Rebuilding Haiti: Making Aid Work Better for the Haitian People

by Diana Aubourg Millner

Key Points

- The U.S. response to the earthquake was swift, leading a massive humanitarian relief operation in the aftermath of one of the most catastrophic natural disasters in modern history.
- Months after the January earthquake, there is strong momentum to rebuild Haiti’s agriculture sector, ongoing engagement with the Haitian government, and a sense that Haiti is still a top priority.
- The mechanisms driving Haiti’s recovery must prioritize meaningful civil society participation, promote real transparency, and not compromise broader goals for quick short-term results.
- The United States must lead by example. Our policies and programs should be more coordinated, focus on building Haitian capacity, and make long-term development the primary objective.
- In Haiti, we need to think in years, not months, to measure the effectiveness of post-earthquake aid. But our work in Haiti should ultimately result in concrete, sustainable, and measurable outcomes on the ground for Haitian people.

Diana Aubourg Millner is senior foreign assistance policy analyst for Bread for the World Institute.

Abstract

With unprecedented levels of goodwill, focus, and commitment to Haiti, there are still enormous hurdles in laying the groundwork for a country-led recovery. Haiti’s 10-year national reconstruction plan includes a multi-donor trust fund and an interim reconstruction authority to oversee rebuilding. These global mechanisms driving Haiti’s recovery must prioritize civil society participation, promote real transparency, and not compromise broader goals for quick short-term results. The U.S. strategy in Haiti must strengthen Haitian government capacity at each stage of the recovery process, focus on poverty reduction and sustainable economic growth, and make long-term development the primary objective. We need a strong development agency to carry out our objectives in supporting Haiti’s long-term reconstruction; USAID should be fully equipped to lead U.S. government efforts in Haiti. Our work in Haiti should ultimately result in concrete, measurable, and sustainable outcomes on the ground for Haitian people.
There is no shortage of recommendations for rebuilding Haiti. Key themes have emerged:

- Recovery must be Haitian-led.
- Efforts should build rather than undermine the capacity of the Haitian government.
- Aid must be accountable, transparent, predictable, and better coordinated.
- Haitian civil society, including members of the diaspora, must have a seat at the table.

In a swift response to the January 2010 earthquake in Haiti—one of the most catastrophic natural disasters in modern history—the United States led a massive humanitarian relief effort. A U.S. government interagency taskforce, led by the Agency for International Development (USAID), directed the early response, which deployed search-and-rescue teams and military resources focused on meeting basic needs such as clean water, medical assistance, and food.

Nearly half of all Americans donated to Haiti relief. Haiti captured the hearts and minds of top administration officials, including Secretary of State Hillary Rodham Clinton. There was a strong show of congressional support, including hearings and the passage of debt cancellation legislation.

Months later, there is still a sense that Haiti is a top priority. Strong momentum to rebuild the agriculture sector and ongoing U.S. engagement with the government are part of this.

With unprecedented levels of goodwill, focus, and commitment to Haiti, there are still enormous hurdles in laying the groundwork for a country-led recovery. Haiti’s 10-year national reconstruction plan includes a multi-donor trust fund and an interim reconstruction authority to oversee rebuilding. Over the next 18 months, these bodies will administer $5.5 billion in pledged funds. The actions they take, combined with U.S. programs on the ground, will chart the next decade of Haiti’s development. How can we ensure better outcomes for Haiti’s people?

This paper outlines key challenges in moving Haiti from relief to development. The mechanisms steering Haiti’s recovery must prioritize meaningful civil society participation and promote real transparency. They must not compromise broader goals for quick short-term results. The United States must lead by example. Our policies and programs should be more cohesive, focused on building Haitian capacity, and oriented toward long-term development.

### Table 1: Earthquake Statistics at a Glance

<table>
<thead>
<tr>
<th>Estimated Deaths:</th>
<th>230,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Number of Displaced Individuals in Haiti:</td>
<td>More than 2 million</td>
</tr>
<tr>
<td>Estimated Number of Displaced Individuals in Settlements:</td>
<td>1.69 million</td>
</tr>
<tr>
<td>Estimated Affected Population:</td>
<td>3 million</td>
</tr>
</tbody>
</table>

Source: USAID/OFDA, Haiti-Earthquake, Fact Sheet #63, July 2010.

