CHAPTER 26

DEVELOPMENT MANAGEMENT

Renewal and Discovery in the Twenty-first Century

LOUIS A. PICARD

This chapter reviews the evolution of development management from its roots in post–World War II foreign aid and the role played by the Comparative Administration Group in that process in order to provide a context for an understanding of development management debates in the post–September 11 period. It examines the impact of international donors on development administration and the decline of the state-centric focus of development administration as a framework for development policy. The chapter then examines the impact and weakness of structural adjustment processes, privatization, and nongovernmental organization–focused development models later labeled "development management." The chapter goes on to discuss the rediscovery of the state in the 1990s and the renewed interest in governance from a public sector reform perspective. The chapter concludes with a brief discussion of the impact of September 11, 2001, on nation building and state building and the development of the government approach to development management and public sector reforms in fragile and collapsed states.

ORIGINS

Any discussion of development management must start with its origins in comparative public administration and comparative politics, since development management assumes that there are principals in operation that are transferable across countries, in terms of methodology, theories, and practice or, at the least, can help us to approach an understanding of countries as case study events (Truman 1951; Heady 2001). The comparative method suggests that there are methodologies of comparison based on structural functionalism that allow the observer to better understand political and administrative processes through comparison of whole systems or system parts (political or administrative) in order to better understand commonalities and differences (Easton 1953; Almond and Powell 1966).

Development administration as a concept grew out of the assumption in the 1950s and 1960s that, with the independence of countries in Asia, the Middle East, Africa, and the Caribbean, and with a resurgence of nationalism in Latin America, the state would take a major role in the management and promotion of economic and social development. The concept was developed by a group of scholar-practitioners who came together as the Comparative Administration Group, supported by the Ford Foundation. The Comparative Administration Group was, since its establishment in 1960, the central focus for the development administration movement, which was led for more than a decade by Fred Riggs[1] (Heady 2001, 6–18). With the end of Ford Foundation support, and controversies over the Comparative Administration Group within the context of the debates about the Vietnam War, discussions about development shifted first to the Section on International and Comparative Development of the American Society of Public Administration and the informal Development Management Network based in Washington, D.C.

By the late 1970s, development administration (the older label, which preceded *development management*) suggested a role for the national governments of less developed countries (LDCs) in the process of promoting social and economic change. Followers of both concepts have long assumed that certain developmental lessons could be learned by comparative analysis of policy and management in order to improve the lives of impoverished people. One of the earliest attempts to systematically promote the concepts was an edited collection by Irving Swerdlow (1963).

The simple assumption that there was a developmental process became a source of controversy over development administration. As a corollary to a broader comparative analysis, development administration popularized many modernization assumptions, including the dichotomy between traditional and modern, agriculture and industry, subsistence and commercial farming, and urban and rural. Growth advocates promoted a trickle-down effect to economic development based on modernization assumptions and state-managed and promoted capital investment (Rostow 1960; Lewis 1955).

Critics of development administration theories suggested that early advocates of development administration ignored two other components of development, the capacity (human skills) of those implementing development programs and the political environment or governance framework that defined policy. Others, with a more fundamental concern with the approach, have argued that development management ignored the structural and power problems of the international regime identified by those later labeled dependency theorists.[2]

The Marshall Plan and President Truman's Point Four Program were both thoroughly Keynesian in the approach to development, designing foreign aid as a part of a development planning and management process. The Marshall Plan assistance was enormous; over a four-year period the U.S. government spent \$13.5 billion, or \$87.5 billion in 1997 dollars (Sogge 2002). The Point Four Program, with a \$25 million budget for fiscal year 1950–51, was equally ambitious. As Walter Sharp (1952, 7) points out, "No survey of the extent of American economic assistance to other countries would be complete without taking account of the vast sums provided for postwar foreign relief, rehabilitation, and recovery" under the Marshall Plan.

The Marshall Plan was successful because it primarily provided capital funds to reconstruct the infrastructure of Europe. It was recognized that Europe already had the needed skills, attitudes, and institutions available to promote economic growth in spite of the destruction of World War II. Except in a limited way, in Taiwan and South Korea during the early years of the Point Four Program, and for political reasons, this existential involvement was never again experienced.

THE EARLY YEARS

Growth strategies predominated in the early postwar period, and "development specialists . . . tended to give the greatest priority to industry, as the sector that was most capital intensive" (Lancaster 1999, 16). A key figure in popularizing the theory of economic growth was Walt Rostow, later a foreign policy adviser to Presidents Kennedy and Johnson (Rostow 1960). All nations are poor, he suggested, but some are able to escape their poverty through their own domestic initiative (with correct policies, development-oriented administrators, and significant amounts of foreign aid).

