GDN's Next Horizons Essay Contest 2014*
THE FUTURE OF DEVELOPMENT ASSISTANCE
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Winning Entry

"MAKING DETAILS MATTER: HOW TO REFORM AID AGENCIES TO GENERATE CONTEXTUAL KNOWLEDGE"

Abstract
The aid community has tried to transplant best practices from the developed world to the developing world. It is increasingly recognized, however, that this approach does not work and may even backfire. Aid programs work best when they are tailored to local contexts. Yet while the idea of a best-fit approach is widely embraced in principle, actualizing it is easier said than done. For meaningful changes to take root in practice, we must first identify the obstacles to localizing development assistance and suggest ways to address these problems. To this end, I propose a three-pronged strategy to promote the generation of contextual knowledge among aid professionals – a necessary condition for crafting solutions that can fit various local contexts – namely: (1) build a bank of knowledge about unorthodox practices that work, (2) diversify expertise within aid agencies; and (3) carve experimental pockets. Whether it is to use aid to improve governance, apply information technology, or design financial instruments, the overarching challenge is to empower and incentivize aid professionals to learn and apply contextual knowledge to creatively solve problems in developing societies.

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Introduction

Three decades ago, the Asian Development Bank launched the Bali Irrigation Project, a massive irrigation project in Bali, Indonesia. The project aimed to "modernize" the irrigation system: it would replace the traditional *subaks* (water temples)—manifested in the shape of terraced rice fields—with a centralized canal system, equipped with metallic gates. The whole project, which involved reconstructing ten percent of the *subaks* in Bali cost US$40 million dollars. It was expected that the project would be financed by increased rice production, which could be sold for export and then repaid to the bank.

Unfortunately, the reality did not pan out as expected. Stephen Lansing, an anthropologist, found that Balinese farmers removed the new metal gates installed in their canals as soon as they could. It wasn't that these farmers resisted modern technology or change. Rather, the new and expensive devices simply didn't work. The intervention made it impossible for the farmers to schedule water distribution among themselves, which they had done effectively for centuries under the cooperative *subak* system. Worse problems followed. The farmers were also encouraged to buy "technology packets" (pesticides and fertilizers) on credit. The traditional *subaks* had provided a natural hydroponic system of fertilization and pest control. But the use of the technology packets ratcheted up the resistance of rice crops to pesticides. Pest populations exploded. Excess fertilizers flowed from the paddies into the river, clogging the coastline with high levels of nitrogen and algae growth.[1]

In a poignant account, Lansing relates his attempts to persuade foreign consultants of the cooperative and ecological functions of *subaks* and the damage that modern interventions had wreaked upon the local community. He writes:

> Whenever possible I have seized the opportunity to invite them [consultants] to visit a water temple and talk with the farmers directly. This never worked out quite as I hoped… The views of the farmers, and indeed all the particularities of the Balinese case, are largely irrelevant to this task. When I returned the consultants to their hotels, the image that often came to mind was that of a team of specialists vigorously treating a patient for what might prove to be the wrong disease. *Why, I wondered,*

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[1] Lansing, Stephen. 2006. *Perfect order: recognizing complexity in Bali*. Princeton, N.J.: Princeton University Press, pp. 8-10.

do the consultants believe that the details don't matter?[2]

The tragedy of the Balinese farmers is a sobering reminder of a long-standing problem in aid policies: interventions that are intended to help local communities often end up hurting them. The problems highlighted by this story of Bali still persist today and in other aid-receiving sites. Another illustration of what Coyne describes as "doing bad by doing good" is the Kajaki Dam Project in Afghanistan, implemented by the USAID.[3]

During the first phase of the project from 1950 to 1975, the agency failed to consult local residents before constructing a new dam, which resulted in flooding and destroyed farms. When the project was reactivated after 2001, the same mistakes were repeated. Aid officials hastily herded local nomads into farming resettlement schemes, only to find that the land chosen was unfertile and that nomads did not want to become farmers.[4] Why do such problems persist despite the good intentions and ample resources offered by aid agencies and donor governments?

