A Better Way to Give?: A Comparative Analysis of *The End of Poverty* by Jeffrey Sachs and *The White Man’s Burden* by William Easterly

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**SENIOR HONORS THESIS**

Submitted In Partial Fulfillment of Requirements of the
College Scholars Program
North Central College

May 30, 2008

Approved: ___________________________ Date: 5/29/08

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Abstract

William Easterly and Jeffery Sachs are two economists that have recently contributed to the international debate on ending extreme poverty. Easterly, the author of *The White Man's Burden*, believes the way to end extreme poverty is through homegrown development where small loans are given to finance solutions to local problems. Sachs, the author of *The End of Poverty*, outlines a series of commitments the first world needs to make to fund solutions for the world's biggest problems. This paper outlines each author's opinion and attempts to create a strategy where Easterly's critical analysis of aid can be combined with Sachs' first-world solution.
A Better Way to Give?: A Comparative Analysis of *The End of Poverty* by Jeffrey Sachs and *The White Man's Burden* by William Easterly

It was June 20th, 2007 and I was finally living my dream. For the first time in my life, I was in Africa. I had dreamt about that day hundreds if not thousands of times in the years prior. I dreamt of the sun, the heat, the music, and the warmth. Yet, driving through the streets of Lusaka that day, I quickly realized there was so much I could never have imagined. I knew it was going to be hot, but I never imagined how that lingering heat would carry the smells of Africa with you everywhere you went. I knew the people of Zambia would be kind, but I could have never imagined how that love is so quickly cooled by the reality that so was obviously apparent on each person’s face. Hearing bits of African music before I went, I imagined people on the side of the road drumming and singing, but instead I found that music playing on a small, beat-up radio alongside a woman on the side of the road selling clay pots and peanuts. In the weeks to come, there was so much of Africa that was just like my dreams, but so more that I (or anyone else in the Western world for that matter) could have ever imagined. This paper will look at these unimaginable disparities through the eyes of two renowned economists and begin to shed light on how Africa (and the other parts of the developing world) can become the world it has been dreaming of.

The two sources that this paper will address in-depth are *The End of Poverty* by Jeffrey Sachs and *The White Man’s Burden* by William Easterly. While these books by no means present a comprehensive analysis of the entire world’s opinion, they are noteworthy views derived from extensive research, experience, and thought written by two acclaimed economists. This paper will outline each author’s thesis, major examples, and opinions and present areas of opposition between the two sides as well as point out the areas of agreement. In the end, it will show where
there common advice that the world can use to take its next step out of extreme poverty. In the end, I will take a unique look into the authors' suggestions by attempting to apply them to my own experiences in sub-Saharan Africa.

Africa

The two books this paper will be discussing touch a wide range of topics over a number of different areas of the world. In The End of Poverty, Sachs uses multiple examples of his travels throughout the world to make his points. Similarly, in The White Man's Burden, Easterly covers the state of extreme poverty all over the world. Because my interest and expertise on this issue lies mainly with sub-Saharan Africa, most of this discussion will be focused on their books as they apply to Africa and its troubles.

The current crisis in Africa is unsettling. With roughly 13% of the world's population—which amounts to about one billion people—Africa has 70% of the world's HIV/AIDS cases (overpopulation.org/Africa). Over half of the continent's countries (34/50) are on the UN's list of least developed countries with eleven of those countries also landlocked (un.org). The plight of these countries is even worse than average. Zambia, for example is a least developed country that is landlocked that has a life expectancy of 41 years, a GNP per capita of $630, and a literacy rate of 68% (unicef.org). While these current statistics are disturbing, the population will touch 2 billion by the year 2050 and without a change of course, the problem will only get worse (esa.un.org).

