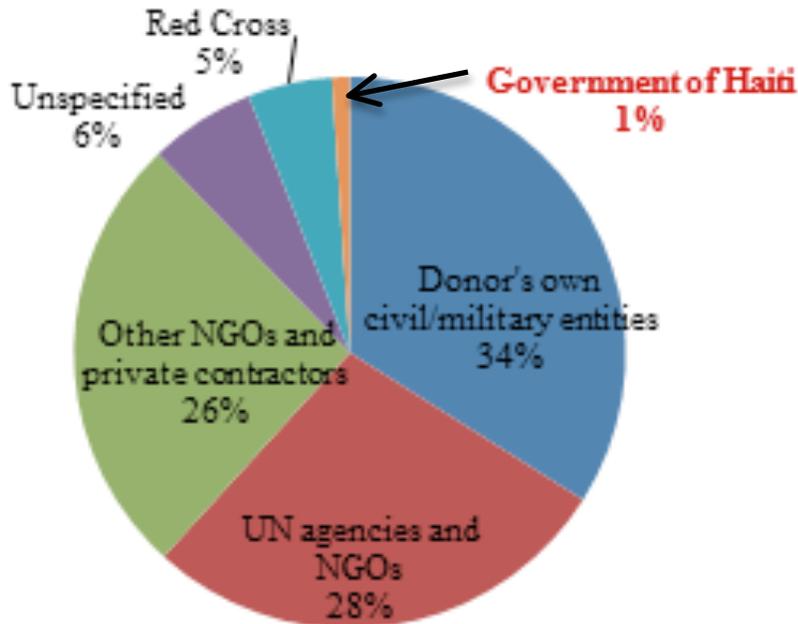
The 2010 earthquake devastated the Western hemisphere’s poorest country, and not only in terms of loss of life and casualties. Immediately after the quake, 1.5 million

people were left homeless; as of July 2011, 800,000 were still homeless (Farmer 2011b). A 2012 Oxfam America report indicated that the situation has changed little: 500,000 remain homeless (Hart, 2012). Internally displaced person (IDP) camps were erected wherever possible, including on the Champs de Mars in Port-au-Prince, across the street from President René Prével's presidential palace (Mitchell 2011). The European Commission identified 336 IDP camps (Relief Web 2010), although the UN did not count camps of less than 500 people (Mitchell 2011), making estimates difficult as to how many people were affected. Absurdly, despite the documented presence of over 10,000 NGOs in Haiti (Clinton Foundation 2010), not a single camp adhered to the Sphere standards, which delineate minimum basic requirements to maintain health and dignity (Mitchell, 2011).

Further, the earthquake wreaked havoc on the infrastructure of Port-au-Prince, destroying 25 out of 27 government buildings, including the Ministry of Health (Mitchell 2011). Shockingly, little has been rebuilt or renovated; to the untrained eye, it appears that the earthquake could have happened yesterday—even after two years (Farmer 2011b).

These indications directly contradict Clinton's promise to "build back better" following the earthquake. Since the 1980s, however, development programs in Haiti have never lacked financial backing. Nor did they at the time of the January 2010 earthquake, when 80 percent of all aid to Haiti and 90 percent of all U.S. aid was channeled through NGOs and contractors (Lawry 2011). In 2011 that figure jumped to 99 percent (see Figure 1). The decision-making procedures, lack of principles, and absence of harmonized rules and norms of the humanitarian aid regime, conspired to prioritize the interests of donors and implementing agencies over those of earthquake-affected populations, rendering the regime ineffective.

**Figure 1: Recipients of Relief Aid to Haiti**



### **Decision-Making Procedures of Humanitarians**

Contrary to what most Americans who donated to the Haiti disaster believe, U.S. foreign aid benefits Americans rather than its supposed beneficiaries (Kushner 2012). This is evident when the interests of donors are leveraged against those of Haitians, especially in regard to food aid. Immediately after the earthquake, while infrastructure and supply lines were down, foreign food aid helped alleviate the provisional needs of displaced people and disaster victims. Its long-term effects, however, were deleterious to Haitian producers and suppliers. For example, one documentary details the collapse of the rice supply chain (NPR 2010)—local rice prices fell due to lower priced rice imports, such as ‘Miami rice,’ ‘WFP rice,’ ‘AMERICAN rice’—and stagnation of the local economy ensued (Webster 2012). Logically it is “hard to get people to buy rice when you are giving it away” (NPR 2010).