One answer stands out, as Lansing's account suggests: *the details of the contexts that donors are trying to improve do not matter*.[5] Clearly, smart and sophisticated planners working for donor organizations are not incapable of learning contextual details. The underlying problem, I argue, is that these professionals are not generally recruited, trained, or rewarded for acquiring *contextual knowledge*.[6]

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[2] Ibid, pp. 10, emphasis added.

[3] Coyne, Christopher. 2013. *Doing bad by doing good: why humanitarian action fails*: Stanford University Press. See also Easterly, William. 2006. *The white man's burden: why the West's efforts to aid the rest have done so much ill and so little good*. New York: Penguin Press.

[4] Coyne, pp. 1-6, 170-175.

[5] Here, I mean that the details of the local community, such as "the views of the farmers… [and] all the particularities of the Balinese case," did not matter to the foreign consultants (Lansing 2006, pp. 10). Aid technocrats, however, can sometimes become too engrossed in the details of their own plans, at the expense of broader goals. I thank George Ingram for sharing this insight.

[6] James Scott points to the lack of "local knowledge" as a cause of the disastrous failure of massive schemes of development and modernization. See Scott, James C. 1998. *Seeing like a state: how certain schemes to improve the human condition have failed*. New Haven: Yale University Press.

The overarching challenge of improving foreign aid, I argue, is to encourage donors and aid professionals to care about the details of aid-receiving contexts. Such details may range from the distribution of power, cooperative networks, informal practices, religious views, to the mechanics of ancient irrigation and pest control systems in each community. When caring about contextual details becomes habitual, the possibilities for achieving targeted and innovative change through aid are endless.

Building the necessary institutions that promote the acquisition of contextual knowledge is what I call the "meta" challenge of reforming aid. Educational psychologists refer to "meta-cognition" as the most critical cognitive skill of changing the way we think[7]—once people acquire a right mindset, the possibilities for creative solutions are endless and powerful. Similarly, the "meta" challenge of reforming aid is changing the way donors perceive and respond to the needs of aid recipients. If such a change can be made, its effects will spill over to the various themes specified in the GDN essay competition: how to use aid to improve governance, how to design financial instruments, how to deploy information technology, and so forth.

The idea that aid practices should shift from the conventional "best practice" approach to a localized "best fit" approach is not new.[8] In the last decade or so, many development experts, including Dani Rodrik,[9] Lant Prichett,[10] Francis Fukuyama,[11] Ha-Joon Chang,[12] Peter Evans,[13] Merillee Grindle,[14] and others have soundly rejected one-

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[7] Bransford, John. 2000. *How people learn*. Washington, D.C.: National Academy Press.

[8] For a review, see Carothers, Thomas and Diane de Gramont. 2011. "Aiding Governance in Developing Countries: Progress Amid Uncertainties." Carnegie Endowment for International Peace, p. 26.

[9] Rodrik, Dani. 2007. *One economics, many recipes: globalization, institutions, and economic growth*. Princeton: Princeton University Press.

[10] Pritchett, Lant and Michael Woolcock. 2004. "Solutions when the solution is the problem: Arraying the disarray in development." *World Development*.

[11] Fukuyama, Francis. 2004. *State-building: governance and world order in the 21st century*. Ithaca, N.Y.: Cornell University Press.

[12] Chang, Ha-Joon. 2011. "Institutions and economic development," *Journal of Institutional Economics*, 473-498.

[13] Evans, Peter. 2004. "Development as institutional change: The pitfalls of monocropping and the potentials of deliberation." *Studies in Comparative International Development*.

size-fits-all approaches. Instead, these experts stress the merits of tailoring solutions to each community's "context," "local knowledge," and "particular situations."[15] These normative shifts have already been reflected in the mission statements of some leading organizations. The "Do Development Differently" Manifesto, initiated by the Harvard Kennedy School, has collected signatures from more than 400 professionals, who pledge to the principles of "solving local problems" and "working through local conveners."[16] Likewise, the USAID under the Obama administration has prioritized "local ownership" and has set the goal of increasing the distribution of funds through local sources.[17] However, while it is one thing to urge development professionals to go local, it is another to actualize meaningful and lasting changes across the profession. Individuals may pledge to "do development differently" but continue to do nothing differently in practice. In other words, this simple point is often lost in current discourses on reforming development assistance: asking people to change is a necessary first step toward change, but it is far from enough to stop at this step. The real challenges lie ahead. For changes to take root, we must identify the operational obstacles to the adoption of localized approaches in the aid community and suggest ways to surmount them.

