



EMERALD POINTS

ECONOMICALLY SUSTAINABLE DEVELOPMENT

Practical Models for Long-Term
NGO Viability

RAIF SHWAYRI



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Practical Models for
Long-Term NGO Viability

BY
RAIF SHWAYRI



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Malaysia – China

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INVESTOR IN PEOPLE

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FOREWORD: FROM AID TO DEVELOPMENT

I have known Raif Shwayri for many years. We met in 1994 in Brussels when he came to me with his ideas for a development project. We were the same age, had recently taken charge of senior positions at our respective organizations, his in Lebanon, mine in Belgium, and our paths would thereafter coincide. So much so, that I didn't really need to read the manuscript for this book in order to write the preface; however few the following pages, they have taken 26 years to compile if one takes their real measure: the time it has taken to bring the ideas they convey to fruition, to implementation, to revision, and reenactment. And all along, I was there, a sturdy brother-in-arms, debating, arguing sometimes, and sharing in the joy of conceiving new models and giving them wings to fly.

In 26 years, we implemented together some two dozen programs that serve a large population today, programs that have the particularity of being sustainable on all fronts. For sustainability has always been Raif's worry. More to the point, Raif has constantly lived his programs with the anxiety of an entrepreneur who fears what tomorrow brings, anticipating the future before undertaking the present. In doing so, he has set a precedent in our world of development, of accounting for results beyond the scope of a written proposal. Viability of any program is at the heart of all his endeavors, and numerous were the times when we turned away a funded project that did not hold the aptitude to stand alone after implementation.

But sustainability was not his only tool for development. Raif could not foresee any initiative that was not beholden by the locals themselves. His unique experience at standing on both sides of the fence gave him a precious and perceptive outlook on development. An initiative, he says, cannot survive unless it is conceived and appropriated by the people themselves, not devised for them by international organizations, however decent or ambitious their intentions are. In our long years together, I often heard him argue that "you

can send *aid*, but *development* is brewed locally,” a statement he repeated in his introduction for this book.

When you take these two concerns of Raif, sustainability and local appropriation of initiatives, and you put them in a shaker, the result is called lasting development. For what is development if not the advancement of the social and economic conditions of a community, done by the locals themselves, and inscribed in a perennial evolution, in respect of traditions, cultures, gender, inclusion principles, and human dignity? Take these two ingredients and thrive with them, and you have the assurance of departing from the short-sighted, selective and detrimental *aid* to harbor righteous and all-embracing *development*. It takes this shaker to get from aid to development.

Raif is not only a social entrepreneur but also an alert academic. Having identified his ingredients for development early in his career, he went seeking to systemize his findings in models that can be understood, valued, and shared. I know this because we worked on these models together. The *School-Enterprise* model is a fine paradigm that was met with tremendous success, some of which is related in the following pages. *An Education for the Real World* is another, so poignant that it became the foundational statement of the university that Raif initiated, a nonprofit institution that embodies the values of real development—a mover and shaker in its own right. And because microentrepreneurs have been at the heart of our development initiatives, it was natural that our crowning achievement spoke to them and became the cornerstone of all our endeavors. The *Micro-MBA*, a provocative model, disruptive of standardized thinking and one of the “think-out-of-the-box” models that Raif refers to in this book, is the new paradigm that ACTEC is pursuing at this point, recording outstanding results in certain parts of the world already.

Perhaps the successful enterprises that Raif has conducted stem also from the fact that he has acted on them in the spirit of giving. Not the typical philanthropy or aid-governed charity, but the real sense of giving “as a condition of being,” to quote his own words. When the mission is pure, to be found outside of one’s own persona, the anxiety of the entrepreneur takes a different proportion. The purer the incentive and the more detached, the more elevated the discourse and the objective. And the more anxious the social entrepreneur! There is no doubt that our friendship has grown over the years on the footpaths of development and in its trenches, and it has shone with the smiles of thousands of young people who grew and nurtured with the seeds we have sown. It remains, however, that the initial spark that brought us together in the beginning was there, in the art of giving as a condition of being. The

story that Raif delivers in the conclusion speaks of that, of the basic and uncomplicated impulse that defines the true wisdom of development.