Such examples demonstrate how foreign food aid can be injurious, creating parallel structures that prevent local economies from rebuilding and breeding dependency. As Ghani contends, creating such parallel structures that support donor

backed artificial markets ruins local businesses and represents a major problem for the humanitarian aid regime (2005, 10). Between January and June 2010, USAID exported 214,000 metric tons of food aid to Haiti (USAID, 2010, 15). With regular supply chains severed, the price fluctuations on basic commodities—rice in particular—prevented mini-wholesalers at the local level from buying rice to sell to consumers. Haitian corn producers and farmers were marginalized in similar fashion. Had the economic interests of Haitians been heeded, post-quake food aid “should and could have” come from local producers. Instead, foreign food aid forced Haitian entrepreneurs out of business by creating parallel markets with which they could not compete (Webster 2012). Creating these markets was a conscious, normative decision made by humanitarian aid donors to propagate the humanitarian aid regime without involving local decision makers.

Food aid also fosters paternalistic dependency. A powerful example of this is President Clinton’s role in creating Haitian dependency on U.S. food aid. In the 1980s, Haiti was a self-sufficient rice producer. Ironically, despite his later role as UN Special Envoy to Haiti, it was Clinton’s support for Arkansas rice subsidies that crippled Haiti’s production (Webster 2012). Clinton’s close relationship with former Haitian President Jean Bertrand Aristide allowed American business interests, especially rice exporters, access into Haiti. By 1994, two years after Clinton took office, American Rice Inc. was already netting U.S. \$373 million in rice sales annually (Chavla 2010). In 2010, as UN Envoy to Haiti, Clinton realized the errors of such policy:

Since 1981, the United States has followed a policy, until the last year or so when we started rethinking it, that we rich countries that produce a lot of food should sell it to poor countries and relieve them of the burden of producing their own food, so, thank goodness, they can leap directly into the industrial era. It has not worked. It may have been good for some of my farmers in Arkansas, but it has not worked. It was a mistake. It was a mistake that I was a party to. I am not pointing the finger at anybody. I did that. I have to live every day with the consequences of the lost capacity to produce a rice crop in Haiti to feed those people, because of what I did. Nobody else (US SCFR 2010).

As a result of Clinton’s policies, subsidized rice exports from the United States to Haiti have reduced the proportion of locally produced rice consumed in the country from 47 to 15 percent (Kenny 2011).

Because of the post earthquake influx of donated rice, “Haiti is even more awash in rice while American agribusiness makes billions of dollars every year through

generous government subsidies (Webster 2012).” Paul Farmer criticized the lack of Haitian interests represented:

If anyone had real cause for complaint, it was—and still is—the Haitian people themselves, so long excluded from any meaningful discussion of their fate. To a list of grievances spanning at least two centuries, they added the inability of state and non-state providers to ensure basic succor to those in great need, in spite of the large presence of humanitarians and NGOs” (Farmer 2011a, 43-4).

Food aid thus disrupts local markets and economies while creating dependency on aid, which, in turn, benefits the donor, not the recipient.

Whether the donor, implementing partner NGO, or the recipient, it is certainly debatable as to whose self-interest is best served by food aid. What is clear, however, is that American industry and international donors have capitalized on their opportunities in Haiti. This stands in stark contrast to the interests of the affected Haitians and their opportunities to promote local recovery, rehabilitation, and development.

### **Lack of Local Involvement in Decision-Making**

Amidst the power relations and political posturing of states and international actors, one underrepresented actor in the power relations dynamic has been Haiti itself. A meager 1% of all relief funds have gone to the Haitian government (Quigley 2012). Shockingly, with the exception of limited efforts by the Clinton-Bush Haiti Fund, virtually no aid or reconstruction funds have been allocated to Haitian businesses, companies, or local NGOs. Of 1,490 contracts awarded by the U.S. government after the January 2010 earthquake until November 2010, only 23 went to Haitian companies (Mendoza 2010). Furthermore, between December 2010 and April 2011, not one contract was awarded to Haitian contractors (Center for Economic and Policy Research 2011). Foreign firms budgeted to employ Haitians used these funds for material resources, hiring less than one-fourth of the estimated workers (Center for Economic and Policy Research, 2011). Thus, local relief and reconstruction efforts have been undermined by the presence of international NGOs.