I see three main roadblocks in the development of a detail- and local-oriented aid paradigm:

- Lack of knowledge about what local solutions that do not conform to best practices could look like in poor, rural, and traditional settings.
- Lack of incentives to pursue localized reforms that tend to produce uncertain and hard-to-market results.
- Bureaucratic resistance to change within aid agencies.

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[14] Grindle, Merilee. 2004. "Good enough governance: Poverty reduction and reform in developing countries." *Governance*.

[15] Grindle, "Good Enough Governance," pp. 563.

[16] The website can be found at http://doingdevelopmentdifferently.com/.

[17] George Ingram, "Adjusting Assistance to the 21st Century: A Revised Agenda for Foreign Assistance Reform," Brookings Global Economy & Development Working Paper No. 75, 2014, pp. 22. However, as Ingram points out, "local ownership" should go beyond spending funds and procuring services through local sources, and more importantly, involve locals in problem-solving.

Obviously, there are many possible ways to mitigate these problems. In this essay, I propose three action plans for incentivizing and empowering aid professionals to care about acquiring contextual knowledge: (1) build a bank of knowledge about unorthodox practices that work; (2) diversify expertise within aid agencies; (3) carve experimental pockets.

The specific ideas I propose may not be the best solutions, much less universal solutions that fit all development agencies. Indeed, the aid community itself is comprised of many different types of organizations, from international agencies like the World Bank, government-run agencies like the USAID to private NGOs of various sizes. Each organization has distinct goals, characteristics, problems, and potential avenues of reform. Hence, the suggestions offered here are not intended as a one-size-fits-all blueprint—which is precisely the approach I reject!—rather, they are aimed at stimulating discussion and inviting ideas from others on better ways to "make details matter."

The recommendations that follow are derived from my research on the complex adaptive processes and foundation of development, culminating in my book *How China Escaped the Poverty Trap* (Cornell University Press, Cornell Studies in Political Economy, 2016).[18] By unpacking the process of China's great economic and state transformation, I demonstrate that poor and weak countries can escape the poverty trap through two key strategies. The first is to build markets *with* "weak" institutions, that is, by deploying practices and features that *defy* norms of good governance. The second and more fundamental strategy is to create the right conditions for improvisation and localized problem-solving.[19] In the book, I extend my analysis from China to three other seemingly disparate cases—the rise of trade in late medieval Europe, the revolution of public finance in antebellum United States, and the unlikely success of Nollywood in Nigeria—and discover surprisingly similar patterns and foundations of adaptive change.

The findings in my book inform the agenda of localizing development assistance in two distinctive ways. First and foremost, I identify a universal set of problems that arise in

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[18] Yuen Yuen Ang. 2016. *How China Escaped the Poverty Trap*. Cornell Studies in Political Economy. Ithaca, N.Y.: Cornell University Press.

[19] For a shorter discussion, see Ang, Yuen Yuen, 2016, "Do Weberian Bureaucracies Lead to Markets or Vice Versa? A Coevolutionary Approach to Development," in M. Centeno, A. Kohli & D. Yashar (Eds.), *States in the Developing World*. Cambridge: Cambridge University Press.

promoting adaptive and localized approaches.[20] These problems manifested in certain ways in China's government, which has proved remarkably adaptive since market opening,[21] but also among aid agencies, in ways I will detail below. One hallmark of China's reform strategy is the empowerment of local agents to devise unique solutions to local problems. How this was accomplished lends insights into pushing aid agencies to go local.