### Relief, Recovery, and Development

More than $3 billion in relief aid has been raised; the post-disaster surge of goodwill and concern meant wide-scale delivery of food aid, emergency shelter, and medical care. But enormous challenges remain. With an acute lack of government capacity and a sordid history of foreign military and humanitarian interventions, Haiti’s path to recovery is proving frustratingly slow and uncertain.

In many respects, the country is still in the urgent relief phase. An assessment of relief and recovery efforts to date, released June 22, 2010, by the Senate Foreign Relations Committee, concludes that the rebuilding process has essentially stalled. Key decisions—such as how to resettle hundreds of thousands of people living in temporary settlements—have not been made. In fact, after six months, more than 1 million Haitians remain in hundreds of hastily established, poorly managed camps, many of which lack basic sanitation, adequate shelter, and predictable access to food.

The committee report and other assessments point to the need for greater donor coordination to distribute relief efforts more evenly and improve living conditions more quickly. Humanitarian and civil society organizations (CSOs) warn of increasing crime, violence, and gender-based attacks in internally displaced persons camps in Port-au-Prince. There is little margin for error with the threat of disease outbreaks and further environmental disasters looming.

The committee report reaffirms the need for a Haitian-led recovery but notes the lack of a clear implementation
strategy for the Haitian government’s reconstruction plan. It calls for equipping the Haitian government to “assertively guide the next phase of Haiti’s rebuilding, implement a viable development strategy, and take decisive steps to move Haiti onto a more sustainable reconstruction path.”

As a constellation of actors on the ground work to meet the challenges, a truly country-led process including both Haiti’s government and its citizens remains elusive.

**Haiti’s Reconstruction**

The dynamics of the relief effort will set the stage for the long-term recovery and reconstruction. Reconstruction will be overseen by the Interim Haiti Recovery Commission (IHRC). Approved by the Haitian legislature in May 2010, the IHRC ostensibly responds to two key concerns—the limited capacity of the Haitian government to lead the reconstruction and skepticism among donors that reconstruction funds will reach the Haitian people.

Co-chaired by former U.S. President Bill Clinton and Haiti’s Prime Minister, Jean-Max Bellerive, the IHRC is modeled after the post-tsunami reconstruction authority in Aceh, Indonesia. After 18 months, the functions of the IHRC will transition to a redevelopment authority run by the Haitian government.

In theory, the IHRC should serve as a flexible, responsive, transparent, and accountable decision-making body to approve and oversee recovery projects and coordinate donor funding. The Senate Foreign Relations Committee report suggested that the IHRC is the best near-term prospect for managing Haiti’s rebuilding, but also urged quick action to make it operational and cautioned against its becoming overly bureaucratic. The current structure of the IHRC could slow the funding and actual implementation of development projects—multiple signoffs are required for project approval and there is confusion about the decision-making process. With 20 million yards of rubble remaining and the urgent need to provide shelter from the hurricanes, there is little time for bureaucracy.

The relationship between the IHRC and another key vehicle for reconstruction, the Haiti Reconstruction Fund, is still unclear. The Haiti Reconstruction Fund, administered by the World Bank, is intended to coordinate resources, nimbly disburse grants for projects, and help build government capacity. A steering committee chaired by the Haitian government will review and approve proposals and serve as the final point of accountability for the use of reconstruction funds. Donors who contribute $30 million or more will have a seat on the steering committee.

The existence of a multi-donor fund does not automatically translate into aid that is more coordinated and effective or into support for government priorities. There are few examples of effective civil society participation in structures similar to Haiti’s, particularly of marginalized groups. For instance, while the Indonesian post-tsunami multi-donor trust fund has been touted as a success by donors, it largely failed to address gender concerns in its project design and objectives.

