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Do's and Don'ts for Real Haiti Recovery

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The future of Haiti—still uncertain following the January 12 earthquake that claimed between 200,000 and 300,000 lives and left 1.5 million homeless—will be the subject of an upcoming major donor conference at the United Nations. Scheduled for March 31, this conference will focus on the creation of a master plan for Haiti's future accompanied by the requisite pledging of financial resources.

During these proceedings, the U.S. should be generous but also prudent. The Obama Administration should make it clear that a better future for Haiti is foremost a task for Haitians. Without deep changes in governance, politics, and economic policy, foreign assistance will again fall short of expectations and leave Haiti mired in poverty and hopelessness.

An Impressive U.S. Humanitarian Response. In the aftermath of the quake, the U.S. has provided timely and effective assistance to the people of Haiti. Over 20,000 U.S. troops, dozens of naval ships, and hundreds of military aircraft saved lives, treated the injured, opened ports, and establish order in the aftermath of massive destruction. Through impressive private donations for relief, the American people responded to the tragedy with exemplary generosity. From tax breaks for donors to allowing Haitian immigrants to remain in the U.S. with temporary protected status, U.S. laws and regulations have been changed to help Haiti. Furthermore, since January 12, the U.S. government has provided over \$750 million in relief assistance and supports substantial debt forgiveness.

Important humanitarian relief efforts continue. It is far too early, however, to proclaim victory against the wave of misery that afflicts Haiti. The arrival of summer rains and hurricane season pose massive challenges to those stuck in temporary camps with inadequate sanitation and poor security. The donors' conference cannot overlook these urgent needs.

Without Performance, Pledges Have Little Meaning. The primary purpose of the donors' conference is to launch a longer-term Haitian relief plan. The European Union states it is ready to help with \$1.7 billion. In the U.S., Congress has begun drafting a "Marshall Plan for Haiti" to which the Administration is reportedly contemplating providing \$2 billion in new assistance. The Haitian government wants \$11 billion in aid in the coming decade. Although the press will likely focus on the amounts of assistance pledged by various parties, money alone cannot remake Haiti. The keys for Haiti's future are democratic governance, the building of an economic motor, and a long-term strategic vision.

Haiti's elected leadership must change its governance paradigm. It must build an effective, honest, transparent government that earns the respect and trust of the Haitian people. It must address the deep

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polarity that divides economic and social elites from the impoverished masses. It must also enlist the support of the Haitian diaspora, which, through remittances, provides as much as one-quarter of Haiti's GDP. In short, to escape the trap of failure, Haitians must rewrite the rules of their political game.

As long as Haiti lacks an economic engine, it will have little hope of a permanent escape from poverty and despair. The United Nations has moved forward with cash-for-work programs and is providing temporary employment opportunities, but the creation of permanent jobs is a pressing need.

Haitians can begin with changes in bureaucratic regulation, tax policy, judicial reform, and the protection of investors and property. The U.S. Congress can help with legislation that continues to offer incentives for textile production in Haiti. Before freely committing to more assistance dollars, Congress should take a hard look at how U.S. sugar quotas and rice subsidies hamper the ability of Haitian farmers to launch a rural revival.

Finally, Haiti needs a strategic vision for its way forward—a vision that includes experiments in decentralization, redesign to prevent chaotic urbanization, earthquake-resistant housing, new infrastructure, and other planned responses to development challenges. The donors plan to discuss a “multiple donor fiduciary fund” to help manage reconstruction and in essence share sovereignty between the Haitian government and the international community.

The Proper Role for the U.S. The Obama Administration should avoid assuming responsibility for transforming Haiti. Unfortunately, there are already signs that the White House believes it should be responsible for Haiti's fate.

For example, in a recent blog, Assistant Secretary of State for the Western Hemisphere Arturo Valenzuela wrote that “it's clear we still have a long way to go to provide the Haitian people with the living conditions, economic, and educational opportunities they deserve.” Writing in the *Miami Herald*, chairman of the Senate Foreign Relations Subcommittee on the Western Hemisphere Christopher Dodd (D-CT) announced that “we cannot pretend that Haiti can lead its own reconstruction,” before

adding that the “tasks of rebuilding will fall on international community.” In the case of Haiti, there are those in the Obama Administration who want to make a long-time ward of the international community another line item in the federal budget.

While the creation of a trust fund or international trusteeship aims to reduce parochial Haitian politics and squash corruption with improved accountability and transparency, it also assigns power to an array of multilateral banks, NGOs, and contractors skilled in extracting maximum benefit from development assistance and opens the door to the beneficent paternalism practiced by the well-meaning and the opportunistic. In their zeal to make a new Haiti, the Obama Administration and Congress need to remain focused on the fact that the problems of Haiti are for Haitians to solve—albeit with outside assistance.

Recommendations:

- ***Stand up the Haitian government.*** The U.S. and other donors need to concentrate on constructing a viable Haitian government. A cadre of government workers endowed with skills and committed to service and public integrity is needed to stabilize the essential triad of public security, education, and health care delivery.
- ***Real jobs and market access.*** Assistance to Haiti will falter without permanent job creation and global market access. From textiles and tourism to sugar quotas and non-traditional exports, Congress should focus on measures that nurture the Haitian economy with incentives for entrepreneurship, investment, and market access.
- ***Accountability without paternalism.*** An international trust fund set up by donors with the assent of the Haitian government may improve transparency and accountability, but it is not a substitute for developing the authority, legitimacy, and competence the Haitian government needs.

Genuine Change Needed. At the March 31 donors' conference, participants cannot afford to forget that their countries have already given Haiti more than \$9 billion over the past few decades (\$5 billion from the U.S. alone) and yet Haiti remains mired in deep poverty. This time observers hope matters will be different and believe fresh commit-

ments of assistance will help put Haiti on the track to a better future. But the conference will be a hollow exercise without genuine changes in Haiti. The U.S. and other donors cannot allow Haiti to return to business as usual.

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