Furthermore, my research, both in my book and in other articles, finds that local solutions in developing countries are frequently inconsistent with—or even in stark defiance of—best practices found in the West. Conventional wisdom, however, typically writes off any deviation from best practices as corruption, backwardness, or poor governance.[22] And this common perception, by itself, stifles the potential of harnessing local features and resources to solve local problems. Going local thus requires that development professionals be able to entertain the possibility that a variety of solutions, including ones at odds with familiar best practices, may work in developing contexts.

The Problem: Why Don't Details Matter?

To consider the practical challenges of tailoring aid programs to local contexts in more detail, it is useful to begin with an observation by Carothers and De Gramont: "Going local works well only if practitioners understand the fine grain of actors and interests."[23] However, as the story from Bali illustrates, aid practitioners often do not understand—or do not care to understand—the "fine grain." Why might that be? Or as Lansing puts it, "Why, I wondered, do the consultants believe that the details don't matter?"

First, details don't matter when foreign consultants believe that they already know what universal best practices are, that is, they are those found in wealthy, democratic societies. Rodrik sees this as a problem of "hubris." He points out that aid professionals often enter developing contexts to prescribe, not to learn. Thus, Rodrik urges humility:

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[20] See Chapter 3 on "Directed Improvisation."

[21] Heilmann, Sebastian, & Perry, Elizabeth. (2011). *Mao's invisible hand : the political foundations of adaptive governance in China*. Cambridge, Mass: Harvard University Press.

[22] Yuen Yuen Ang, forthcoming, "Beyond Weber: Conceptualizing an Alternative Ideal-Type of Bureaucracy in Developing Contexts," *Regulation & Governance*.

[23] Carothers and de Gramont, "Aiding Governance," p. 26.

"We can be far more useful when we display greater self-awareness of our shortcomings."[24] While I agree that hubris can be part of the problem, I point to an even more basic problem: When foreign consultants encounter scenarios in poor, traditional settings that go against norms they find at home, they are literally unable to "register" what they see or lack the concepts and language to describe the anomalies. Instead, aberrations from Western norms are quickly dismissed as deficiencies or failures to modernize.[25] When a given system or set of practices are perceived as backward or weak, the natural response is to eradicate rather than to harness it for development.

The Bali case told by Lansing provides a sharp illustration of this problem. Ignoring the ecological and cooperative functions of Bali's ancient *subaks* and its accompanying religious practices, technocrats from World Bank sought to replace these preexisting institutions with modern irrigation and pest control technology, inadvertently producing disastrous consequences for local farmers. Another example is the Integrated Diamond Management Program, spearheaded by the USAID in Sierra Leone in 2005. The program's goal was to help local diamond miners form cooperatives and thereby liberate them from exploitation by license-owning "supporters." In the end, however, the initiative barely produced any revenue and was terminated after only one season. As Levin and Turay concluded in a report, one cause of failure was that "the project assumed that supporters are the problem and should be eradicated, and did not understand diggers' dependence on their patrons or the level of trust between them."[26]

Second, details don't matter when teams of foreign consultants share similar training and backgrounds and therefore similar assumptions and blind-spots. While aid agencies come in many different shapes and sizes, international development agencies like the World Bank are known to be dominated by economists. Weaver's study finds the vast majority of the World Bank's professionals trained exclusively in economics and finance. Moreover, these recruits hail from a small circle of programs and share the same methodological training and theoretical precepts on development.[27]

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[24] Rodrik, *One economics, many recipes,* p. 5

[25] This perspective is also prevalent in historical research on non-Western societies. See Hui, Victoria Tin-bor. 2005. *War and state formation in ancient China and early modern Europe*. New York NY: Cambridge University Press, p. 9.

[26] Levin, Estelle Agnes, and Ansumana Babar Turay, "Artisanal Diamond Cooperatives in Sierra Leone: Success or Failure?," Diamond Development Initiative, 2008, pp. 5.

[27] Weaver, Catherine. 2008. *Hypocrisy trap: the World Bank and the poverty of reform*. Princeton: Princeton University Press, p. 77.