The Authors

Before we begin discussing the two books, we first have to understand why they are relevant. If you go to any Barnes and Noble today, you could pick out over a dozen books on
world development, poverty, or economics. If that is so, you might ask, why then are these specific two books worth comparing? Setting aside any personal experiences I have had with the two authors, in researching this topic, I noticed that these were the two authors quoted most often, the two most debated, and the two most at-odds with each other when discussing the issues of development, extreme poverty, and economics. Further, research on the subject of foreign aid quickly tell us the “present clarion call for the left is Jeffrey Sachs’s book *The End of Poverty,*” which argues for a bigger push from the large governmental organizations such as the IMF, the UN and the World Bank to help solve crises around the world and the “present clarion call for the right is economist William Easterly’s book *The White Man’s Burden,*” who is arguing that the solution is decentralization of funds to put money into smaller organizations who can create better solutions (Collier, p. 191). Therefore, the only way of presenting common ground in the heated debate about how to end poverty, is by taking each side’s proudest debate and squaring it up against the other. While they have fundamental differences about how the structure of international aid should be determined, the few points that they do agree upon can show us the next step to ending extreme poverty.

The first debater is Jeffrey Sachs. Sachs, a Harvard alum (B.A., M.A. and Ph.D.) and professor at Columbia University, is currently the Director of the Earth Institute and special advisor to United Nations Secretary-General Ban Ki-moon. For more than twenty years Sachs has worked on issues of economic development including co-founding the Millennium Promise Alliance and becoming Director of the UN Millennium Project. He has toured the globe working with governments on problems of poverty and disease. An advisor to many of the organizations he mentions in his book (such as the IMF and the World Bank), Sachs is one of the most influential figures in world politics and economics today. (earthinstitute.columbia.edu)
The second author is William Easterly. Also an economist, Easterly is currently a Professor at New York University. He received his Ph.D. in Economics from MIT and went on to work at the World Bank. He too has traveled the globe working on sustainable development in the world’s poorest countries and is regarded as an expert on long-run economic growth. Known for his analytic skill, Easterly is another influential economist in the world today. (nyu.edu)

Theses

Rooted in their experiences working in developing countries and various governmental organizations, each author has his own unique fundamental proposal. As in many of his moving speeches, in his book Jeffery Sachs writes that in our generation we can end extreme world poverty if the developed world gives 0.7 percent of its GNP to developing countries. Sachs’ main idea is that wealthy countries should help poor countries in big ways. “Our compact, our commitment, in the rich countries should be to help all poor countries where the collective will is present to be responsible partners for the endeavor,” (Sachs, p.269). So long as those being helped want to make the effort needed, Sachs believes the first world should provide what is essential to growth. Easterly calls Sachs and those who subscribe to his plan Planners and instead he believes that in order to end extreme poverty, the world needs to be made up of Searchers. According to Easterly, Planners are those who think that there is one solution for everyone. He defines Searchers as individuals in settings where struggle is taking place who search for a solution unique to the needs and abilities of those around them. He replies to Sachs’s suggestion that it is “up to [the first world]” to end extreme poverty by using his book to explain how the poor help themselves. Easterly pleas with the world to finally, “let Searchers try their hands at ways for medicines, bed nets, and aid money to finally reach the poor,” (p.383). On the most
fundamental level, Easterly believes that, given the right tools, the poor will pull themselves up by their bootstraps.

To put these arguments into some sort of framework, we can say that Sachs is top-down while Easterly is bottom-up. Sachs believes that, by giving enough consistent aid, the developed world can help the developing world grow; that by putting money into all of the necessary places from the top, it will resolve the solutions on the bottom. Easterly believes that by enabling Searchers to find routes for money in ways that are sustainable and workable, little by little, the developing world will grow. While there is money coming in on both sides, the left – Sachs – designates an overarching plan while the right – Easterly – leaves it up to those on the ground.

