Helping People Help Themselves: 
From the World Bank to an Alternative Philosophy of Development Assistance

By David Ellerman
Foreword by Albert O. Hirschman

Publisher: University of Michigan Press
Publication date: April 2005

Helping People Help Themselves grew out of David Ellerman's ten years at the World Bank—and particularly out of his three years as advisor and speechwriter for Joseph Stiglitz during Stiglitz's tumultuous term as the Bank's Chief Economist. The book provides a structural critique of the World Bank's approach to development assistance—but the main purpose is to lay the intellectual foundations for an alternative approach. The book takes a broad interdisciplinary approach drawing from educational theory, management theory, community organizing, psychology, and philosophy. While many thinkers are discussed, there is a focus on eight individuals who have wrestled with the fundamental conundrum of trying to give external help that promotes (rather than thwarts) self-help. Those individuals are: Albert Hirschman, John Dewey, Paulo Freire, E. F. Schumacher, Douglas McGregor, Carl Rogers, Saul Alinsky, and Søren Kierkegaard. Helping People Help Themselves might be considered the companion
volume focusing on the World Bank to Stiglitz's *Globalization and Its Discontents* which focused on the IMF.

"Ellerman provides a compelling humanist understanding of how economic development aid can succeed, if only people and nations are enabled to help themselves."
— William Greider author, *The Soul of Capitalism: Opening Paths to a Moral Economy*

"A towering achievement. It outdoes Sen and Hirshman in its reach across economics, management theory, psychology, sociology, mathematics and philosophy. The result is a coherent alternative "way of seeing" the relationship between aid organizations based in rich countries and aid recipients based in poorer ones, and some practical suggestions on how to reengage the aid agencies more as "helpers" than as "doers". Along the way it fairly sizzles with insider insights into the workings of the World Bank."
—Robert Hunter Wade, Development Studies Institute, London School of Economics

**Detailed Table of Contents**

**Foreword by Albert O. Hirschman**

**Preface**

**Chapter 1: Introduction and Overview**

- Helping People Help Themselves
- The Fundamental Helping-Self-Help Conundrum
- The Key Factor in Development Assistance: Autonomy-Respecting Help
- Unhelpful Help
  - The First Don't: Don't Override Self-Help Capacity with Social Engineering
    - The First Form of Unhelpful Help
    - The Indirect Approach
  - The Second Don't: Don't Undercut Self-Help Capacity with Benevolent Aid
    - The Second Form of Unhelpful Help
    - The Time-Inconsistency Problem of "Gap-Filling Aid"
    - Relief Assistance as Generalized Moral Hazard
- The Scylla and Charybdis of Development Assistance
- Knowledge-Based Development Assistance
  - The Cognitive Dimension of Development Assistance
  - The Two Don'ts in Knowledge-Based Assistance
  - Socratic Approach to Doers' Active Learning
- The Three Dos
  - The First Do: Start from Where the Doers Are
  - The Second Do: See the World Through the Doers' Eyes
  - The Third Do: Respect the Autonomy of the Doers
- Eight Thinkers Triangulate a Theory of Autonomy-Respecting Help

**Chapter 2: Internal and External Motivation: Beyond Homo Economicus**

- Towards a Critique of Agency Theory
- Non-Distortionary Interventions
  - Non-Distortionary Taxes and Subsidies
  - The Common Pool Approach to Aid
  - Independence Today; "Supply Effect" Tomorrow
  - Independence and Moral Hazard
  - Commitment Mechanisms to Show Own-Motivation
  - Gaming the Safeguards
- Internal and External Motivation
  - Moving Beyond Homo Economicus
  - Foreground and Background
"Higher and Lower Selves"
Action = Behavior + Motive
By-Products Rather than Products of Choice
The Threat-to-Autonomy Effect
The Crowding-Out Effect
The "New Year's Resolutions" and Internalization Theories of Conditionalities
The Universal Solvent Fallacy in the Economic Design of Institutions

Chapter 3: The Indirect Approach

Introduction
The Indirect Approach in Strategy
The Indirect Approach in Biological Learning Mechanisms
The Indirect Approach of Selectionist Mechanisms

McGregor's Theory Y: A Prototype Indirect Approach
Step 1: Starting from the doer's problem
Step 2: Seeing the problem through the doer's eyes
Step 3: Helping the doer pursue own-ends to best solve the organizational problem
Step 4: Helping doer to implement, test, and refine the doer's solution
Step 5: Helping doer gain autonomy and take responsibility for solution

Intrinsic Motivation and Theory Y

Chapter 4: Indirect Approaches: Intellectual History

Introduction
Taoist Antecedents
The Socratic Method
The Path of Stoicism
Learning in Neo-Platonism
The Learning Paradox and Augustine
Rousseau's Copernican Revolution in Pedagogy
John Dewey and the Active Learning Pedagogy
Carl Rogers' Non-Directive Therapy
Søren Kierkegaard and Ludwig Wittgenstein on Indirect Communication
Gilbert Ryle and Michael Polanyi on Uncodified Knowledge
Gandhi and Satyagraha
Summary of Common Theme: B-ing and Non-B-ing