Supporting a country-led recovery includes the following: **Incorporate civil society voices into the permanent structures of the IHRC and the Haiti Reconstruction Fund.**

A genuine effort to put Haitians at the center of the disaster response cannot ignore the role of civil society. Haiti’s vibrant people and organizations are now credited with filling the gaps where relief efforts have fallen short—organizing in both urban camps and rural communities flooded with displaced people. Resilient communities and grassroots organizations with local knowledge have provided ongoing assessment of the needs in the camps for displaced people. For example, the Christian Center for Integrated Development (SKDE), a network of more than 100 rural cooperatives which each have hundreds of members, quickly activated its structures to provide support to the flood of victims from Port-au-Prince.

In the days after the earthquake, the Haiti Response Coalition, a network of Haiti-based nongovernmental organizations, coalesced to coordinate aid efforts. The coalition has now launched “The Initiative for a New Haiti,” a consultative strategy for rebuilding focused on key sectors,
including sustainable agriculture; protection of vulnerable groups; and investments in health and education.

Other civil society voices seeking to influence the reconstruction agenda are emerging as well. For example, the Jesuit Refugee Service in Haiti has organized a Reflection and Action Unit to mobilize Haitian voices in the plan for rebuilding Haiti.8

The collective findings and recommendations from CSOs should be the basis of a dialogue between the Haitian government and citizens to produce a blueprint that specifies how foreign aid will be used.

Yet the proposed role of CSOs in the IHRC and the Haiti Reconstruction Fund is limited. Presently, the Haiti Reconstruction Fund only allows for CSOs to participate as “observers”—invited to attend discussions as needed—while international donors figure heavily in leadership positions.

A formal working group should be convened to facilitate the meaningful participation of CSOs, private sector organizations, and members of the Haitian diaspora in the design, planning, and implementation of key structures like the IHRC. These constituencies should be broadly represented for the long term on the various governing boards and steering committees. Ultimately, engagement with Haitian civil society must go beyond consultation; representatives should have equal voting status in governing structures.

Ensure transparency. The IHRC will host a public web portal for information on how donor funds are being managed, and international NGOs have proposed a web-based mapping platform to better coordinate their activities. These plans are encouraging, but a commitment to transparency requires that donors also cultivate active, sustained relationships with Haiti-based civil society coalitions.

Information from CSOs on the ground about gaps in the humanitarian response and other critical issues is often invaluable—widening the scope of relief efforts and ensuring that recovery plans are based on what is really happening. But few formal structures enable local CSOs to access the Haitian government and outside donors directly.

The U.N. cluster system, a relief-focused coordinating mechanism for U.N. agencies and NGOs, has proven limited at best in incorporating Haitian CSOs into its operations. For various reasons, representatives of Haitian groups have been denied access to U.N. cluster meetings; also, the meetings are largely conducted in French, while Haitian Creole is spoken by 80 percent of the population. An early post-earthquake report from Refugees International recommended that the cluster system designate U.N. liaison officers to build relationships with credible Haitian CSOs and help disseminate information to camps and affected communities.9

The IHRC and the Haiti Reconstruction Fund must also develop clear methods of hearing and responding to local voices, build liaisons with the Haitian government, support CSO coordination, and establish a grievance procedure. Too often, inclusion of civil society in these high-level structures is limited to representatives of international organizations based in the capital. In addition to publicizing aid commitments and donor project plans, the IHRC should focus on countrywide transparency, encouraging and supporting the exchange of information among the broadest possible set of stakeholders.

**Balance the need for short-term results with critical long-term objectives.**

Both the Reconstruction Fund and the IHRC are designed to expedite the recovery and reconstruction process, offering greater efficiency and streamlined decision-making. But there is a need to balance the focus on short-term visible results with a commitment to longer-term systems and capacity-building. Some of this requires at least a 10-year time frame.

Because the Haitian government currently lacks key institutions, strong multilateral reconstruction initiatives can easily sideline government efforts. But the IHRC is a temporary structure—it must incorporate transition planning now in order to ensure timely handover to a well-prepared Haitian development authority. The IHRC and the Haiti Reconstruction Fund should prioritize Haitian capacity-building in all its functions—using external technical assistance, a commitment to hiring local staff, and targeted coordination with relevant government ministries.