Rostow argued that economic growth occurs when there is a takeoff point in a country's economy that will lead to self-sustaining capital generation. LDCs are caught in what he called a low-equilibrium trap. There was not enough capital for growth until some means became available to allow developing countries to reach the infamous takeoff point (Martinussen 1997, 28–46).

As early as the 1950s, international donors had assumed that foreign aid–induced development administration would provide a short-term boost to LDCs by filling the financial gap that prevented a country from taking off toward sustained economic growth (Easterly 2001). The search for a formula for government-managed economic growth has been a constant in the debate about development assistance ever since. “Many times over the past fifteen years,” according to William Easterly, “we economists thought we had found the right answer to economic growth” (Easterly 2001, 23). The Millennium Challenge Account was the latest iteration of the search for the growth magic bullet that promotes an induced development management approach.

Initially, the magic formula was based on the Harrod-Domar model that aid finance, managed by public sector administrators or contracted out, should be invested in large-scale infrastructure, dams, harbors, roads, and machinery. At various times, capital investment, population control, human resources development, policy reform and structural adjustment, and debt forgiveness have all been identified as the elixir of internationally financed development management. Despite massive amounts of foreign aid and technical assistance in the twentieth century, many heavily aided regions and countries remained among the world’s poorest in terms of social indicators, and controversy has continued over the importance of social sector development in health and education. (See discussions in Reilly 1979 and Staudt 1996.)

THE PLANNING FRAMEWORK

Development management is said to be the application of rational ordered choice to social and economic affairs. The model was well described by Albert Waterston et al. (1965). Development planners and development administrators are action-oriented and goal-oriented civil servants, technical assistance specialists and contractors, striving to promote economic and social development. Development planning and management involve the setting of priorities for the use of scarce resources and the careful implementation of a strategic approach to development. The definition is clean, but the practice is often muddy.

The original goal of development administration was to change societal behavior in a way that would impact economic productivity. Thus, development management might include behavioral change through secondary (primary and secondary education) and tertiary (adult—including higher education and on-the-job experiences) socialization but not primary (parent-centered preschool) socialization. As part of the tertiary socialization process, development planning focused on local government authorities, extension services, and district administrations for planning, implementation, and social mobilization of development and human services activities. Human development increasingly became part of the development planning and management portfolio at all levels of government and among nongovernmental groups (Langdon and Karns 1974). This emphasis on human development was reflected in the annual human development reports of the United Nations Development Program and the 2001 United Nations Millennium Development Goals (Picard, Buss, and Belasco 2010).

Many development planning advocates, as noted, have assumed that there can be state-managed social mobilization. The basic premise was that planning was setting priorities for the use of scarce resources through the use of rational rather than political processes, thus setting the stage for the nefarious argument that, from a development management perspective, authoritarian regimes could be good development models, e.g., the Asian model (see Nagel 1994).

Planning is usually seen operationally at three levels of activity. These are:

- Development policy: overall decisions to take action, general outline of choice (decision or nondecision);
- Development programs: ongoing areas of activity within a policy area, a nucleus to carry out program (health, education, microfinance);
- Development projects: discrete time-bound, often sector- or spatially based activity; project managers are responsible for generating specific results within a specific time, space, and budget in a specifically defined set of activities;[3] it is at the project level that international donors tend to intervene.

The major responsibility for development management would lie with the planning and program officials at the national and local levels. The overall assumption was that development change occurred because of planned action. This assumed that political and administrative leaders have made the decision to effect improvement in the social system. Expanded government meant an expanded role for specialized planning organizations and the rise of development economics as a discipline. The issue of grassroots participation, democracy, or entrepreneurialism was often not raised in the planning discussions process, which tended to be top-down prior to 1975. There was often rhetoric, and sometimes the reality of a command economy as opposed to a market economy with the soft (weak) state located somewhere in between (see John Friedmann's critique [1987]).

Planning debates in the 1970s began to focus on the issue of growth versus redistribution (equity). Traditional goals emphasized induced industrialization and state efforts at promoting a high and growing gross national product per capita income as opposed (to its critics) to quality indicators (social development) of life. Other debates included concerns about the nature and consequences of multiyear planning in contrast to the ways in which realistic budget priorities are set (Caiden and Wildavsky 1980). The recurrent budget problem, incrementalism, and debates about the coordination of planning caused academics and practitioners to ignore more fundamental debates about voluntary versus hierarchical authority, the ethics of development assumptions, and who "wins and loses" (Berger 1974).

At the center, in country after country, the overall goals were to be set through the national plan (the "wish list") and through monitoring and "managing" the economy. Prior to 1983, *planning* had become almost a magic term. Five-year plans of more than fifteen hundred pages were observed for a country of fewer than a million people. Planners set targets and measured goals. At the regional and local levels, the goals were to introduce regional planning, coordination, and mobilization, and in some societies, resocialization (Friedmann 1987). This meant that a regional planning official often would have a coordination responsibility that included in some cases forced social mobilization (McHenry 1976). Overall, the key emphasis was on government agents or their contractors to act as change agents, with the state to manage mechanisms that could provide a "stimulus" to society.