Chapter 5: Autonomy-Respecting Development Assistance

Development Intervention as a Principal-Agent Relationship
First Do: Starting from Present Institutions
Second Do: Seeing the World Through the Eyes of the Client
First Don't: Transformation Cannot be Externally Imposed
Second Don't: Addams-Dewey-Lasch Critique of Benevolence
Third Do: Respect Autonomy of Doers

Chapter 6: Knowledge-Based Development Assistance

The Standard Methodology and Its Problems
The Standard Theory-in-Use
The Volitional and Cognitive Sides of Helping Theory
Ownership Problems
Self-Efficacy Problems
Cognitive Dependency Problems

Examples of Building "In-capacity"
Core Courses
Training of Trainers
Training Networks
Fees For Service
Evaluations
Public Relations and Other Influence Activities
Economic and Sector Work: A "Jobs Program" for Bank Economists

3
External Aid Agencies Co-opting Local Talent
Unsustainable Missionary Outposts

Types of Development Knowledge
Universal versus Local Knowledge
Codified versus Tacit Knowledge
Cargo Cult Reforms: "Where is the road that leads to cargo?"

Knowledge Assistance: Brokering Between Experiments, Not Disseminating Answers

Chapter 7: Can Development Agencies Learn and Help Clients Learn?

Introduction: A "Church" versus a Learning Organization
Roadblock to Learning #1: Official Views as Dogma—with Examples
Roadblock to Learning #2: Funded Assumptions as Dogma
Roadblock to Learning #3: "Social Science" as Dogma
Roadblock to Learning #4: The Rage to Conclude

The Open Learning Model

Competition and Devil's Advocacy in the Open Learning Model
Devil's Advocacy and Countervailance
The General Case for Devil's Advocacy
Problems in Implementing Devil's Advocacy
Devil's Advocacy as the Qualitative Version of the Opportunity Cost Doctrine
Evaluation = Retrospective Devil's Advocacy
Variations: Adversarial Legal Process, The Loyal Opposition, Separation of Powers, and Civil Society

Non-dogmatism and Socratic Ignorance in Organizations
Rethinking the Agency-Country Relationship

Chapter 8: Case Study: Assistance to the Transition Countries

The Challenge of the Transition
The Privatization Debates: Did History have a "Timeout" under Communism?
Voucher Privatization
The Ideas Behind the Scheme
The "Arguments" for the Scheme
Voucher Privatization was a Political Strategy
Institutional Shock Therapy versus Incrementalism
China: An Incrementalist Transition
Why an Incrementalist Approach Might be Successful
The Lease Buyout Counterfactual
Closing Remarks on the Transition Case Study

Chapter 9: Hirschmanian Themes of Social Learning and Change

Introduction
The Balanced Growth Debate
Conditionality-Based Development Aid: The New "Big Push"
Unbalanced Growth Processes
Cognitive Side of Unbalanced Growth

Bridges to Other Thinkers
Herbert Simon's Theory of Bounded Rationality
Charles Lindblom's Theory of Incrementalism and Muddling-Through
Burton Klein's Vision of Dynamic Economics
Jane Jacobs' Vision of Development
Donald Schön's Theory of Decentralized Social Learning
Everett Rogers' Theory of Decentralized Innovation and Diffusion
Just-in-Time Inventory and Continuous Improvement Systems
Charles Sabel's Theory of Learning by Monitoring

Parallel Experimentation as a Basic Scheme for Learning Under Uncertainty

Chapter 10: Conclusions

Concluding the Example of the World Bank
Can the World Bank Change?
Structural Problem #1: Monopolistic Power
Structural Problem #2: Affiliation with United States' Policies and Interests
Structural Problem #3: Money is Not the Key to Development Assistance
Structural Problem #4: Working Through Governments that are Part of the Problem
Structural Problem #5: Tries to Control Bad Clients Rather Than Exit Relationship
A Modest Proposal for the World Bank: Decentralization with Extreme Prejudice

Concluding Remarks

Appendix: Eight Thinkers on the Five Themes
   First Do: Starting From Where the Doers Are
   Second Do: Seeing Through the Doers' Eyes
   First Don't: Don't Try to Impose Change on Doers
   Second Don't: Don't Give Help as Benevolence
   Third Do: Respect Autonomy of the Doers

Bibliography

David Ellerman was the advisor and speech-writer for Joseph Stiglitz during Stiglitz's three years as Chief Economist of the World Bank. Prior to the World Bank, Ellerman taught at various universities in a number of fields. Currently, he is a visiting scholar in the Philosophy Department of the University of California at Riverside.

Cloth: 0-472-11465-4
354 pages, 6 x 9
$65.00 / £ 37.00
Available at better bookstores online.