**More Effective U.S. Leadership in Haiti**

The United States has led coordination of the international relief effort and will likely be its largest donor. Our country should be clear about its strategy in Haiti.

In order to ensure that U.S. aid is delivered more efficiently and actually reaches the Haitian people, and begin to make amends for decades of failed and misguided policies, U.S. agencies must be equipped to do a better job of delivering aid and the administration’s pledges for reconstruction must be fully funded.

Beyond sector-specific priorities, a long-term U.S. strategy should do three things:

1. Strengthen Haitian government capacity at each stage of the recovery process.
2. Ensure a coordinated U.S. approach so that our policies in other areas do not undercut our efforts to reduce poverty and promote sustainable economic growth.
3. Make long-term development the primary objective.
**Strengthen Haitian government capacity at each stage of the recovery process.**

For the foreseeable future, donors, international nonprofits, and private organizations will be indispensable in meeting the humanitarian needs in Haiti. With lives hanging in the balance, the temptation is to work around the beleaguered Haitian government to get results.

But the Haitian government must establish a visible presence in the lives of its citizens and public institutions and regain some capacity to perform its core functions. It must increasingly take the lead in showing tangible signs of progress. Strengthening government institutions is a difficult and time-intensive task, but the emphasis on institutional capacity-building must start with the recovery and continue for the long haul.

Donors are quick to point out the constraints which have thwarted past aid efforts, such as political instability, bad governance, and weak institutions. Indeed, there is widespread corruption and some Haitian leaders lack commitment to effective governance and institutional capacity-building.

Yet fickle donors and incoherent aid priorities have in turn undermined the government. A 2006 study by the National Academy of Public Administration (NAPA) concluded that more than three decades of donor interventions ended in failed governance. Gradually, donors wary of the Haitian government began to manage projects themselves, which undermined capacity-building and prevented Haitians from acquiring the management skills necessary for effective development. NAPA writes, “…So aid projects had less impact per aid-dollar spent; and again, the government capacity issue remained.”10 Ultimately, lack of coordination of assistance contributed to the failure of programs that cost billions of dollars.

While not a glamorous undertaking, “building Haiti back better” requires sustained investments in managerial capacity and public institutions—particularly those with responsibility for implementing reconstruction programs. USAID is suited for this longer-term approach and is now working with the Haitian government to develop a transparent way of tracking budget flows, along with progress on reconstruction projects,11 that can help address concerns about corruption.

Key to recovery is helping the government communicate effectively with citizens, particularly the vast majority who don’t have access to the Internet. An estimated 1.5 million people remain displaced and in urgent need of information on plans for decentralization and relocation. Systems must be built and managed jointly by the government of Haiti and CSOs to receive complaints and provide information essential to transparency, such as donor pledges, disbursed funds, and project outcomes.

**Ensure that our policies do not work at cross purposes or undercut each other.**

For lasting results, U.S. policies that affect Haiti must not undercut each other. The dominance of cheap subsidized rice imported from the United States, much of it given as food aid, epitomizes the clash of U.S. agricultural trade policies and poverty-focused development assistance.

From 1995 to 2006, the United States spent $11 billion on rice subsidies; much of the rice was delivered as food aid to Haiti and elsewhere. The effect of this is well documented: the policies protect and enrich U.S. rice farmers while devastating Haitian rice farmers. Domestic rice accounted for 47 percent of consumption in Haiti in 1988 but a mere 15 percent by 2008.12 While there is growing consensus that agriculture reform can fuel economic growth and reduce poverty, Haiti cannot compete with subsidized U.S. agribusiness.

An effective U.S. aid policy will encourage local and regional purchase of food aid and support agricultural development. The Center for Economic and Policy Research (CEPR) found that using food aid to support Haitian agriculture by buying locally produced rice to provide ongoing relief to about 2 million people would cost just 2.3 percent of the international food aid funds that have been pledged, yet go a long way to support small-scale farmers.