Originally, Keynesian planners and managers saw the state taking a major role in providing leadership to improve standards of living in LDCs and accepted the premises of development administration that the state bureaucracy should take a major role in social mobilization, economic transformation, and increases in productivity as well as define policy goals for society. Advocates assumed that political and administrative leadership had made the decision to effect changes in the system, an assumption later critiqued by those who advocated support for rule of law, policy reform, and democratic governance programs. As a result of what is called here the "planning" conundrum (see later in this chapter), development management goals became more modest after 1983.

There has been an overall assumption to those who promote development planning as a framework that the state would continue to serve as the engine of development despite the advent of policy reform demands. The goal remained to change social behavior, the economy, and political structures in order to improve society. It was assumed that development occurs because of planned change. To some extent that has continued to reflect the views of the donor community in the aftermath of the Asian debt crisis of 1997, which brought several Southeast Asian countries, including Indonesia and Japan, to the brink of financial collapse.

CRITICISM

While some have argued that good government and access to education have been important variables in terms of international development, historically, variations in growth across countries have had very little to do with variations in human capital growth alone. As Easterly puts it, "The growth response to the dramatic educational expansion [in LDCs] of the last four decades has been distinctly disappointing" (2001, 73). Economic development occurs only when education grows within the context of political stability and government-managed incentives for economic growth. Within the context of a pro-growth set of policies that will create incentives, and governance principles that ensure the rule of law, the expansion of education and skills can be a powerful developmental tool.

By the 1960s, some development administration specialists had become suspicious of the growth model, and many began to call for more fundamental changes in the international political economy. Both dependency theory and basic needs approaches were seen as alternative interpretations. By 1980, the pendulum had shifted again, and structural adjustment had replaced redistribution theories. Despite policy changes, however, donors continued to look for various techniques labeled development administration and development management to implement their policies.[4]

By 1975, and the end of U.S. involvement in Vietnam, Iran, and several African and Latin American countries, many donors had lost faith in development administration as part of a broader loss of faith in Keynesianism. *Development management* as a term came to replace *development administration.* As Jreisat (2002, 23) points out, however, there is not much difference between the two other than vague images and a broad suggestion, popularized in the 1990s, that public-private partnerships would lead to economic development.

The term *development management* suggested a less state-centric and more collaborative view of development that incorporated privatization, public-private partnerships, and the role of nongovernmental organizations in the formulation and implementation of development policy (see Nagel 1994). By 1980, the term *development management* had completely replaced the phrase *development administration* in academic and practitioner circles. Management skills as both art and science were seen as particularly important to the implementation of development policies promoted by international donors.

The next decade brought a decline of faith and confidence in all theories of development management and continued controversy over the role of LDC governments in the development process. This controversy has left a legacy of ambiguity over development management as a tool that remains unresolved at the end of the first decade of the twenty-first century. The end of the cold war also saw newly classified developing nations, sometimes labeled *transitional* by the donors, in Central and Eastern Europe and in the former Soviet Union. While parts of East and South Asia progressed rapidly toward "newly industrializing" status, and a few African and Latin American countries had positive economic growth, most LDCs were worse off in 1990 than they were in 1960. Many political leaders and academics still questioned the assumptions of structural adjustment and policy reform on which capitalized growth is based (see Stiglitz 2002).

THE PLANNING CONUNDRUM

By the late 1980s, the mantra against development management and planning had become intense. The argument was that you cannot make planning better. To neo-orthodox economists, development management was an oxymoron. Planning was no more than writing a shopping list. There were three basic dimensions to the attack against the “antiplanning” machine. First, there was the issue of the soft state and the inability of the state to impose its will on society. Second, the neo-orthodoxy and privatization public/social choice logic became literally orthodoxy. Third, there was no such thing as development management, only good and bad management. Bureaucratic, administrative, and political constraints constituted a major limitation on development planning. It was seen as a two-stage problem. The first part of the problem was that development strategies often paralleled but ignored political realities, and second, authoritarian regimes could and did use planning mechanisms to harvest “rent” and smuggle it out of the country. Bad management was particularly encrusted in the project management system imposed by international foreign aid (Bates 1981).

Development management advocates were caught on the horns of a dilemma at the end of the cold war. For donor-induced development management to occur, there was a need to strengthen administrative capacity in the development economics and planning area. This meant the donor community faced an ongoing human capacity dimension to the development management process in fragile states most threatened by insurgency forces that threatened international terrorism or drug-trade–dependent regimes. If that administrative capacity (including economists, planners, and project management specialists) did not exist, it would have to be created as a cadre. These development management specialists would need to be available to implement the policies of the International Monetary Fund, the World Bank, and the bilateral donors in an opening domestic governance environment. Yet the policy message from international institutions coming out of structural adjustment was privatization, economic reform, and public sector reduction (see Streeten 1987).