I have seen this book's story in action, and I testify to its veracity. I would say humbly that somewhere in between the lines, I hear echoes of my own whispers. I say this with the intellectual integrity of someone who has picked the same fight, that of world justice, reasoned and informed, and with the same compelling love of humanity.

From aid to development: with wit, style, and firmness, Raif Shwayri shows us in this book how to cross the ravine.

Daniel Turiel

CEO of Association of Cultural, Technical and Educational Cooperation (ACTEC), Brussels

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ACKNOWLEDGMENT

The book I have delivered here is short, yet the number of people who contributed to its making is great. Because it reflects my lifelong experience in development, it was therefore forged on many anvils, those of colleagues and partners from different organizations and programs. To name them here and now is to recognize their role in clearing the way for the footpath I have walked for 30 years.

My story with development started at a young age. In many respects, I became enmeshed with a social calling early in my teens, thanks to a father who dedicated his life to serving the less fortunate. Nadim Shwayri founded Al-Kafaàt in 1957, writing a large part of his inheritance into an endowment to serve his mission in life. I earned from him the calling, and also the entrepreneurial spirit which characterized most of his undertakings. For me, he was a precursor and a compass for social entrepreneurship.

Along the footpath of development, I was lucky to have met formidable companions and brothers- and sisters-in-arms. Daniel Turiel and Pierre David were the early ones, and those I would take the long ride alongside. From them, I hold the predisposition for quality as a condition of real development. At a time when traditional aid recognizes the fatality of “poor programs for poor people,” striving for quality in education and service has become my impetus and prerequisite for development. That’s a lesson I learned from them, and it became the feature that brought me together with a large group of activists and doers, many of whom have impacted the course of my actions. If Daniel and Pierre were the companions in building such models as the School–Enterprise, these have seen the light and evolved beautifully because of the concurrence and support of many others over the years. Peter Emmerson, Andy Jong, Maureen Burnley, Cyril Young, Daniel Burton, Nigel Edward-Few, Jeremy Moodey, Guy Caeymaex, Bernard and Véronique Michelet, Marina Bernards, Johanne van Dijk, Josine Westerbeek, Margien Vroom, Miranda Wesselink, Robert van Weldam, Jaap Runday, André Henneveld, George Shiffer, Rod Evans, Ann Malamah-Thomas, Pierre Berry, Charles Senot,

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I acknowledge the early reviewers of the manuscript, James Ketterer, a seasoned educator and development specialist, and Adib Milet, an economist and global entrepreneur, two close friends with whom I have shared in many joys. My grateful appreciation goes to Donna Dixon who edited the manuscript for language, and Nick Wolterman, my publisher at Emerald.

I cannot close without extending a tribute to my wife, Reina Khoury-Choueiri, the eternal volunteer who devoted her time, ever since we met, to serving on many development programs. For this, and for her constant support (not without straightening some of my ideas first), I will always be thankful.

INTRODUCTION: BREAKING AWAY FROM A TRICKLE-DOWN ATTITUDE

I was once invited by the Ministry of Development and the national oil company of a small Middle Eastern nation to visit the existing institutions that serve people with disabilities. The request was to help them formulate a national strategy for this sector, one that could deliver quality rehabilitation and special education services across the country. After a few days of extensive visits and discussions, I produced a handwritten draft that comprised an assortment of my personal notes and schematics, for my own use, and I went to meet with the Minister on his request. My intention was to take the Minister and his cabinet through a preliminary discussion which would help me formulate a final roadmap once I was back in Beirut. I spoke in general terms about a multiple-stage approach, where teacher training programs along with service provision, early detection, and supported employment schemes intertwined, a holistic approach that I intended to recommend implementing over several phases in time. The Minister and his aides were raptly attentive, so much so that they insisted on keeping my document despite the fact that I thought it would make absolutely no sense to anyone but me. Rather than waiting for a proper roadmap with a timeline, an implementation schedule, and a proposal for structure and management that would inform the local Ministry and build the capacity of its senior staff, the Ministry went ahead and started-off from my A-4 size paper scribbles. Little of lasting impact was accomplished, as one would expect, with the exception of reproductions of some furniture, made from pictures taken by a delegation that visited the institution I was heading at the time in Lebanon. The furniture was stacked up in empty rooms when I went to visit last. It would never be used.