**Extreme Poverty**

In introducing their ideas, each author first starts by explaining the concept of extreme poverty. For the most part, both Sachs and Easterly follow the World Bank’s definition of extreme poverty which states that people living in extreme poverty survive on less than $1 a day and that there are currently about one billion of those people living on Earth (worldbank.org). Sachs points out and Easterly would agree that extreme poverty does not exist in developed countries. While there are many people in developed countries (US, Britain, Germany, Canada) who are poor, they are moderately poor. In contrast, a large number of those poor in the developing world are extremely poor. Sachs defines these people as the “poorest of the poor” who are fighting for survival on less than a dollar a day (p. 18). He goes on to define “the poor” and the “moderately poor” noting the differences between hardships, every-day life and circumstances. As it is a level of development set by the World Bank, most economists subscribe to the idea of extreme poverty. At the heart of their books, both authors are debating how to raise the standard of living for people living at this lowest level of subsistence.
Points of Contention

History

George Santayana once said, "Those who fail to learn from history are doomed to repeat it." In other words, in an effort to figure out what to do next, we need to first look at what has worked and what has failed before. By devoting large portions of their books to it, both authors agree that we need to look at history.

Throughout his book, Sachs devotes much of his text to stories of his past experiences in the developing world. He begins with his successful ventures to Bolivia, Poland and Russia and moves to China and India. He shows how, with government reforms, outside aid and the right conditions, countries can pull themselves onto the ladder of development. For example, when Sachs went to India in the 90’s his usual optimistic attitude was quickly shut down by Indians who were skeptical about overcoming their history of debt and poor growth. India’s long record of poor governance did not allow for adequate international trade and pushed investors away from dealing within their country. However, after understanding a bit more about how other parts of Asia started to develop, the leaders in India introduced market reforms which brought in imports and investors and sent out exports. Even though this helped, a decade later, the country was still struggling with complete market reform and bad infrastructure, education and social reforms (p. 181). As India begins to do this, Sachs argues that they are slowly but surely climbing away from poverty with only few rural populations struggling. Sachs believes that India’s climb onto the ladder of development was due to investment in infrastructure and backing of market reforms. Throughout the accounts of his experiences, Sachs emphasizes that those countries who have overcome struggle have subscribed to a list of important policies including market reforms, democracy, and investment in social capital as well as infrastructure.
Calling on history to make his argument, Easterly also takes snapshots of a few struggling countries. He, however, depicts a colonialist and postmodern imperialist world. He notes time and time again in history when the West has tried to make decisions for the Rest and it has failed. Key to his argument is the colonialism of Africa by Europe. Easterly argues that the West is again thinking they know what is best for Africa by telling them where to put their money and what to do about their governments. He believes that history will repeat itself and that just as colonization and decolonization did not work before, the West’s control over Africa through imposing rules in exchange for aid will not work again. Easterly also uses Sachs’ example of India to make his own point. Easterly depicts the decolonization of India and notes the process only left the country in a worse place than it had started (p. 299). He sees the West’s efforts today similar to those 60-100 years ago and uses history to make the point that we cannot try to solve the problems of others we do not know.

As it applies to history, each author uses a specific piece of the puzzle to reinforce his own argument. It seems that history is full of such an array of tragedies and triumphs that any point may be taken and argued with a circumstance in history to back it up. Both authors do this well by using history to create their point and diminish the others’.

*Poverty Traps*

When people (including Sachs) talk about those in extreme poverty, they include what is called a poverty trap. A poverty trap is a situation one is in that makes it hard or impossible to climb out of poverty. Sachs points out that a key component to defining the extremely poor is looking at whether or not they are in a poverty trap. If a person is unable to save enough goods or money to secure their day-to-day living (if they don’t even have enough food to eat to day let
alone worry about tomorrow) they are in a poverty trap. Easterly battles this point with Sachs by giving some examples of people “in poverty traps” who are no longer living in extreme poverty.

In an effort to reconcile these two views, I looked to another noted author on this topic. In his book, The Bottom Billion, Paul Collier first defines those living in extreme poverty. His analysis much resembles Sachs’ and that of the World Bank where people in extreme poverty are those who are fighting for survival and living on much less than a dollar a day. The population living in extreme poverty is somewhere around one billion. Collier, a professor of African economics at Oxford, agrees with Sachs that there is such thing as a poverty trap. In fact, he takes it further to define three specific traps that cause a developing society to remain in the developing world. These traps are: the conflict trap, the natural resource trap, and being landlocked with bad neighbors (we’ll call this the geographic trap).