Institutional arrangements for planning, planning agencies, management systems, and processes that are innovative continued to be seen by the donor community as part of the requirement for economic and political development even as privatization and policy reform became defined as the process. The donors needed in-country planning capacity in order to meet their own internal project development processes. In the answer to the age-old problem of which comes first, the chicken (economic and social development) or the egg (management development/human resource development), the answer was both at once in an environment of very scarce resources. Often it was to be technical assistance that would fill in the gap.

The criticism of national planning (as distinguished from urban, regional, or program planning) has been multifarious (see Boettke 1994). Critics see the danger of a state-centric authoritarian system with state-level planning degenerating into rent seeking and patronage (Joseph 1987). The basic question was, to what extent was a state-coordinated planning approach possible, especially in terms of equitable social and economic class opportunities, rational economic policies, and balanced regional development? Critics argued that development planning had failed.

There are several explanations why it is claimed that planning failed. One problem is that planning puts limits on political compromise and local-level autonomy. Planning is an allocation process. The definition of politics is the authoritative allocation of values. The debate pits pluralist politics against central direction. One critic called this conundrum the “anti-politics machine” (Ferguson 1990).

The perceived failure of national development planning was also linked to the limits of applying econometric models to real-life social behavior. Advocates suggested, however, that it is not the models that are the problem; the failures of national planning must be blamed on weak planning and administrative capacity. The separation of planning and management and the lack of implementation were often ignored by planners and policy makers. Criticism of statistical modeling has not led development planning away from quantitative methods but from efforts to fine-tune them (see the essays in Strom, Chesher, and Jackson 2007).

Yet development planning remains a part of the unfulfilled rhetoric of development and remains mandated by technical assistance. The mechanics of donor-mandated planning have become the mechanism for donor involvement via projects with limited money and time commitment but often with a mechanism to control decisions. The whole-of-government approach (integrating management between and among departments), which broadens development management into foreign policy and security from international development, has provided a new mandate for development managers whether in government, in the nonprofit sector, or among contractors (Stewart and Brown 2007).

A TECHNICAL ASSISTANCE FIX

Much of international technical assistance has taken the form of providing technical specialists who are operational experts and advisers who are temporarily on direct contract with government agencies or with private and nongovernmental organizations that provide services to foreign governments and organizations.

By the late 1970s, assumptions of development management had come to focus on temporary strengthening activities, often referred to as technical assistance, in support of capacity building. This meant a shift in technical assistance from the provision of operational experts to the provision of advisers.

Technical assistance can be defined as the provision of professional support on a temporary basis to agencies of government, the nonstate, or the community sector that face specific technical problems. As used here, this would also include technical assistance provided by donors to the private (microcredit) and nongovernmental sectors. Technical assistance has come to assume foreign involvement in the internal affairs of a country, though the same principles apply to technical support provided within a country between one organization and another (Heady 2001, 37–38). It was difficult, as Heady early recognized, to separate development from politics, a problem often faced by those in technical assistance positions (see Brinkerhoff and Brinkerhoff 2005).

The purpose of such technical assistance is often directed at institution building. Consulting, both long and short term, is at the heart of the technical assistance and training processes, and applied research skills are often at the heart of consulting. The technical assistance expert as a development manager is responsible to his or her client. However, under technical assistance, it is not always clear who the client is: the host country, its leadership and its program managers, or the donor agency and its contracting and program officers.

Official foreign aid, to its critics, has been particularly weak when it comes to technical assistance, technological discoveries, and the support of economic growth. Much of the innovation, in terms of international assistance, historically has come from the great private foundations and their programs (Esman and Montgomery 1969). According to Dennis Rondinelli, who addressed the problem in the mid-1980s, “AID’s technical assistance for development administration during the 1950s and early 1960s was heavily influenced by the prevailing concepts and theories of economic development, [which originated in the private foundations but were] reflected in the Marshall Plan and Point Four Program, which were primarily aimed at rehabilitating physical infrastructure and industrial plants, temporarily feeding large numbers of people whose sources of income had been destroyed during the war, and re-establishing the economies of industrial societies" (1985, 213).

Beyond technical assistance has been the assumption that there must be a transfer of management skills so that those in charge of implementing development policy are able to do their jobs not just competently but creatively. Technical transfer occurs in strategic interventions in support of increasing development management capacity, including tools, techniques, and technologies, skills in the analysis of the environment, principles of organization and management, and unstructured skills. It is the latter that Gabino Mendoza calls "the synthetic mode of thought" (Mendoza 1977, 66).