The United States should commit to buying the current and next season’s local rice crops at a guaranteed price.13 This would enable us to engage directly with Haitian farmers via cooperatives and networks to facilitate local purchase and distribution of rice. It is a clear opportunity to jump-start the
agriculture sector, which faces enormous challenges such as severe deforestation and unequal land distribution.

A commitment to purchase locally produced rice could feed into an overall purchasing strategy of buying goods and services from Haitian suppliers whenever possible.14 It would mirror the “Afghan First” policy under which donors now prioritize local procurement of Afghan products for development programs. A “Haiti First” policy could boost the local economy, create opportunities for Haitian businesses, and help maximize U.S. investments in Haiti.

Haiti’s inclusion in the Obama administration’s global hunger and food security initiative, Feed the Future, is one area where there has been significant momentum.15 Soon after the earthquake, Haiti’s Ministry of Agriculture worked with donors to finalize a national investment plan with three areas of focus: rural infrastructure, the agricultural value chain, and the ministry’s institutional capacity. Donors gave the plan broad endorsement in May 2010 and are to pledge support for specific aspects by September. The United States has led donor involvement in Haiti’s agriculture strategy, working closely with the Ministry of Agriculture throughout, and committed roughly $25 million in agriculture investments for FY 2010.

As with the IHRC and the Haiti Reconstruction Fund, meaningful participation of key stakeholders in the planning and implementation of Feed the Future activities is the only path to a country-led recovery. Feed the Future is poised to be a flagship U.S. aid program in Haiti, but it will be business as usual if it does not include new partners such as Haitian smallholder farmers and peasant organizations.

Agriculture will not be the only driver of economic growth. More than 90 percent of the workforce is in the informal sector, where unemployment rates are above 70 percent. But prior to the earthquake, Haiti had shown modest improvement, with 25,000 additional jobs gained from expanded trade access in the U.S. HOPE II preferential trade program. New U.S. legislative proposals would expand this program, lowering tariffs to boost Haiti’s apparel industry as part of a broader overhaul of trade preferences for developing countries.

In addition to jobs, Haiti’s workforce also needs livable wages, higher-quality jobs, and fair labor practices. These will require increased monitoring and enforcement of labor standards along with financial and technical assistance to help meet requirements.

**Make poverty reduction and long-term development the primary objective.**

It is important that USAID lead the U.S. effort to support reconstruction and development and respond to Haitian priorities. Because of its focus on long-term development, USAID is best positioned to coordinate the transition from relief to recovery and should lead the U.S. development effort in Haiti.

The USAID Administrator was put in charge of the U.S. relief effort after the earthquake. Swift action to bring immediate relief to disaster survivors had some notable successes, such as the effective delivery of chlorine tablets to purify drinking water, which led to a 12 percent reduction in diarrheal illness in Port-au-Prince.19 A large-scale vaccination effort staved off predicted outbreaks of cholera and other diseases.

It is unclear who will lead beyond the relief phase and how this transition will take place. USAID does not have the authority to coordinate the numerous and disparate U.S. government actors working in development in Haiti. While a proposed “Haiti Coordinator” may temporarily fill the leadership vacuum, naming yet another special coordinator of a U.S. foreign assistance program will further dilute USAID’s capabilities and add to the confusion.

A 2009 Save the Children report on the effectiveness of U.S. foreign assistance programs in Haiti cites several examples of how the efforts are handicapped.20 Programs under the President’s Emergency Plan for AIDS Relief (PEPFAR) are overseen by the State Department but implemented on the ground by USAID and the Centers for Disease Control.

---

**Table 2: Summary of Key Haiti Poverty Statistics:**

- Ranks 149th of 182 countries on the Human Development Index.
- 80 percent of the population lives on less than $2 a day.
- An estimated 2.4 million people are food insecure.16
- Highest malnutrition rate in the region—more than 20 percent of children are chronically malnourished.
- One-third of all babies are born underweight.
- Western hemisphere’s highest maternal and infant mortality rates; the highest HIV/AIDS rates outside sub-Saharan Africa.
- Consistently ranked among the most corrupt countries in the world.17
- 60 percent of energy needs are met through use of charcoal, contributing to 98 percent deforestation.