The conflict trap occurs when developing countries – who have little capital to begin with – engage themselves in long or stressful wars that drain their government’s budget. Moreover, the destruction that war causes on a country is undoing what little had been done to help while also creating an atmosphere investors shy away from in the future. In Africa especially, coups cause so much of the problem that governments are often afraid of their own militaries, resulting in more effort and money put into keeping their government in power and less focus on developing their economy and infrastructure (Collier, p. 36). The second trap, the natural resource trap comes about when countries who have an abundance of natural resources do not or cannot use them to their advantage because they do not have enough infrastructure – technology, brain power, or money to develop either. The final trap that Collier outlines occurs when countries are landlocked by bad neighbors. This trap is pretty simple to understand: if you have neighbors you do not get along with, they will not let you use their roads for transportation of
goods. Further, if you have neighbors that are in war (civil or with someone else) their roads, railways, and rivers are not safe enough to invite investors onto. So, if you are a landlocked country, you are struggling because you have a very small market for trade (only within) and are not able to reach the outside world in proper ways.

While Collier notes that some countries have escaped the poverty trap and it is not as fateful as it may sound at first, there remain huge hurdles that many countries in the developing world have to face that those countries in the developed world do not. Sachs agrees with this claim but Easterly denies the inevitability that extreme poverty traps those stuck in it.

Solutions

As you may have guessed, Sachs and Easterly do not just leave us with what was, but, in an effort to persuade policy makers, donors, investors, and normal citizens, both lay out their solution to the problem of extreme poverty. Sachs’ solutions are largely focused around the Millennium Development Goals he helped devise. The Goals are as follows: 1. Eradicate extreme poverty and hunger; 2. Achieve universal primary education; 3. Promote gender equality and empower women; 4. Reduce child mortality; 5. Improve maternal health; 6. Combat HIV/AIDS, malaria, and other diseases; 6. Ensure environmental sustainability; 7. Develop a global partnership for development (www.un.org). Sachs states that we can achieve most of the listed goals by increasing aid for these problems. He outlines that the world must invest substantially for a prolonged period of time in human capital, business capital, infrastructure, natural capital, public institutional capital, and knowledge capital (p. 244-245). He then shows how investment (aid) in a society helps boost household income which in turn expands GDP by allowing households to save. Eventually, with enough aid to fund public investment, people will move out of extreme poverty.
On the other end of the spectrum, Easterly does not agree that aid will solve the problem. He uses the term "homegrown development" to describe his process of Searchers in each country figuring out the best plan for their society and taking it. Easterly is libertarian even in his view of people in that he believes if given the chance, people will do what is in their own best interest and further, it is in their best interest to figure out how to solve their problems. Funding then, if any, would come in smaller portions to help these solutions get started. Also, in figuring out what is best for them, countries will understand that it is in their own best interest to develop good trade relations with the rest of the world. They will look to other countries and realize that the only way to bring more money into the economy is through effective, solid, and consistent trade agreements. Doing so will then necessarily result in other reforms; however, he includes that there should be some aid in education and health in order to help the people of a society get to a place where they can make these decisions, but that type of aid should be watched with scrutiny and given cautiously.

To put Easterly’s argument another way, he thinks micro financing is the best way to go about helping the poor. Micro financing is a way of giving mini loans to the poor to enable them to start their own ventures from building a home to starting their business. Most of these loans are only in the hundreds of dollars and are given with little or no interest. They provide the little help one needs in order to jump start their future. Easterly believes that the poor are the best people to help themselves out of poverty. Even more, he believes that citizens of developing countries are more capable of solving their problems than people outside in the developed world. Easterly believes in the heart and will of people to work hard for better lives. Micro financing is a way of creating many small homegrown solutions for large problems.
While Sachs may acknowledge the importance of micro financing to empower the poor, he believes that the West knows the answers and should create solutions for the poor as well as fund them in full. Sachs argues, “The key, I believe, is to use the United Nations system to its best advantage. The UN secretary-general is the best placed official in the world to coordinate the various stakeholders,” (p. 285). While he does acknowledge that the current UN system is flawed, Sachs believes that at its best, the UN should be used as the primary avenue to end extreme poverty.