There are two situations that kill a development initiative. The first is when the initiative is parachuted in by organizations that emulate systems they have seen elsewhere. And the second is when the initiative is carried out by people who, unconsciously most of the time, need the initiative to justify their own

existence. I have seen both in practice and, unfortunately, I can testify that these are not uncommon situations in the world of development.

Emulating successful systems is a widespread practice. It is often an effective way to cut through normal progression and make up for wasted time. It never works, of course, but people keep doing it. It is like buying a car for someone in the rural mountains in Bolivia who has ridden only donkeys all their life. Assuming you taught them to drive, what would they do with the encumbering vehicle on footpaths where no gas station is in sight? Exporting solutions that work in Oslo, say, into countries that don't have the Norwegian infrastructure, culture, and economy, will complicate matters, not solve them.

Similarly, sustaining programs in the developing world in order to keep the lights on at your office in London or Washington brings sad consequences to the targeted communities. I have seen programs extended year after year to no avail, if only to satisfy the needs of the organizations at the source. The initiative in that case becomes a scapegoat, not the object of attention as such.

In either scenario, emulation or justification, the initiative begins with good intentions but sinks into *Trickle-Down Development*, a term I have borrowed from economics. Either sprinkled from the top without consideration to the real needs and level of acceptance on the ground and the ability to execute it, or sustained from the top to justify some need of its sponsoring organization, this model of development is detrimental to the causes it seeks to support. What makes this subject itchy and difficult is the fact that the people employing trickle-down development are mostly well-intentioned.

And because they are well-intentioned, I decided to write this book, a countdown of lessons I have learned on the ground while battling for the rights of people and implementing programs to preserve and expand those rights. Over the course of nearly 30 years of practice in the development world, I concerned myself with the social betterment of youth. Education, from early childhood to university was chief among my concerns, side-by-side with social services, health and sanitation, and rehabilitation and inclusion of people with disabilities. But what is education if not to serve people by way of leading them to gainful employment? Education therefore is not an end, but the means to an end, the tool to social inclusion, to community building and economic thriving. Social entrepreneurship thus became central to my development strategies. Again, how do you cover the costs of services when these areas are all financially draining? In countries where governments have little or nothing to offer in the way of subsidies for education and health, how do you sustain services that reach people living in poverty? This, while maintaining these services to a standard that meets the stated mission of social inclusion? These are a few questions for which I spent long years in search of good answers, at

least in creating workable solutions that have been successfully implemented in many cases. This book is my attempt to elucidate those solutions.

The environments from which the lessons presented here were learned lend much to the value of those lessons. I devoted the first part of my professional life to building the capacity of a large organization in Lebanon. For the latter part, I worked on a large development project in Haiti. The two countries are at the antipodes of the development spectrum. Until (or despite) its recent economic upheaval, Lebanon had always enjoyed a liberal economy. It always enjoyed a creative and enterprising civil society, a somewhat responsive government despite the dysfunctional political establishment that holds the cards, a relative freedom of the press, quality education at all levels and, above all, a long history that set its anchor well before the Phoenician ancestors. Haiti has none of this. Its history is relatively short and is tainted by the horrible reality of slave-trading ships. Its economy has been rattled by maneuvers and attempts to stabilize the freefall of the economy and the meltdown of the local currency. Haiti sustains a trade deficit that is nine times the size of its exports and a national budget of less than \$1 billion, or less than \$90 a year per capita. Yet, unlike Lebanon that continues to endure regional vicissitudes and to bear the weight of more than 1.5 million refugees in 2020,¹ Haiti is a country at peace. It is ideally located in Caribbean waters, with enough resources and lures to propel the island to a comfortable situation were it to take the leap. Like Lebanon, Haiti is small, and small has its charms, especially if you are in the business of development and capacity building. This means that actions on the ground, however small, can be impactful and set the country on new courses. But to succeed, actions need to come from within.