The basic tools and techniques of routine administration transfer most rapidly through bridging training and are often not worth high levels of investment, as they can be best provided through the private sector. Unstructured skills, however, are the most difficult to transfer because they require that we have, following Mendoza (66), the "synthetic mode of thought . . . [where] something . . . is viewed as part of a larger system and is explained in terms of its role in that larger system." At the upper levels of management, and for development management, it is the unstructured skills of judgment and analysis (including abstract thinking) that make organizational management skills an art rather than a science and that are most often lost to foreign aid administrators and contractors. Technical assistance and capacity building have often not been able to address this problem (Picard and Buss 2009, 233–248).

Assumptions about the importance of intellectual development were infrequent in many parts of the former colonial world. The assumption at a country's independence was that ten years of basic education often constituted adequate preparation for even the most senior positions in the public and parastatal sectors (see Lee 1967). Three- to six-month bridging courses could be used to bring clerical officers up to speed. Bridging training strategies, however, simply do not foster the intellectual capacity that is critical for development management. Part of the failure of management systems, particularly in Africa, relates to invalid assumptions that such a stopgap management strategy is possible. Much of technical assistance and training efforts were little more than a stopgap.

Along the way, donors had become impatient and at times baffled with the long-term implications of skills development. The myriad of problems that resulted from ineffective donor training intervention in the development process of LDCs remains a neglected area in terms of LDC management skills. Program managers need specific training to deal with donor-supported projects and the problems that come with them. By the early 1990s, donor officials became increasingly aware of the skills needed by LDC program officers to deal with a myriad of donors as part of the development management process. Capacity building came to be taken much more seriously with the development of the UN Human Development Index and the recognition that development management professionals needed high levels of training. Since 1990, skills development has become a much more significant component of development management.

THE CURRENT FRAMEWORK AND DEVELOPMENT REALITIES

The development realities sixty years after the beginning of the Marshall Plan are clear. There were two emerging powerhouses in Asia: China and India. There are a dozen or so success stories: These include the so-called Four Tigers, South Korea, Taiwan, Singapore, and Hong Kong (before it became part of China), and perhaps several of the countries of the Organization of Petroleum Exporting Countries. There were also several emerging markets in Latin America—Brazil, Chile, and Argentina—and perhaps one in South Africa (Sotero 2009).

There is a second tier of countries that have developed economic strength over the last decade but still face significant economic problems. These cases of intermediate success include Malaysia, Thailand, Indonesia, and Costa Rica. There are areas of significant patterns of economic decline in much of Africa, parts of Asia, the Middle East, and the Caribbean. Most important, there are or have been disaster areas with fragile and collapsed states, mostly in Africa but also scattered in other parts of the world (Ethiopia, Somalia, Rwanda, Haiti, Angola, Liberia, Sierra Leone, Burma, Iraq, Afghanistan, East Timor, Guinea [vs. Guinea Bissau]). The latter are seen as a potential threat to international security (Kaplan 2008). Fixing fragile states became the new assignment for development managers, especially after 2001.

Critics have suggested that little of the success but much of the failure for LDCs to grow economically is linked to donor-led development management efforts and that donor-led development management in the 1980s and 1990s included several fallacious assumptions (Martinussen 1997). These included the following:

- Critics, especially in the donor community, spoke of the negative state. Government had become a bad thing, and yet there was little recognition by donors that fixing the state was part of the raison d'être of technical assistance.
- There has been little concern about administrative incapacity among donors. Questions were raised about the efficacy of the state approach, but many donors have paid little heed to the need for public sector competence in their policies.
- Debates focused on privatization, public sector reform, and NGOism (the assumption that NGOs were the focal point of international development work and how that translated into public-private partnerships with little recognition of the nuances of institutional relationships that this required.
- There was a need to address issues of external versus internal solutions to development problems in terms of structural trade, natural resources, and banking elements of the world political economy (domestic capacity versus international redistribution debates). These were development management issues.
- There needed to be greater focus on issues of sustainability and institutional development rather than on the short-term and incomplete fix of the project activity.
- There was a need to search for a creative, flexible, and innovative management system based on the sophisticated mode of thought that would dominate global interchanges in the twenty-first century.
- Implementation and sustainability had become the neglected components of development policy (Pressman and Wildavsky 1973). This remains a weakness for many foreign aid–supported activities.

All of this was grist for the mill of those who argued that ultimately, implementing foreign aid policy remained a development management problem. Implementation issues related to debates about coordination and specialization. Delegating responsibility to other departments or contractors in some situations could threaten political control over the distribution of funds among sectoral fields (see Esman 1991).

There was a concern that the donor community had lost its development management perspective. In the context of the cold war, proposals of special interest to individual governments, groups, or even individuals could monopolize available program resources. Overall, the foreign aid dilemma often appeared to center on the question of whether to co-opt or coerce rather than facilitate or coordinate (Picard and Buss 2009).