**Points of Agreement**

While Sachs and Easterly argue on most issues, there are some facts that they cannot dispute. Having both spent time working with the international agencies that are currently administering aid – such as the World Bank and the IMF – they use a part of their books to point out the past difficulties these organization have had making a successful difference with their money. After outlining each of the eleven major international governmental aid agencies, Sachs suggests they create closer relationships in order to share information and become specialized. “Without a much closer partnership,” he writes, “of the specialized UN agencies with the IMF and the World Bank, none of these institutions can do their work properly,” (p.287).

Easterly agrees with this criticism showing a graph (p. 46) comparing aid and growth in Africa. The graph clearly shows that while aid as a percentage of GDP has increased dramatically, growth – the goal of aid – has decreased in the past ten years. Thus, the ways by which aid is given currently is not producing the results that are (a) intended and (b) told to the world. Through intense research followed by restructuring, Easterly still believes that the World Bank and the IMF can do good, but that a new era of aid giving can bee accomplished where small institutions make the large impact previously left for large governmental organizations.
The Other Players

Now that both of the authors have given their proposals on how to end extreme poverty, the question becomes, which one should we take? Should we devote the 0.7 percent of the world’s GNP to aid or should we back off of aid and promote homegrown development? Adding to the debate, many leaders in the field have noted their stance.

Amartya Sen

Since these books have been published, there has been much debate over the issues. Looking to people much smarter than I to solve the problem, I quickly realized they too are caught in a conundrum between Sachs’ optimistic claims and Easterly’s pessimistic facts. After reading The White Man’s Burden many global leaders are quick to point out Easterly’s often cynical tone, but dually note his prowess when it comes to critically assessing the state and utility of aid. For example, in a critique of Easterly’s book Amartya Sen tells us, “Easterly's book offers a line of analysis that could serve as the basis for a reasoned critique of the formulaic thinking and policy triumphalism of some of the literature on economic development,” (Sen). He goes on to explain that Easterly could provide the “Planners” exactly the kind of scrutiny and analysis they need in order to achieve the efficiency he says they are lacking. However, Sen writes, Easterly’s book looks so negatively on the world of foreign aid that it quickly loses respect. Sen also points out that Easterly’s view, at times, exaggerates the state of foreign aid. Sen tells us of a part of Easterly’s book that calls us to move beyond the unilateral schemes aid agencies are using today. Then Sen follows up with examples of aid agencies that have moved beyond this and are trying to apply Easterly’s critiques. In the end, he agrees that it is time to hold the large governmental organizations up to critique, but points out Easterly’s flaws when doing so.
Bill Gates

While both books spend a large amount of time on government action and the public sector, there is a loud call from the private sector that is also worth noting. In his recent speech at the World Economic Forum in Davos, Switzerland, Bill Gates announced his plan for the future of Microsoft and invited the rest of the business world to join him. Gates, a friend of Sachs, plans to use “creative capitalism” to utilize market forces for good. He believes that there is a way to do business that will create an incentive for both businesses and the poor. Gates argues, “Companies should create businesses that focus on building products and services for the poor. ‘Such a system would have a twin mission: making profits and also improving lives for those who don’t fully benefit from market forces,’” (Guth).

I have seen Gates’ ideas work for Microsoft in sub-Saharan Africa. Last summer I spent two months in rural Zambia working with a community development project. Part of the development project was a computer training school that the Microsoft Corporation had agreed to partially fund. Microsoft and the leaders of the village worked out a deal where the nurses and computer students would all be trained on Microsoft software. While the nurses were getting technology and the students were learning computer programming, Microsoft also came out ahead because their product is now the only one being used and taught in that part of the country. In this way, everyone benefits: the villagers benefit through better healthcare and through family members getting well paying computer programming jobs and Microsoft benefits because it is creating more customers for itself.