Those contracts that have been granted to Haitians benefit local elites only. These include Haiti's top reconstruction planning official, who owns part of the country's

largest concrete company and stands to reap major gains from the coming wave of international rebuilding aid (Center for Economic and Policy Research 2010). Another is Haiti's tourism minister, who heads the commission for reconstruction of Port-au-Prince and other earthquake-devastated areas, but also owns 5% of GDG Concrete and Construction, Haiti's lone supplier of ready-mixed concrete (Center for Economic and Policy Research 2011). Even on a local scale, elites exert their political power for personal benefit.

In light of this, there are some good reasons for choosing to employ foreign firms over local ones. Among them, "USAID is more familiar with some U.S. contractors and gave out some no-bid contracts out of urgency, and fears the corruption that is rife in Haiti. On the Haitian side, there is a limited understanding of U.S. government practices" (Mendoza 2010). Nonetheless, involving locals in their own reconstruction is essential to "building back better" and promoting economic recovery at the household level.

In Haiti humanitarians, rather than Haitians, have largely maintained ownership of the crises. In instances where Haitians were empowered by local ownership of response and recovery, however, there have been moderate but important successes. The best example of this is the Ushahidi platform, an open-source crisis mapping software that employed social media and mobile phone technology to communicate emergency needs and locations. Affected Haitians were thereby able to indicate their whereabouts and needs in order to receive aid. More importantly, when compared side by side to other available systems, "Ushahidi vastly outperformed 'traditional intel'" (USIP 2010, 2). In fact, there was evidence that this technology saved countless lives by mapping over 2,500 incidents in the first 25 days (Ramirez, 2010). Furthermore, over 10,000 volunteers from the Haitian diaspora in the U.S. were able to translate the messages, written in Haitian Creole, allowing for quicker response times (Ramirez, 2010). Additionally, the crisis map of Haiti, developed primarily via input from Haitian networks, represented "the most comprehensive and up-to-date map available to the humanitarian community" (USIP 2010, 9).

In contrast to the image of benevolence and altruism that most have of humanitarian aid, decision-making tends to reflect the interests of donors and service deliverers rather than those of affected populations. While individual, private donations

are often made unselfishly, international donations are distinctly realist in nature. Despite their apparent philanthropy, they benefit the donor state. While recipients may benefit, their gains are decidedly outweighed by those conferred upon donor states. Indeed, the humanitarian aid regime appears almost business-like—donors resemble investors seeking a return on their investment. While the business strategy approach certainly fortifies the existence of a humanitarian aid regime, it is not an industry. As Graciana Del Castillo quips, Haiti proves that “humanitarian aid cannot be a business, if it were, it would go out of business” (Mitchell 2011). Indeed, it may be these businesslike principles that contribute to its inefficacy.

### **Lack of Principles**

In order to understand the dynamics of humanitarian aid in Haiti, it is important to understand the relationships among the state, private donors, implementing partners, and local subcontractors. Because donors often have multiple implementing partners for their programming, and implementing partners often have multiple subcontractors, or local agencies, which liaise between the NGOs and beneficiaries, the lines of accountability quickly become blurred. While these actors preach their commitment to transparency, accountability, and monitoring, it’s seldom clear who receives money from whom.

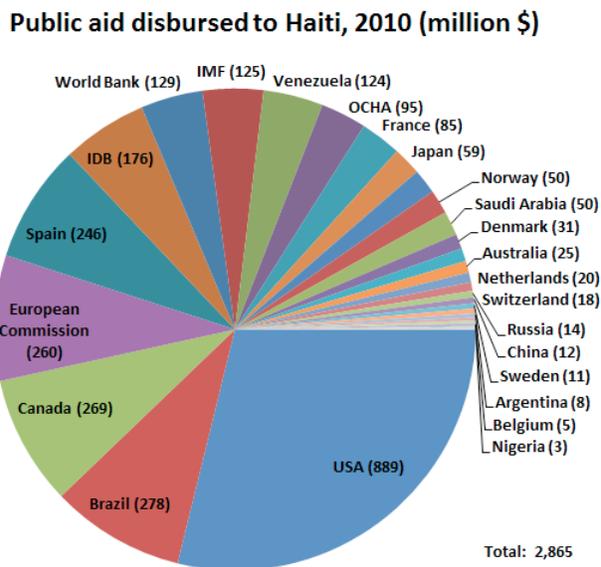
Both state and non-state actors were important donors to Haiti’s cause. The two state actors most evidently interested in Haiti, both politically and economically, were the United States and Venezuela. Following the earthquake, both countries promised the lion's share of reconstruction funds—more than \$1.8 billion together, though currently they have disbursed only 24% (\$223m) and 30% (\$278m) respectively (Provost 2012). Private non-state donors also made enthusiastic promises to Haiti. For example, former President Bill Clinton jointly established the Clinton-Bush Haiti Fund with former President George W. Bush. The fund has received \$54 million in donations since October 2011, and has partnered with several Haitian and international organizations in various reconstruction projects (Quigley 2012).