By the year 2000, there were a number of major themes that ran through the development management debate. These included the following:

- The relationship between development management and planning and the political process;
- Human resources development as a strategy for development;
- The nature of rural and urban development strategies and policies and the nature of the debate between rural and urban development;
- The impact of international actors (including multilateral and bilateral donors, multinational corporations, and nongovernmental private voluntary organizations); and
- The relevance of demands for structural adjustment and public sector reform in a postdevelopment administration age where democratic governance, civil society, and human security have become dominant themes in international development (Crisis Group 2010).

DEVELOPMENT MANAGEMENT TOWARD THE TWENTY-FIRST CENTURY

In practice, the framework established by development management practitioners and academics continued to define donor views. By the end of the millennium the term *development management* came to refer to two interrelated administrative arrangements. The first was the complex of agencies, management systems, and processes that a government establishes to achieve developmental goals. Second, the term refers to government planning and policies and implementation patterns that foster economic growth, strengthen human and organizational capabilities, and promote greater equality in the distribution of opportunities, income, and power (see Rapley 2007).

There are four components to the donor-supported development management practice in the twenty-first century as supported by international assistance: physical infrastructure development, support for social (health and education) and economic development, humanitarian and security assistance, and support for democratic governance and political development.

Governance and political development are important and remain both controversial and still somewhat neglected. As early as 1950, advocates of foreign aid had made it clear that democratic governance was essential for development aid to succeed. That view atrophied during the cold war period but returned to the fore after 1991. This meant that strategic planning and politics had the potential to clash in the marketplace of ideas (see Olowu and Sako 2003).

Since September 11, 2001, many donors have opted for a whole-of-government approach, which links up the "three Ds of defense, diplomacy and development" (Patrick and Brown 2007). Increasingly, this has included an increased concern for the establishment of an international legitimacy for democracy, in part in order to thwart terror, which has predominated at least conceptually in foreign aid debates. However, there is evidence that foreign aid, if it is inappropriately provided, can make institutional and governance problems much worse. By the early twenty-first century, there was less focus on promoting economic growth directly through foreign aid and more focus on enabling conditions in terms of social relationships and the political environment to promote development (Picard and Buss 2009). Debates about this shift, particularly within the context of conflict mitigation, remain unresolved.

The post–September 11 focus on links connecting security, diplomacy, and foreign aid and the trauma of the 2008 economic meltdown have (at least temporarily) reinvigorated assumptions of Keynesian economics and the planning process that accompanies it. Much has changed and continues to change, however, as images of development management evolve into the twenty-first century (Picard and Buss 2009). The specific role of development management targeted at economic growth and productivity remains problematic.

CONCLUSION

Development management systems are messy and complicated and involve problems of implementation, design, monitoring, and evaluation methodologies; the development of suitable donor, donor mission, and LDC participating agency procedures; and teaching these concepts and procedures to host-country cooperants. Program managers require skills in needs assessment, negotiation, coordination, monitoring, and impact assessment (Rugumamu 1997).

Capacity-building interventions, to be successful, need to include assistance to strengthen local and national-level public management systems, and private sector management capacity, including contracts management, program and project analysis, project identification, design, evaluation and assessment, implementation, and monitoring activities. Public policy concerns include policy analysis and choice, personnel systems development, organizational development, accountancy, human resources development and planning, and project management.

This broad set of needs should be counterpoised with the reality of most donors operating within a very restricted project framework. Foreign aid since the development of the project methodology had been trapped in rigid procedures, which often limit effectiveness and creativity. Opting for technical solutions ignored the need to address governance issues, including the management, the monitoring, and if necessary the whistle-blowing process, since good governance broadly defined is the prerequisite to avoiding bad, and poorly implemented, economic and social policies.

In addition to governance, there are four other prerequisites to a successful development management strategy for sustainability and institutional development. First, development management activities must effectively capture the most productive blend of national (government, nongovernmental organizations, and the private sector), local, and grassroots inputs into the program and project planning process. This includes a commitment by host-country and donor stakeholders to a strategy of organizational and geographical decentralization, which takes into account both local conditions and national priorities. Planning for such activities should include the development of management systems and skills development at both the national and subnational levels. Planning activities should be strategic rather than command based, need to ensure the participation of beneficiaries and target groups specified in the program or project, and should provide mechanisms to advise both donor and host-country project managers on the utility of their design and implementation strategies.

Second, management training and human resources development more generally need to be part of a broad strategy for public sector reform and public-private partnerships. Rather than blindly advocating privatization, such a strategy would define the proper role of government in economic and social development, and specifically in the health, education, and training areas. Also included would be policies for placing greater reliance on the private sector in such areas as food production, the delivery of social services, and the marketing of goods and services. Overall, such a strategy should ensure that the social costs to privatization are limited. Management training and education should also include an understanding of the policy reform arguments as well as their limitations.