With the highest malnutrition rate in the region, an estimated 2.4 million people chronically food insecure, and one-third of babies born underweight, Haiti has the least capacity of the designated Feed the Future countries.18 A food security strategy should be comprehensive, incorporating agriculture-led economic growth, poverty reduction, and proven nutrition strategies that address hunger and mitigate the long-term effects of malnutrition, particularly among women and children. The World Bank estimates that it would take just $46.5 million per year, less than 1 percent of Haiti’s GDP, to scale up 10 key maternal and child nutrition interventions.
PEPFAR effectively has “two heads” in Haiti using extra staff time to little effect. The report found USAID’s country strategy sharply focused and clear but limited in impact, consisting largely of a sprinkling of uncoordinated projects.

Such examples showed the need for better planning even before the earthquake. Now, Haiti’s challenges require unprecedented levels of coordination and flexibility, both among donors and within the U.S. effort. USAID should continue to lead the U.S. response—but it will need expanded authority, a more clearly-defined role, and sufficient financial resources.

Haiti has suffered the largest urban disaster in modern times. U.S. agencies need more flexibility to respond since earmarks and regulatory requirements often prevent rapid response to changing needs. Aid reform efforts—which include broadening the base of partner organizations within countries and allocating resources to local institutions—are already underway at USAID.

More flexibility in procurement and contracting could expand access to business opportunities for Haitians and people in the Haitian diaspora—placing more of the reconstruction in Haitian hands and harnessing the skills and resources of those living abroad.

In the long run, a strong partnership with the Haitian people will require a stronger USAID, with more technical expertise and in-country staff, particularly in agriculture. Development professionals empowered to be innovative, resourceful, and focused on results should execute the U.S. strategy for Haiti.

**Conclusion: Where Does Haiti Fit in a U.S. Development Strategy?**

As efforts continue to rebuild Haiti, U.S. foreign assistance is undergoing one of the most extensive reviews in decades. The results should point to a new model for foreign assistance—part of a larger strategy to reframe U.S. aid efforts and priorities—which central themes include country ownership, interagency coordination, evaluation, and accountability for results.

If we are serious about long-term engagement in Haiti, the findings of the review should inform planning and programs on the ground. The whole point is to harness the considerable energy that still exists to make U.S. aid more effective in building a better Haiti. A focus on meaningful civil society participation, robust transparency, institutional capacity-building, and long-term development will bring greater returns on our investment.

Haiti is perhaps the toughest case, but also a worthy place to test the U.S. political will to move toward meaningful partnerships. A truly country-led development process will not emerge overnight. We will need to think in years, not months, to measure the effectiveness of post-earthquake aid. But our work in Haiti should ultimately result in concrete, measurable, and sustainable improvements for its people.

**Endnotes**

1. As of July 2010, the USG, including USAID, Department of Defense and State Department, has contributed nearly $1.2 billion in earthquake response funding for Haiti. USAID/OFDA, Haiti Earthquake, Fact Sheet #61, FY21010, July 2, 2010.
2. RNDHH Report, May 12; Jesuit Refugee Services (website)
16. World Food Programme: http://www.wfp.org/countries/haiti
17. The HDI provides a composite measure of three dimensions of human development: living a long and healthy life (measured by life expectancy), being educated (measured by adult literacy and gross enrollment in education) and having a decent standard of living (measured by purchasing power parity, PPP, income). For the full report see: http://hdrstats.undp.org/en/countries/country_fact_sheets/cty_fs_HTI.html. See also Transparency International’s 2009 Corruption Perceptions Index: http://www.transparency.org/policy_research/surveys_indices/cpi/2009/cpi_2009_table
18. World Food Programme: http://www.wfp.org/countries/haiti
The mandate of the Interim Haiti Recovery Commission (IHRC) is to conduct strategic planning and coordination of resources from bilateral and multilateral donors, non-governmental organizations, and the business sector for Haiti’s reconstruction. It will oversee billions of dollars in post-earthquake reconstruction aid and projects in Haiti.

Source: Interim Haiti Recovery Commission: http://www.cirh.ht/