Donor aid has not produced the expected development and recovery for several reasons. First, not all relief aid that was pledged was actually disbursed, and not all that was disbursed has been spent (see figure 2). Despite increasing support by states—a total

of \$12 billion was pledged to Haiti following the disaster, including U.S. \$3 billion from the U.S. (Webster 2012)—not all of this money was actually disbursed to Haiti (CRS 2010, 63). As of July 2010, only four countries, Australia, Brazil, Estonia and Norway, had disbursed their full amount (Johns, 2010).

Donors are not obligated by an oversight body to fulfill their pledges, and the Office of the Special Deputy Envoy to Haiti admitted that, "We do allow donors to change the pledge" (MacDonald 2011a). Thus, despite the United States' initial pledge of \$3 billion (Webster, 2012), by September 2010—only eight months later—it had lowered the amount of programming funds for fiscal year 2011 to \$1.15 billion (MacDonald 2011b). Such unfulfilled pledges are neither disciplined nor given media attention. In fact, the Office of the UN Special Envoy to Haiti reported that, "over 60 percent of funds pledged for the combined 2010 and 2011 timeframe remain undisbursed" (Office of the UN Special Envoy 2011, 5). Inconsistent and unreliable funding has serious repercussions for those relying on disbursed aid to implement recovery, and sheds light on why, despite an overwhelming generosity of pledges, there has been little actual aid disbursed, not to mention change on the ground.

**Figure 2**



In addition, the monies disbursed were not necessarily spent in Haiti. In fact, the largest recipient of U.S. humanitarian aid money the U.S. government, a surprising fact that holds true for several other countries as well (Quigley 2012). A breakdown of each U.S. dollar spent on Haiti relief shows that forty-two cents of each dollar went to implementing partners like Save the Children, the UN World Food Program and the Pan American Health Organization; 33 cents went to the U.S. government as reimbursement for deploying 5,000 military troops and the USS Comfort; 9 cents were allocated for food aid; and 9 cents for food transport (Mendoza 2010). One penny of each dollar was allocated to the Haitian government for national relief efforts (Mendoza 2010). Once again, where aid was actually spent reflects the interests of the donors.

The sheer enormity of pledges and methods of measuring aid also prevents a clear understanding of state and private donor effectiveness from emerging. Media reports generally vacillate between \$10.2 and \$12 billion in aid pledges by the international community (Webster 2012). However, a 2012 UN report documented that international donors gave Haiti over \$1.6 billion in relief aid (about \$155 per Haitian) and \$2 billion in recovery aid (about \$173 per Haitian) over the last two years, a disproportionately low total per capita in comparison to the overall total (Quigley 2012). Mystifyingly, according to *another* UN report, as of the end of September 2011, donors had disbursed just 43 percent of the total \$4.6 billion pledged specifically for reconstruction in 2010 and 2011 (Webster 2012). Paul Farmer wrote in *Foreign Policy*: “Of the donor dollars promised for 2010, Haiti has so far received a mere 38 percent, or \$732.5 million, excluding debt relief” (Farmer 2010). All of these sources are reputable, but they are all different, leaving one to question each source’s indicators, but also prompting the question: who is correct? And, furthermore, how much aid has actually gotten to Haiti?

Not only are there disparate estimates of the actual aid disbursed to Haiti, the question becomes more complicated after investigating how much of the disbursements were actually spent, and on what. For example, the UN Special Envoy to Haiti reported that:

Of the \$2.4 billion in humanitarian funding, 34 percent was provided back to the donor’s own civil and military entities for disaster response, 28 percent was given to UN agencies and non-governmental agencies (NGOs) for specific UN projects, 26 percent was given to private contractors and other NGOs, 6 percent was provided as in-kind services to

recipients, 5 percent to the international and national societies, 1 percent was provided to the government of Haiti, four tenths of one percent of the funds went to Haitian NGOs (Quigley 2012)

This trend ripples throughout the aforementioned organizations as well as states. According to *The Nation*, the European Community has disbursed \$97.2 million of a pledged \$294 million, Canada \$55.3 of \$375 million, and France only a quarter of the \$30 million allocated to the Haiti Reconstruction Fund (MacDonald 2011b). In another case, “some 50 nations and organizations pledged a total of U.S. \$8.75 billion for reconstruction, but just U.S. \$686 million of that has reached Haiti so far—less than 15 percent of the total promised for 2010-11” (Simon, 2010).