Third, beyond privatization strategies, there should be a clear strategy for reforming and democratizing central, intermediate, and local government institutions and organizations. The state will not wither away. Strong, efficient, but limited and accountable government is essential to the creation of a viable private sector. Such a strategy would include measures to make public sector organizations economically accountable for their actions and ensure that creativity, a sensitivity to market principles, and individual entrepreneurialism characterize all sectors of the host-country management system. With a renewed focus on human development, experiences with educational and training institutions suggest that there must be financial and institutional autonomy from the civil service structures in order to ensure a modicum of efficiency in performance at all levels of education and training (for both pre-service and in-service professional development). Ideally, focus should be on autonomous (though with adequate public financial support), nongovernmental educational and training institutions (rather than on commercial programs or training units within the public service), which would provide professional management education and training for all sectors—public, parastatal, nonprofit, and private.

Finally, the key to the long-term sustainability of donor-funded programs and projects, particularly in their support for management training, is the development of appropriate systems of cost recovery or indigenous financial support during the project or program period in order to ensure sustainability. Sustainability ultimately must include this viability, which ensures that the activity can be financially sustained after the conclusion of donor support for the project. Effective recovery of recurrent costs (outside the donor system) is critical to ongoing programmatic activity, and special attention needs to be focused on developing innovative approaches to ensure that this occurs before donor funding terminates. The success or failure of foreign aid depends on how effectively and efficiently donor activity is managed by LDC program managers.

Criticism of inappropriate foreign aid and technical assistance has been a meeting point of counterdependency strategy, rational choice and modernization theories of international development, and the practices of development management. A new century has brought few changes in these perceptions. A new practical, and sustainable, foreign aid policy within the context of foreign and security policy realities will be hard to construct; it remains essential to the successful implementation of development management activities.

At the same time, twenty-first-century crises and globalism have brought about an increasing role for international organizations, including the United Nations, the world and regional financial institutions, and security organizations, including NATO and regional security and trade groups. This has meant an expanding role for development management in terms of both theories and operational practices. That said, there is a research gap on the conceptual needs for and practical applications of development management in part driven by the remaining ambiguities about the role of the state and state institutions in government.

NOTES

1. Biography and experience are neglected areas in the social sciences. The origins and experience of those writing about development management are important. Professor Fred Riggs, one of the fathers of development administration, was born in Kuling, China, on July 3, 1917, the son of agricultural missionary parents Charles H. and Grace Riggs. He attended Nanking University in 1934–35. He and several other members of the Comparative Administration Group, most of whom had also had compelling international experiences, coined the term *development administration.* The assumption was simple. As Keynesians, and internationalists, they believed that the institutions of government could be used to promote social and economic development.

2. The literature on dependency theory is voluminous and is not reproduced here. See John Martinussen's (1997) masterful volume on development theory and management.

3. Donor-funded projects are often criticized as central to the failures of development management because of their time-bound limited resources (Picard and Buss 2009, 197–199).

4. The late John Martinussen's encyclopedic book (1997) is an excellent source on the development debate.

REFERENCES

Almond, Gabriel, and G. Bingham Powell. 1966. *Comparative Politics: A Developmental Approach.* Boston: Little, Brown.

Bates, Robert. 1981. *Markets and States in Tropical Africa: The Political Basis of Agricultural Policies.* Berkeley: University of California Press.

Berger, Peter L. 1974. *Pyramids of Sacrifice: Political Ethics and Social Change.* New York: Basic Books.

Boettke, Peter J., ed. 1994. *The Collapse of Development Planning.* New York: New York University.

Brinkerhoff, Derick W., and Jennifer M. Brinkerhoff. 2005. *Working for Change: Making a Career in International Public Service.* Sterling, VA: Kumarian Press.

Caiden, Naomi, and Aaron Wildavsky. 1980. *Planning and Budgeting in Poor Countries.* New Brunswick, NJ: Transaction Books.

Crisis Group. 2010. Reforming Pakistan's civil service. Asia Report 185. Brussels, International Crisis Group, February 16.

Easterly, William P. 2001. *The Elusive Quest for Growth: Economists' Adventures and Misadvantures in the Tropics.* Cambridge, MA: MIT Press.

Easton, David. 1953. *The Political System: An Inquiry into the State of Political Science.* New York: Knopf.

Esman, Milton J. 1991. *Management Dimensions of Development: Perspectives and Strategies.* East Hartford, CT: Kumarian Press.

Esman, Milton J., and John D. Montgomery. 1969. Systems approaches to technical cooperation: The role of development administration. *Public Administration Review* 29 (5): 507–539.

Ferguson, James. 1990. *The Anti-Politics Machine: "Development," Depoliticization and Bureaucratic State Power in Lesotho.* Cambridge: Cambridge University Press.

Friedmann, John. 1987. *Planning in the Public Domain: From Knowledge to Action.* Princeton, NJ: Princeton University Press.