At the heart of their books, I think both authors would agree that this kind of “creative capitalism” might be worth a shot. Sachs would definitely encourage any big business putting money into a needy economy. Easterly, while he may be critical of it at first saying, “The vested
interests in aid are so powerful they resist change and they ignore criticism. It is so good to try to help the poor but there is this feeling that [philanthropists] should be immune from criticism,” (Guth). I think Easterly’s underlying goal is still achieved through creative capitalism. In one of his snapshots that portray the right kind of solution, Easterly describes the Shell Foundation’s approach. By using a business model in their philanthropic efforts, Shell is tackling small problems that have to do with their corporation such as cleaning up the environment. Easterly commends Shell saying:

The approach is pragmatic: a combination of cash sales to customers, sales to NGOs and to public institutions that use their own social distribution networks, experimentation with microcredit to finance stove purchases, and accepting payments in goods rather than cash. Corporate charity cannot replace official foreign aid, but its marketlike approach is a good model of what it’s like to be a Searcher. (p. 110)

Kinder capitalism does not call for any sort of aid or uncalculated gift. Instead, it is a strategic effort by companies to create markets where they did not exist before. In the end, companies are still revolving around profit, but doing so more creatively in a way that would benefit the poor.

_African Voices_

The World Economic Forum 2007 (the conference Gates spoke at in 2008) was a place for much more talk about the issue of foreign aid. There, leaders of the developing countries were able to voice their opinion. Throughout the conversation on Africa, trade emerged as the most important issue. However, while the international community is calling for more international trade with Africa, many inside the continent seem to want to work first on regional trade and bolstering civic structures without which they would fail at trading internationally. (weforum.org)

This idea may intrigue both Easterly and Sachs in a way that might set some ground for other discussions. Sachs believes that we should provide foreign aid for developing countries
such as those in Africa. Easterly believes that aid should be given, but on a smaller, more accountable scale. If aid was given to (a) set up structures that called for accountability followed by aid given for (b) countries to develop infrastructure on their own terms, I think both players might be satisfied.

Also during the forum, South African President Thabo Mbeki called on investors to speak directly and frankly with the governments of the countries telling the governments what problems they are facing when doing business within their countries. He adds, many problems will have to be dealt with regionally, so it is best for countries to tackle the problems individually to be able to create infrastructure that will support the much needed public-private relationships. (weforum.org)

While Easterly may be skeptical of the ability of governments to handle investment, he would agree with President Mbeki when he argues for regional solutions to regional problems. The fact that Mbeki acknowledges the vast differences between African nations and their problems as well as the array of possible problems that could arise, makes Easterly’s point credit-worthy. While Mbeki’s stance may involve the government more than Easterly would like, the way they attack Africa’s underdeveloped problem is quite similar and therefore, probably the way to go.

Analysis

Let’s put this idea in some sort of frame work. As both books discussed and as is public knowledge, the governments in the developing world are not the most reliable structures in place to send aid. While there are many ideas out there as to what we do, if anything, politically about these governments, I think Easterly might have an idea here. While most of Easterly’s policy suggestions at the end of his book leave out or intentionally bypass governments in developing
parts of the world, I think many of his ideas could be applied inside of the agencies that he criticizes such as the IMF and World Bank to create a similar accountability system for governments of developing countries. So far throughout history, these agencies have given aid with certain stipulations. For example, the World Bank might say, if we give you this amount of money, you must increase the percentage of youth enrolled in school by a certain percentage in a limited time period. What if, though, the World Bank changed its practices to allow for an economic/free market view? Instead of making aid a negative idea, why not put it in a positive, competitive light? For instance, part of Easterly’s last chapter describes an organization called globalgiving.com. The purpose of globalgiving.com is to create a space for donors and social entrepreneurs to come together to find each other. Social entrepreneurs sign up their idea on the website and people wanting to give in some way find their favorite project to give to. Donors are then given updates as to how the agency is doing, as well as feedback telling them where their money went and how efficiently it was used. Why not use the same idea on the World Bank?