Similarly, private sector initiatives have used resources sparingly. For example, 38 percent of donations to 60 major relief organizations had been spent, including the Red Cross, which has spent only \$200 million of its \$479 million, or World Vision, which has spent only \$107 million of \$194 million raised by donors (MacDonald 2011a). These figures reveal the importance of political appearance and assertion of power relations, but show little evidence that such political maneuvering has any real impact.

### **Norms and Rules of the Humanitarian Aid Regime**

Humanitarian organizations often pride themselves on their neutrality, impartiality, and independence, but these projections can be superficial. Haiti is identified as both the ‘Republic of NGOs’ and the ‘graveyard of development projects,’ because so many projects have failed to achieve viability (Ramachandran 2012; Farmer 2011b). The image of the untouchable nature of NGOs, and the idea of their inherent benevolence and effectiveness, has drawn considerable scrutiny in the wake of the Haitian response. “One of the things we have to acknowledge is that if you look at Haiti, many billions of dollars have gone into development aid there that have not been effective” (Farmer 2011b). Mark Schuller dispels the myth of the altruistic NGO: “People assume that do-gooder organizations will do good” with their money (Mitchell 2011). However, implementing partners, whether international or local NGOs, IOs, or PVOs face internal rules that limit their capacity, such as ‘tied aid.’ “U.S. officials argue, the failure to clearly advertise that the American government is behind this help—with, for instance, logos on medicines or

signs on food-distribution centers—is a missed opportunity” (Worthington, 2010). This severely limits the ability of humanitarian organizations to implement programs and projects that directly affect vulnerable communities.

In Haiti, collaboration between NGOs was limited for a variety of reasons. First, there were too many organizations to effectively coordinate, and there was no way to “assess the quality or even the goals of their efforts” nor even if the organization actually existed (Farmer 2011a, 45). Secondly, there was a lack of organizational transparency. NGOs, as implementing partners of donors, must adhere to the restrictions and limitations of donors. These standard operating procedures are institutionalized and thus may impede harmonization at the local level, as in Haiti. Each NGO, or ‘peer agency,’ seeks to realize its efforts in each sector according to its culture, standards, and methods. As a result, the 2010 Haiti Humanitarian Flash Appeal from the Office of Coordination of Humanitarian Affairs (OCHA) supported five different NGOs or IOs implementing programming for “Nutritional Support for Children” at a cost of more than U.S. \$50 million (OCHA 2010, 9-11). Meanwhile, this program duplication and overlap meant a lack of coordination and harmonization of humanitarian aid.

Another norm that goes hand in hand with tied aid is the lack of accountability and transparency of humanitarian aid that permeates the humanitarian aid regime. Humanitarian efforts traditionally employ a moral imperative that deifies them and exempts them from critical analysis. However, audits of humanitarian spending in Haiti indicate a lack of development and recovery in Haiti. A survey by the Disaster Accountability Project revealed that, of 196 organizations, only one provided “an acceptable level of information” worthy of transparency standards (Schuller 2010, 68). No mechanisms were in place to track where money was going (Simon 2010; MacDonald 2011a; Kahn 2011). While donors require documentation to ensure money is effectively spent, there is little pressure for implementing partners, specifically NGOs, IOs, and PVOs, to reveal their spending publicly. The problem is that the American people, who gave approximately \$1.5 billion in aid to Haiti, were unaware “that almost none of the money that the general public thought was going to Haiti actually went directly to Haiti (Quigley 2012).” There is little guarantee that money meant to speed Haiti’s recovery went where it needed to go once earmarked and disbursed.

Accounting for complexity in funding is essential, because occasionally aid is channeled through U.S. agencies and NGOs, but actually goes to local staff. In some cases, international NGOs subcontracted local partners in Haiti, or used local staff, instead of bringing their own staff after the earthquake. Such was the case of Zanmi Lasante, a local partner of the U.S. based NGO Partners in Health, with nearly 5,000 Haitian employees, which received \$40 million (Edmonds, in Schuller 2010, 64). While this was not the norm, when funds appeared to be given to U.S. agencies, local partners actually benefitted.