Economic training is essential to development work. But while having some economists add plenty of value to problem-solving, that value starts to dissipate as more and more like-minded experts join the same team. This problem is known in economics as the law of diminishing returns.[28] Economists care about details of course, but likely only those details that are prized in their discipline. For example, econometricians may care deeply about the techniques of isolating the causal effects of a particular intervention on rice production in statistical tests. But how a preexisting *subak* system actually functions or how Balinese farmers maintain cooperation through religion is not the class of details that matter to this particular group of experts.

Third, details don't matter if aid professionals, even if sympathetic to voices on the ground, are constrained by organizational deliverables. As Carothers and de Gramont indicate, development agencies favor large projects with easily visible and marketable results,[29] such as building dams and roads, rather than localized projects whose implementation and outcomes are uncertain. There is also strong pressure to design projects aligned with approved best practices. Such pressures are heightened among government-run agencies like the USAID, which has to report to congress. For an aid professional, the safest defense that one can make against criticisms of failure is: "like everyone else, I followed best practices." In other words, aid professionals are more like bureaucrats than entrepreneurs: they are risk averse. The payoffs of deviating from conventions are low, if not entirely absent, while the rewards of conformity are compelling. To prod aid specialists to pursue a best fit approach, they need some protection from the risks of failure and censure.

The Proposed Solution: Making Details Matter

Targeting each of the problems outlined, I propose three actions plans toward the goal of "making details matter."

1. Build a bank of knowledge about unorthodox practices that work

Development and aid practices have been profoundly guided by the assumption that "good governance" is necessary for economic success, and that good governance must follow a checklist of features found in wealthy, democratic countries: professional

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[28] Page, Scott E. 2011. *Diversity and complexity*. Princeton, N.J.: Princeton University Press.

[29] Carothers and de Gramont, "Aiding Governance," pp. 26; Weaver, *Hypocrisy Trap*.

bureaucracies, formal protection of private property rights, modern courts, formal rules, transparency, and so forth. However, the insistence that poor countries should "get governance right" so as to develop economically leads to an intractable chicken-and-egg problem. If good governance is necessary for growth, then how in the first place can poor countries achieve good governance? Precisely because they are poor, these societies lack the requisite capital, resources, and modern capacities to rapidly achieve good governance.

Worse, when foreign aid is conditionally attached to the attainment of good governance, as reflected by changes in formalities rather than actual practices, the common result is what Pritchett, Woolcock, and Andrews call "capability traps."[30] Aid-receiving countries fall into repeated cycles of poverty and failed reforms, which in turn reinforces skepticism among donors.

As I demonstrate in *How China Escaped the Poverty Trap*, the fallacy of conventional wisdom lies in the failure to distinguish among the different tasks of development at early and late growth stages, and by extension, the different institutions and strategies that fit these qualitatively different tasks.[31] The challenges of *building* markets from the ground up are very different from those of *preserving* markets that already exist. By mapping the historical processes of development, I found that the practices that sparked early development were *opposite* to the best practices evolved at late development stages. One example from China is the unorthodox deployment of non-specialized and non-impartial state agencies, paired with non-coordinated and non-selective policies, to attract initial flows of investment. This class of strategies is not unique to China. In Nigeria, the film industry, known as Nollywood, took off through local filmmakers' ingenious exploitation of piracy as an informal and cheap distribution channel. In late medieval Europe, regional markets first emerged on the basis of communal property rights, whereas private property rights appeared much later in the process.

To activate the developmental potential of "weak" institutions in developing contexts, we must first change the mindset that only practices found in the developed world are the best and that everything else that deviates from these standards are wrong. And in order to change the mindsets of technocrats who hail from or are trained in wealthy countries, policymakers need to first know some concrete cases of unorthodox practices

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[30] Andrews, Matt, Pritchett, Lant, & Woolcock, Michael. (2013). Escaping Capability Traps Through Problem Driven Iterative Adaptation (PDIA). *World Development, 51*, 234.

[31] See also Ang, "Do Weberian Bureaucracies Lead to Markets or Vice Versa?".

that have worked.[32] To build this bank of knowledge, the aid community could initiate conferences and websites to showcase localized solutions evolved in particular contexts. Research grants for field-intensive research on locally evolved solutions to development challenges will encourage this line of investigation. The foremost prerequisite of tailoring assistance to poor, rural, and traditional societies is the ability to picture a variety of alternative solutions that do not conform to best practices among the rich.