Theoretically, there is only a certain amount of money each year that can be given to countries. Why not make each country essentially bid for their aid? At the beginning of the process, all countries wanting money would have to provide exactly what each social entrepreneur does for the donors of globalgiving.com: give them a plan. The plan would entail the specific uses for the money, the timeline, the reasons for aid being needed and an agreement to undergo efficiency and accountability ratings (ideally created by Easterly himself). If the World Bank liked a country’s idea they could fund it. In a year, they could see if the country did what it said it was going to do. If it did, they could gain credit in their standing for future aid. If not, they would be lowered on the totem pole. Ideally, the developing world would still be giving aid, but only to countries who showed sincere interest in planning and creating structures where
aid can help—not just giving it to governments without any accountability. This, essentially, is Easterly’s argument with but Sachs’ optimism.

The Future

At the end of the day, Sachs and Easterly want the same thing: the end of extreme poverty. However, at first glance their views seem extremely opposed and make it hard to find common ground. By understanding the underlying issue, though, we can. We can see that Easterly is not an advocate of decreasing aid. Instead, he understands its faults and wants to change the structure of it to make it more effective. He sees aid as haphazard and inefficient and states that the way to change that is to let a market work in this sector. Sachs, on the other hand, is an advocate of increasing aid in the existing areas and continuing already successful efforts. While Sachs and Easterly have gone back and forth about whether or not certain instances in history were successes or failures, it is not beneficial to remain on these parts of their books. Instead, we have to take out all of the rhetoric and name-calling between “Planners” and “searchers,” the West and the Rest, and look at what they suggest to do in the future. If we look to areas where the world is in agreement about aid such as disease control, education, and infrastructure and go from there with Easterly’s ideas about accountability on aid organizations, progress could be made. As in most parts of the political world, we can only gain ground when we set aside our differences and come to an agreement. Upon analysis of the subject and the authors, I argue that Sachs and Easterly could come together to be a team of economic experts that could really make a dramatic difference in the world of extreme poverty.
My Analysis

There are many angles from which we could start attacking the issue. We could look at the problems from a governmental/political angle which emphasizes establishing stable governments as the first step towards growth. From a different angle, we could attempt to begin solving the problem through education and training. The economic view is also something we could take into consideration first by emphasizing regional or international trade. The view I am most familiar with, though, is not as common as any of the above. I look at it from a psychological point of view.

When I was in Zambia the summer of 2007 I did research on cross-cultural teaching and the value of education. So, specifically I looked at how Africans showed their value of education (to Westerners by interviewing Western teachers working in a rural school). What I found was that there was a perceived lack of value for education. Attempting to understand why, I looked at previous research done on value structures in cultures. What I found was that we can see how people view values by arranging the main values in a pie-like structure with different values being different pieces of the pie. The interesting idea here is that opposite sides of the pie do not usually have equal emphasis. For example, if we asked 100 people to rate the noted values on a scale from one to ten and then graphed their answers, we would see that if people place a high number on the “achievement” value, usually, they will put a low number on “basic needs” and this would happen in such an organized fashion where we could group this graph into a pie-like structure and see common trends showing us that there are opposite or conflicting values. If I place high value on one piece of the pie, it is likely that I will place low value on the piece opposite of that one. (Bilsky & Schwartz, 1994)
While that research had never been done in tribal Africa (it is hard to find any psychology research done in Africa, so we have to use previous research done around the world in Asian or Middle Eastern cultures to formulate our hypotheses), I found this model may also ring true in the village I was working in and further that it might help us gain insight into how or where we can begin putting aid. As you can imagine, in a village struggling with extreme poverty, it is not always easy to come by the basic needs of food, water, and shelter. Drought often causes widespread famine; water (especially clean water) is far away and not reliable; and shelter might be an adobe hut with a grass roof that easily catches on fire during the dry season. Therefore, if you were to ask people what they value most, it would be predictable that they would say they value their basic needs because they are present on a daily basis. On the other hand, in the West we barely have to worry about food, water and shelter. We have free water fountains on every corner with a reliable and extremely cheap water system; and we have so much shelter we are knocking down old ones making room for new bigger ones. It is easy to see how or why Americans place little value on basic needs – because they are past it, it is not of immediate concern.