Another element of the humanitarian regime is the role of bureaucracy. Bureaucracy's 'function' within the humanitarian system is to ensure transparency and accountability, but it can also render project implementation slow and inflexible. Prior to the quake, Haiti had an ineffective bureaucratic system of government. According to Schuller, "With the earthquake, you essentially had billions of dollars being sent into that very broken, top-heavy structure, which was made far worse by this massive infusion of many more NGOs" (Schuller 2012).

One parable of humanitarian aid projects gone awry in Haiti is that of the wind generators in Baie-del-Sol. "They are the first thing one sees approaching the city, five majestic windmills, each one capable of producing fifty thousand kilowatts of energy. But they are useless, vandals having long ago ripped out their electrical guts" (Farmer 2011a, 44). Merely installing hardware never guarantees use or even usefulness. This manifestation of good intentions and generosity gone wrong due to a gulf between development planners and the realities of on-the-ground implementation is endemic of foreign aid in Haiti. Too often development, relief, and recovery projects take place haphazardly, without addressing local needs, and thus become unused monuments representing the dichotomy between perceived and actual needs.

Aid flows often dictate what type of projects implement and permit or withhold opportunities for addressing the needs of affected populations. Partners in Health/Zanmi Lasante, for example, saw their net assets increase from \$31 million to \$93 million in FY 2010, a 66 percent increase, the majority of which due to the increase in capacity and response in Haiti (Partners in Health 2010, 2). However, the FY 2011 report shows a net decrease in assets by 33 percent to \$66 million, reflecting that, in the absence of a

newsworthy disaster, donations for Haiti dried up in less than a year (Partners in Health 2011, 2).

Ironically, disaster relief actors were as unable to address the needs of volunteers in Haiti as they were to address those of Haitians themselves: “The frustration of many volunteers and disaster relief experts was rooted in their inability to find a system capable of effectively using their resources and goodwill” (Farmer 2011a, 70). The *ad hoc* and unilateral efforts of so many uncoordinated actors exacerbated the chaos of Port-au-Prince. Schuller characterizes the scene in the days following the earthquake:

You have NGOs who can't communicate internally, because the decision-makers of these NGOs, who are making decisions on a UN military base and don't speak Haitian Creole, can't communicate with Haitian staff in the field who know what the problems are, who know what's working and what's not working. You have competition between NGOs, and competition and suspicion between NGOs and the government (Schuller 2012).

This led to ineffective service delivery and stunted provision of basic needs while each NGO acted unilaterally according to their normative credo. In many cases, disaster affected countries squander opportunities because they are unable to effectively absorb the aid influxes that they receive. Nor can they reserve it for future purposes.

The post-quake situation in Haiti highlighted one of the normative contradictions of the humanitarian regime—the notion that humanitarian relief service providers needed to simultaneously compete and collaborate. In the field, NGOs often collaborate to achieve common results through programming, especially due to the push toward harmonization. However, limited funds allocated to individual emergencies compel implementing partners to compete for funds, creating a competitive dynamic among peer agencies that operate through grants and contracts from the same pool of donors. By continuing to accept donor restrictions and tied aid, NGOs perpetuate the donor driven humanitarian aid system. This challenge is intensified by the need to be effective while not duplicating programming of other peer agencies.

This dilemma is exacerbated by the relationship between aid flows and the media. All agencies need funding to operate, but donors expect measurable results from their funding. Thus, agencies must be deliberate about demonstrating efficacy—some NGOs’ media policy dictates that responders provide visual evidence of their efforts within 48

hours. In Haiti, “NGOs were accused of ‘jostling for position’” in order to gain access to more funding (Bendict 2010, 15). However, without funding, they fall behind their peer agencies, a catch-22 for all involved. In many cases, this intense competition for funding leads to conflicts of interest over funding decisions, exemplified by UN Special Envoy Bill Clinton’s myriad roles in Haitian-focused entities.