1.   Diversify expertise

Development assistance can be greatly enhanced by diversifying expertise within aid agencies. As Scott Page, a leading scholar of complexity and diversity, explains, "People from different backgrounds have varying ways of looking at problems, what I call 'tools.' The sum of these tools is far more powerful in organizations with diversity than in ones where everyone has gone to the same schools, been trained in the same mold and thinks in almost identical ways."[33]

Yet while most people would acknowledge the benefits of diversity, actualizing diversity is not easy. In any organization, decisions about recruitment and promotion are driven not only by ideals but also by politics. Existing personnel tend to prefer recruiting people who think like them, including in development agencies.[34] That is why some universities try to enforce diversity through quotas on hiring minorities. Diversity goes beyond the inclusion of ethnic or gender minorities. Intellectual diversity, that is, differences in the way people perceive and solve problems is just as important. In practice, however, not everyone welcomes diversity, especially if one is not among the minority.

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[32] Of course, policymakers also need to have knowledge of unorthodox measures that have not worked! My point here, however, is that because we have such widely assumptions that only the best practices found in the developed West work, some examples and cases to the contrary will have tremendous intellectual and policy value. Moreover, as I report in *How China Escaped the Poverty Trap*, whether any particular measure—orthodox or unorthodox—"works" depends on the stage of development, specifically, the priorities, resources, and constraints at hand. What may work at an early stage may not work later on, and the reverse is true.

[33] "In Professor's Model, Diversity = Productivity," *The New York Times*, Jan 8, 2008.

[34] For instance, in *Hypocrisy Trap*, Weaver argues that the World Bank's hiring and operations has been profoundly shaped by the dominance of economists in the bank.

To overcome resistance to change, one might take lessons from China's famous reform strategy, known as "growing out of the plan."[35] The reformist leadership faced strong resistance to capitalist reforms from some leading members within the party. Cleverly, instead of skipping straight from plan to market and running headlong into strong resistance, the reformers introduced markets reforms on the margins of a preexisting planned economy. In the end, these marginal reforms transformed the entire system.

It would not be realistic to expect aid agencies to overhaul their recruitment and evaluation criteria overnight. It may be fruitful, however, to introduce hiring and staffing reforms on the margins, the effects of which could spill over into the mainstream. I would suggest creating separate career tracks for specialists in minority fields within aid agencies (such as for non-economists in the World Bank and for economists in the USAID). The creation of separate tracks obliges agencies to dedicate some slots each year to experts in non-dominant fields. Further, the prestige associated with competitive career tracks helps ensure that personnel recruited through this avenue would not be easily sidelined. These measures send concrete signals—not just empty talk—of the organization's commitment to diversifying expertise. While career tracks may be separate at the recruitment stage, experts from various fields should be encouraged to collaborate at the operational level through the formation of interdisciplinary teams.

2.   Carve experimental pockets within aid agencies

Designing aid programs according to a single package of best practices versus tailoring programs to diverse local settings are two completely different tasks. The success criterion of the former is measured in terms of "did you follow the rules and conventions?", whereas that of the latter is "how well did this program fit local realities?" While assessing compliance with best practices is relatively straightforward, measuring the success of localized solutions is extremely tricky. As local contexts vary wildly from case to case, development officials cannot rely upon a universal template to design and evaluate solutions.

As Axelrod and Cohen point out in *Harnessing Complexity*, the success criteria—how success is defined and measured—in any organization profoundly shapes what people

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[35] Naughton, Barry. 1995. *Growing out of the plan: Chinese economic reform, 1978-1993*. New York, NY: Cambridge University Press.

do and how they learn.[36] So as to empower aid professionals to tailor aid programs to local contexts, aid agencies must first modify their internal criteria of success. But again, it would not be realistic to enact organization-wide changes in one big step.