Heady, Ferrel. 2001. *Public Administration: A Comparative Perspective.* New York: Marcel Dekker.

Joseph, Richard A. 1987. *Democracy and Prebendal Politics in Nigeria: The Rise and Fall of the Second Republic.* New York: Cambridge University Press.

Jreisat, Jamil E. 2002. *Comparative Public Administration and Policy.* Boulder, CO: Westview Press.

Kaplan, Seth. 2008. *Fixing Fragile States: A New Paradigm for Development.* Westport, CT: Praeger.

Lancaster, Carol. 1999. *Aid to Africa: So Much to Do: So Little Done.* Chicago: University of Chicago Press.

Langton, Kenneth P., and David A. Karns. 1974. Political socialization and national development: Some hypotheses and data. *Western Political Quarterly* 27 (2): 217–238.

Lee, J.M. 1967. *Colonial Development and Good Government.* Oxford: Clarendon Press.

Lewis, William Arthur. 1955. *The Theory of Economic Growth.* London: Taylor and Francis.

Martinussen, John. 1997. *Society, State and Market: A Guide to Competing Theories of Development.* London: Zed Books.

McHenry, Dean. 1976. The Ujamaa village in Tanzania: A comparison with Chinese, Soviet and Mexican experiences in collectivization. *Comparative Studies in Society and History* 18 (3): 347–370.

Mendoza, Gabino. 1977. Education and training for public sector management: An Asian perspective. In *Education and Training for Public Sector Management in Developing Countries,* ed. Lawrence D. Stifel, Joseph Black, and James S. Coleman, 61–71. New York: Rockefeller Foundation.

Nagel, Stuart. 1994. *Asian Development and Public Policy.* London: Macmillan Press.

Olowu, Dele, and Soumana Sako. 2003. *Better Governance and Public Policy Capacity Building for Democratic Renewal in Africa.* Sterling, VA: Kumarian Press.

Patrick, Stewart, and Kaysie Brown. 2007. *Greater than the Sum of Its Parts: Assessing "Whole of Government" Approaches Toward Fragile States.* Washington DC: International Peace Academy.

Picard, Louis A., and Terry F. Buss. 2009. *A Fragile Balance: Re-examining the History of Foreign Aid, Security and Diplomacy.* Sterling, VA: Kumarian Press.

Picard, Louis A., Terry F. Buss, and Chris Belasco. 2010. The effectiveness of aid and the millennium development goals in advancing human development, 1990 to 2010 (draft). Paper prepared for submission to the United Nations Development Program, Human Development Report, Washington, DC, January 16.

Pressman, Jeffery L., and Aaron Wildavsky. 1973. *Implementation.* Berkeley: University of California Press.

Rapley, John. 2007. *Understanding Development: Theory and Practice in the Third World.* 3d ed. Boulder, CO: Lynne Rienner.
Reilly, Wyn. 1979. *Training Administrators for Development.* London: Heinneman.
Rondinelli, Dennis A. 1985. Development administration and American foreign assistance policy: An assessment of theory and practice in aid. *Canadian Journal of Development Studies* 6 (2): 211–240.
Rostow, Walt. 1960. *The Stages of Economic Growth: A Non-Communist Manifesto.* Cambridge: Cambridge University Press.
Rugumamu, Severine M. 1997. *Lethal Aid: The Illusion of Socialism and Self-Reliance in Tanzania.* Trenton, NJ: Africa World Press.
Sharp, Walter R. 1952. *International Technical Assistance.* Chicago: Public Administration Service.
Sogge, David. 2002. *Give and Take: What's the Matter with Foreign Aid?* London: Zed Books.
Sotero, Paulo. 2009. Emerging powers: India, Brazil and South Africa (IBSA) and the future of south-south cooperation. Special report, Woodrow Wilson International Center for Scholars, August.
Staudt, Kathleen. 1996. *Managing Development: State, Society, and International Contexts.* Newbury Park, CA: Sage.
Stiglitz, Joseph. 2002. *Globalization and Its Discontents.* New York: Penguin.
Streeten, Paul. 1987. Structural adjustment: A survey of the issues and opinions. *World Development* 15 (12): 1462–1482.
Strom, Steinar, Andrew Chesher, and Matthew Jackson, eds. 2007. *Econometrics and Economic Theory in the 20th Century: The Ragnar Frisch Centennial Symposium.* Cambridge: Cambridge University Press.
Swerdlow, Irving. 1963. *Development Administration: Concepts and Problems.* Syracuse, NY: Syracuse University Press.
Truman, David B. 1951. *The Governmental Process: Political Interests and Public Opinion.* New York: Knopf.
Waterston, Albert, C.J. Martin, August T. Schumacher, and Fritz A. Stueber.1965. *Development Planning: The Lessons of Experience.* Baltimore, MD: Johns Hopkins University Press.