I believe that development makes sense only when it is championed by the locals, and that any solution that is canned and sent by internationals will only perpetuate a state of dependency. You can send aid, but development is brewed locally. I have come to believe this to be true in all instances, even when the resources flown in by agencies and NGOs are beautifully annotated to be for development. To break-away from the aid mentality, evolve out of the trickle-down attitude, and move into the realm of development, we must rely on the locals. And because this is the cornerstone of any endeavor in international development, I start off the book with this very first lesson: rely on the locals.

1 UN Refugee Agency, <http://reporting.unhcr.org/node/2520>, Accessed April 27, 2020.

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RELY ON THE LOCALS

1. QUESTION YOUR INCENTIVES. APPRECIATE COMPLEXITIES AND TRADITIONS

Bonjour, Blanc!, he said. We were in December 2018, and I was hopping on the elevator at the Ministry of Interior in Port-au-Prince, Haiti, on my way to meet the Minister with a delegation from the State University of New York. The personnel of the Ministry, alerted of the important delegation coming, halted the elevator, invited the crowd inside to vacate at a snap of a finger, ushered us in and escorted us to the upper floor. A Haitian man in a full business suit, clearly a close aide of the Minister, remained standing in one corner of the cabin. He looked me over with daunting eyes as I saluted him, and acknowledged me with “Hello, white (man).” The statement was full of significance. It spoke of 300 years of painful history, and it triggered a conversation in French:

- You called me white? My worth is in the color of my skin?
- You are white, and whites are colonialists.
- What if I told you that I, myself, was subjected to colonization, just like you?
- ...
- Well, I come from Lebanon. Have you heard of it? My country, like yours, was appropriated by the French for a long time!
- ...
- And worse, the French came after 400 years of Turkish rule! So, what do you say?

The eyes of my conversationalist went from empathic to rolling, then to inquisitive, and ended with sympathy as I got to my floor. As we parted, we greeted one another as brothers-in-arms, equal victims of colonization. The color of our skin mattered less after the two-minute ride.

People are proud, that's a given. Whether in Barcelona or Brazzaville, wealthy, less fortunate, or very poor, people hold their heritage as sacred. And they don't like to be bullied, much less by those they hold in contempt for having bullied their forefathers. And people think in binary codes: with us or against us, big or small, rich or poor, good or bad, black or white. Complexity is not the norm for most people and subtleties are the thing of the few, of the academics. He is white, then he belongs to the camp that abused our people, there is nothing more to it.

Besides, the operatives and social workers who invade the airliners and five-star hotels in the capital cities of developing countries certainly produce this feeling in the minds of the locals. Their behavior is seen, if not as provocative, at least as irreverent. They all come wearing the same attire and speaking the same language: shorts or safari pants and T-Shirts bearing the names and institutional logos of their organizations, usually with taglines that include words like *food*, and *education*, and *health*, and most of the time, *poor*. Perceived as Victorian by the locals, the attitude has brought more harm than good to them by setting a tone: that of a dichotomy, a deep divide that recognizes a helper and a beneficiary, a wealthy and a dependent, a capable and an incompetent.

I have always wondered what motivates people who devote time and money to development work. A feeling of sympathy and solidarity, one would say, and I tend to agree. Yet, in my long years at this, I have come to see the other side of the coin.

When the Syrian administration showed signs of losing balance during the populist surge of the Arab Spring and in the early days of the Islamic State, I was contacted by a French organization that wanted to partner with me. I was in Lebanon at the time and the country had become the obvious retreat for all development operatives in the Middle East. The envoys were three medical practitioners: a Frenchman and two Eastern Europeans. We met for two hours in my office at AlKafaat University (AKU), the university I had started under the Al-Kafaat Foundation in Lebanon. They had an impressive supply of medications in their keeping, full containers ready to take to sea, and they wanted to organize an operations room, a location where they could prepare to enter Syria when the time came. At the early days of the Syrian crisis, everybody thought the change of regime would be swift, and that Syria would become the new hot spot for development work. Hunting season was coming, and international organizations were jockeying for position. I say hunting

season purposely. The incentive for helping the Syrians was to be found far from the benevolent actions of a few medical practitioners from Europe. In the case of my visitors, the objective was to outdo the premiere medical humanitarian aid organization, and to dump a large quantity of surplus medications, thereby gaining a foothold in the region for certain pharmaceutical companies. It also meant extending funding for their own overheads from public sources, from their own governments as well as the European Commission. The funding for their previous program had evaporated along with the pains and agonies of the Kosovars.