Without explicitly accusing Clinton of “disaster capitalism,” it is difficult not to question the connections between his various roles as UN Special Envoy to Haiti, co-chair of the Interim Haiti Recovery Commission (IHRC), co-administrator of the Clinton-Bush Haiti fund, and founder of the Clinton Foundation, which facilitated development projects in Haiti after the quake. Consider the following example: the first contribution received by the IHRC was hurricane proof shelters that could serve as interim schools provided by the Clinton Foundation (Miller 2011). While seemingly a godsend, these shelters were “shoddily constructed and moldy prefab trailers” manufactured by Clayton Homes, a subsidiary of Warren Buffett’s Berkshire Hathaway—concurrently “under investigation by FEMA for providing formaldehyde laced trailers during Katrina” (MacDonald 2011b). Worse still, the heat and humidity in Haiti produced high levels of carcinogen emissions. Because the trailers were used for schools, they generated severe health problems, especially in children (MacDonald 2011b).

In another example, Chemonics, a company with longstanding ties to Miami Rice, received a no-bid USAID contract for \$102 million, despite documented failure to achieve objectives in past projects in Afghanistan (Center for Economic and Policy Research 2010). Vexingly, they remain USAID’s largest contractor, netting \$684 million last year in contracts (Taborek, 2012). These blatant examples of cronyism clearly portray the reasons that aid in Haiti has failed to meet its objectives for recovery and reconstruction.

## **Conclusion**

While advocates tout sustainable alternatives, such as early recovery efforts, remittances, and trade as more effective than aid itself, humanitarian aid perpetuates as the solution to disaster response. However, this customary “one size fits all” approach—through food, recovery, and reconstruction aid—does not assess local needs, but rather

*perceived* needs on the part of Western donors. Many non-aid channels can have more beneficial effects toward recovery.

Alternative solutions like “duty-free, quota-free access for all Haitian exports,” as well as “10,000 more visas a year” could make enduring differences rather than the temporary effects of aid (Birdsall 2010). Similarly, economic recovery can be stimulated through remittances from the Haitian diaspora and by channeling aid through local institutions. Deviation from the customs of the aid regime could provide more effective relief and recovery. Though it contrasts many of the objectives of foreign aid, “America’s real contribution ought to come via trade, immigration and diaspora initiatives that will bring jobs, open up opportunities, help build competent public services and ultimately help the people and government of Haiti to help themselves” (Birdsall 2010).

As noted, so far this type of recovery has not been implemented. *Foreign Policy*, for example, shows that,

Just 116,000 people have been employed in this way. Haiti has 9.8 million people, and at least half were unemployed even before the earthquake. If we focused our efforts on the singular task of getting them jobs—even if we did nothing else—Haiti’s reconstruction could be a success (Farmer 2010).

These measures, of course, undermine the traditional usage and customs of humanitarian aid.

In regards to the question, “where did the aid to Haiti go?” this paper provides three main conclusions. First, there was a lack of local involvement and ownership of the recovery process; little aid actually *went to* the Haitian people, which is why their situation remains dire. Second, in its present state, it is important to conceptualize the humanitarian aid regime as donor driven, not beneficiary driven. This leads to a plethora of problems including lack of harmonization, parallel social and economic structures, and, in the case of Haiti, stagnation of local recovery and reconstruction efforts. Donors themselves consume the majority of aid through the established aid delivery processes, such as PL 480 and the Federal Acquisition Regulations. They also may change and/or partially disburse their original funding pledges. Third, implementing partners, in fierce competition to provide aid, must compete for scarce resources from donors and submit to donor requirements that preclude harmonization and collaboration. These conclusions

explain the parallel structures that undermine recovery, as well as the lack transparency and accountability.

Optimistically, the High Level Fora on Aid Effectiveness have taken important steps to change direction, making the humanitarian aid regime more effective, but there are many actors that still do not comply. It is important to recognize that donor interests guide the humanitarian regime, and that those interests are not necessarily as benevolent or altruistic as many individuals, especially Americans, think. While the efforts of humanitarians in disaster response are monumental, they must still be given more leeway from donors to facilitate programs that meet beneficiary, not donor, requirements. Until this occurs, Bueno de Mesquita's scathing critique aptly captures the situation in Haiti and of the paradox of the humanitarian regime, in that relief aid "is not designed to relieve poverty and reduce misery. As such, we should not be surprised when it fails to fulfill normatively desirable goals. Instead such aid perpetuates poverty and promotes the political survival of leaders" (Bueno de Mesquita 2007, 253). Viewed through the lens of the response to the 2010 earthquake in Haiti, both the existence and inefficacy of the humanitarian regime become clear.

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