Instead of applying "shock therapy," aid agencies may consider creating special teams dedicated to exploring localized reforms. This strategy draws inspiration from the creation of "special economic zones" in China, wherein selected cities were given special leeway and resources to experiment with capitalist reforms.[37] If they fail, their failures would not doom other cities. But if they succeeded, their successes could then be advertised and diffused throughout the country.

Applying this insight from China, aid agencies may create a special division whose stated mission is to explore and develop aid programs grounded in local knowledge. This experimental team can be developed along with the special young professionals program proposed in the preceding section. In this experimental team, staff performance will not be evaluated by the regular criteria applied to the rest of the organization, such as numerical income targets or the size of loans disbursed according to a rigid schedule. Instead, success could be judged by the qualitative results of a few path-breaking, experimental programs.

Another way of carving experimental pockets within aid agencies is to adapt Google's "20% time" policy. Google introduced an unorthodox practice of allowing its staff members to dedicate one day per week to work on self-initiated side projects. The "20% time" led to the incubation of innovative programs like Gmail and AdSense. Obviously, it is neither necessary nor wise to copy "20% time" exactly, given the starkly different tasks of employees at Google and aid agencies. Nevertheless, the idea is worth adapting. For example, staff members may be encouraged to pursue one project of personal interest to them each year. This could be investigating the workings of a local practice, designing a new feedback mechanism, or improvising unorthodox solutions to development challenges in collaboration with locals. Altogether, the purpose of these experimental pockets is to give aid professionals the autonomy to try new and untested solutions, without disrupting existing organizational norms too abruptly.

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[36] Axelrod, Robert M., & Cohen, Michael D. (1999). *Harnessing complexity: organizational implications of a scientific frontier*. New York: Free Press. Chapter 4.

[37] Gallagher, Mary. (2005). *Contagious capitalism : globalization and the politics of labor in China*. Princeton, NJ: Princeton University Press.

Conclusion

To be clear, the central point of my essay is *not* that the aid community should embrace best-fit, localized approaches. That argument has already been made by others, and most people would agree with it in principle. Rather, the point advanced in my essay is that fitting development assistance to local contexts, desirable as it may be, does not automatically happen. Practical, normative, and political obstacles stand in the way of actualizing this goal. To help aid professionals truly go local, concrete measures need to be taken within aid agencies, which may range from injecting new ideas, layering new recruitment and evaluation criteria onto existing ones, to introducing experimental teams.

Contextual knowledge is essential for the success of localized, best-fit approaches in development assistance. To assist poor communities in meaningful ways, we must first learn to respect their stories and care about the details that they care about as seriously as we cherish our own stories. Doing so requires seeing people of poor, so-called backward societies as *equals*, rather than as people that privileged members of the developed world are valiantly trying to teach and help.

My proposal suggests one possible scenario of creating an environment conducive to the learning of contextual knowledge among aid professionals and planners. But to reiterate, this scenario is only one among many possible solutions, intended to stimulate conversation, rather than to dictate a recommendation. Practitioners and experts of the development field would surely have many ideas to offer on the agenda of "making details matter." Indeed, such efforts have already been made and are continuing. For example, the World Bank has tried to modify some organization-wide practices, such as to recruit more professionals with country expertise and revise risk assessment criteria.[38] Encouragingly, in 2012-13, the USAID inaugurated a team of "field investment officers," who were deployed to work with local financing partners and private companies in mission sites.[39] These are examples of "best practices" that we need to know more about, by which I mean meta-level best practices that have helped development agencies acquire and creatively deploy contextual knowledge across a variety of settings, rather than specific practices to be blindly replicated from one site to another.

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[38] "Operationalizing the 2011 World Development Report: Conflict, Security, and Development," Prepared for the April 16, 2011, meeting of the Development Committee, World Bank, April 4, 2011.

[39] Ingram, "Adjusting Assistance," pp. 24.

How to internally reform aid organizations so as to promote a best-fit approach is a fundamental issue of development assistance in the twenty-first century. Whether it is to improve governance, apply information technology, or design financial instruments, the underlying problem is whether aid professionals are incentivized and empowered to generate and apply contextual knowledge. Humanity can have much to gain if aid agencies can adapt their own institutions to "make details matter."