Keeping the lights on is an expression I have heard throughout my professional life. When a project receives approval from an awarding body, the award being here a substantial sum of money to implement, organizations recruit and form specific task forces for their funded projects. This entails organizing remotely, either starting a local organization to manage on the ground or working in partnership with a standing organization that serves the same mission. Either way, structural change is plotted, and the annual budget is enlarged to accommodate the incoming task force. Part of that budget increase is also for overheads, an elastic markup that donor agencies approve, and which can go extremely high. I have seen overheads as high as 24% of the total project cost written into budgets. This translates to a quarter of each budget dollar allocated to cover what are called indirect costs: labor costs for staff at the home office and the time of managers and accountants who will supposedly devote some attention to the project (trickle-down development at its best). Then, a few years and some extensions later, when the project is concluded and the building built (or the medications distributed and the clinics organized), when the time has come to turn the lights off and disband the task forces, organizations choke on the mere idea of losing budgets and reducing their scale. CEOs don't take well to the idea of showing reduced operating budgets to their leadership, their trustees, or their shareholders. Now that the machine is built and it has taken on a life of its own, it cannot simply go extinct. Yet, with the conclusion of the initial project, the money has dried up. To compensate, new projects need to flow, projects that are not always necessary, that are sometimes little needed, and that are all too often irrelevant to the locals.

The locals are always sidelined, and will continue to be, unless they themselves own the development initiative. In countries where civil society is active, the locals have borne the responsibility well. They were the ones who carried the torch, from understanding the needs, conceptualizing the program solutions, and implementing them. They shopped around for expertise when they didn't have it; they sought after funding when money was needed. In

Medellin, Colombia, a unique organization known as ACTUAR was able to create jobs for hundreds of thousands of Colombians over the last 20 years by lending business support and seed capital to microentrepreneurs.¹ Expertise and some funding came from the Belgian Development Agency through the fine European organization ACTEC,² yet the leaders of the program were Colombians. The Belgians were instrumental, but the quest for betterment was masterminded through and through by the locals. On the opposite side of the spectrum, in countries where civil society is disrupted or disconnected for any number of reasons and where government structures are faltering, there is no gatekeeper. Poverty is the rule, as is dependence on foreign aid. With an open door and a state of powerlessness, many countries across Africa, Central and Southeast Asia, and the Americas are highly dependent on aid. They look at the promise that travels in the backpacks of foreign social workers and fall prey to a cycle that perpetuates itself. For rather than empowering the locals to build their own communities, countries, and futures, international aid has set in stone a state of total dependency. Despite all good intentions, international organizations have simply not listened and learned. Instead, they listen to themselves and replicate what they know. After hearing experts talk in meetings of “giving them empty shipping containers for homes” and “building them a primary school and a health center”, without considering who would manage the ensuing school and center and, more importantly, who would cover the annual cost of operations, I’ve given this a name: *Packaged Development Solutions*. Empty schools and health centers and decaying bare buildings dot the landscape today of many countries, while the people lack the education, the health services, and the homes that those solutions were intended to deliver.

Then there is the power of global media, one of the determinants of foreign aid allocations as Douglas Van Belle argues In *Media, Bureaucracies and Foreign Aid*, that relays our world events by the minute. The wrath of nature in Sri Lanka that destroys parts of the country and ends with a shocking toll of casualties commands the interests of agencies and NGOs and garners their undivided attention. I have seen funding shift from one country to the other, from one use to another, totally repurposed and funneled to echo such moments. Organizations are like people; they follow the spotlights. With spotlights come new policies, those announced by administrations. These are always translated by development agencies into budget lines, to serve this

1 Famiempresas ACTUAR, crédito para la microempresa.

2 Association for Cultural, Technical and Educational Cooperation, ACTEC, is a Belgian Development Organization.