It just so happens that if we look at one of these value pies, the piece opposite of basic needs is achievement. Achievement can be seen as advancement, ambition, or most often, education. When one focuses on basic needs, they seem to focus less on achievement and when one focuses more on achievement, less on basic needs. In America, when we do not have to worry about basic needs, our worry is then placed on achievement. This makes sense logically, too. If one is worried about where the next meal is going to come from, s/he cannot even begin to think about getting to school the next day. (Trust me, while I have never lived in extreme poverty and cannot claim I know what it is like, as a college student I have had many a days wondering
where my next meal is coming from and when you are hungry, your accounting assignment is the last thing on your mind.) I think this understanding, then, helps us decide where to start. We could start with education, but without food, water and shelter, education will not really matter because people (a) will not be able to learn when they are cold, hungry, and tired and (b) will not place adequate emphasis on learning to make it count as a moving element for change (because they cannot value it enough).

By looking at the research, I can hypothesize that when societies get their basic needs met, education reform will follow. The same research we looked above on values suggests that if one piece of the pie is de-emphasized, it will increase emphasis on the conflicting piece. So, if we can find a way to combat hunger, people in the societies will be able to focus on education in order to get educated and make movements to reform their country’s system.

My study is another example of Easterly’s main argument. As an alternative to aid for development, Easterly proposes aid be given for research to better understand what development plans work. “Development researchers,” he explains, “study many aspects ... to identify things that seem to contribute to development ... These studies point to piecemeal ways to move toward prosperity,” (p. 55). I agree with Easterly on this point because my experiences have taught me that getting on the ground and testing hypotheses with different approaches help us gain insight. Moreover, I agree with both authors when they suggest changes to the international governmental organizations. However, I also disagree with parts of each argument. I believe it important to fund aid through governments giving to governments through organizations such as the IMF and World Bank, but I also agree that there is obvious reason for concern in their history of ineffectiveness, as Easterly argues. To change this course, I would argue that the IMF and the World Bank need to put tremendous effort into researching the effectiveness of their funding and
change their practices according to their results. With this, we could still involve the
governments that are imperative to long-term stability and growth while changing the aspects of
doing so that have been proven to be ineffective.

What Can We Do?

I would argue that the last chapter in each economist’s book is the most important. Yes,
the preceding 300 pages are full of relevant information for us to make informed decisions, but
ultimately, each author’s view is summed up in their solutions or “challenges for the next
generation,” (Sachs). Sachs defines nine steps for a better tomorrow. They are: commit to ending
poverty, adopt a plan of action, raise the voice of the poor, redeem the role of the United States
in the world, rescue the IMF and the World Bank, strengthen the United Nations, harness global
science, promote sustainable development, and make a personal commitment. These goals are
quite similar to the Millennium Development Goals Sachs hand crafted at the United Nations.
Sachs admits that the organizations noted struggle in their current state, but at their best and fully
funded, they could pull the poor out of extreme poverty. His challenge for the next generation is
to commit to global democracy and sustainable long-term aid.

In his last section entitled “What Can You Do?” Easterly challenges his readers to
become Searchers by changing they way they think about their role in society. By making
governmental as well as nongovernmental aid agencies accountable for the funds they are given
and give, through research that results in incentives and penalties, the world, made up of
Searchers can figure out a new path to ending extreme poverty.

As I look at the different avenues for aid as it is currently being administrated, there are
three that come to mind: public, corporate, and private. To better the efficiency of public (large
governmental) aid, funds need to be re-structured to research and correct the methods of giving
as well as those for creating incentives and penalties. Adding a novel solution to the fight against extreme poverty, corporations can create opportunities that further both their interests as well as the poor’s. As for you and me, I think we should become searchers; searchers, of course, who uphold democracy and invest in companies doing good throughout the world, but most importantly, searchers who are engaged maybe not specifically in the fight against extreme poverty, but in the *fight for humanity*. Be someone who cares; be someone who goes and does something – anything, even if it is very small. That, I think, is something we can all agree on.
References


