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Revisiting community-driven reconstruction in fragile states

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**Abstract:** Community-driven reconstruction (CDR) is an approach to post-war reconstruction that gives discretion to local community councils in establishing priorities and overseeing the implementation of reconstruction and development activities. A series of methodologically exceptional studies has raised questions about whether CDR generates any meaningful impact beyond the short run, given that desired effects on social cohesion and collective action capacity have not been realized. This paper argues that such analyses either underplay or miss entirely three extraordinary successes of CDR. CDR has stood out relative to alternative strategies in terms of its efficiency and relative invulnerability to corruption. Institutions created through CDR initiatives have endured in contexts in which other governance institutions have collapsed. CDR institutions have shown themselves to be adaptable to new service delivery needs that go beyond the original purpose of infrastructure delivery. Based on this evidence, CDR is an example of institutional engineering done right, and remains a highly appealing strategy for reconstruction and longer-term development in war-affected contexts.

**Key words:** community-driven reconstruction, collective action, corruption, governance, infrastructure

**JEL classification:** H7, N4, O21
1 Introduction

This paper argues that amid debates about their institutional impact and how they relate to imperatives for localization, ‘community-driven’ reconstruction strategies stand as a highly appealing option for infrastructural reconstruction and service delivery in war-affected and fragile states. Community-driven reconstruction (CDR) is a strategy for reconstruction and institution building in civil war-affected and otherwise ‘fragile’ states (Cliffe et al. 2003; King and Samii 2014; Samii et al. 2011). CDR is an application of the more general ‘community-driven development’ (CDD) concept (Mansuri and Rao 2012; Wong and Guggenheim 2018). CDD is motivated by a logic of decentralization: local actors know best about local priorities. CDR is further motivated by the need to rehabilitate or even invent institutions for reconstruction and service delivery, given that state institutions have been weakened by civil war (De Regt et al. 2013; King and Samii 2014). CDD and CDR programmes are ‘community-driven’ in that they have village-level or neighbourhood-level councils define reconstruction priorities and co-finance reconstruction or development projects. CDD has been a widely applied development strategy in fragile- and non-fragile-state contexts alike. The current literature strikes a rather pessimistic tone regarding its institution-building effects (Casey 2018). This paper argues that such pessimism is unwarranted.

I review evidence to show that CDR interventions have demonstrated an impressive level of efficiency. CDR interventions have generated institutional networks that are durable and adaptable for achieving goals of both infrastructure reconstruction and sustainable service delivery. CDR does so in a manner that is consistent with imperatives for contributing to local institution building and handing over reconstruction programmes to locally accountable institutions. For those who have maintained interest and faith in CDR, the accomplishments will not come as a surprise. But for the many who have been drawn to scepticism about CDR by findings about the limited impact on collective action capacity, embezzlement, or winning ‘hearts and minds’, this paper will hopefully revise the prevailing wisdom that informs such scepticism. I propose a logic of ‘decentralized oversight’ to conceptualize the value of CDR strategies in fragile states as the basis of a multipurpose institutional network. When contrasted with strategies that are either more centralized or that rely on more conventional governance frameworks, CDR appears as a striking example of institutional engineering done right.

This paper draws on general arguments as well as original field research in Afghanistan (prior to the Taliban takeover in 2021). I will argue that in fragile states, which are marked by weak state institutions, CDR has been a demonstrably effective approach for both short-term infrastructure reconstruction and for building out accountable institutional networks for sustained service delivery. My emphasis on CDR is also informed by the current strategic shift in major donors’ aid policy toward localization and institution building as a goal for aid. The value of CDR, both as an emergency measure and an institution-building measure, is consistent with this localization agenda (Glennie et al. 2012). Considering CDR as part of the localization process also allows us to expand our thinking of institution building beyond the current focus on centralized state capacity and toward strategies that empower citizens at the local level.

The paper will proceed in three parts. First, I will briefly state a key problem that I see CDR as helping to address in fragile states—namely, what I call the handover imperative for post-conflict reconstruction aid. This problem statement is informed by the current localization discourse, although it also draws on general accountability ideals and domestic political realities within states recovering from conflict.

Second, I will briefly review the current wisdom about CDR’s institutional effects, which is pessimistic about its potential for institutional development or stabilization. In doing so, I will raise some ques-
tions about the appropriateness of the standards used in recent evaluations to gauge CDR’s institutional impact.

I will then turn to the logic of decentralized oversight, both for one-off infrastructure projects and, as a more novel contribution, for sustained service provision. I will explain the appeal of decentralized oversight as a reconstruction and service delivery strategy in fragile states. I will then use the logic to reinterpret the successes of CDR, focusing on three pieces of evidence: (1) efficient project delivery with little indication of local-level corruption in contexts marked by high levels of corruption in central state agencies; (2) durability of CDR institutions in contexts that have seen the collapse of other governance institutions; and (3) adaptability for overseeing ongoing administration of basic services (namely, in the case of Afghanistan, primary education).

To conclude, I will draw a connection to the localization agenda, which is the dominant theme in current foreign aid discourse. I will discuss how the localization agenda currently places too much emphasis on highly centralized state-building and overlooks the potential for decentralized strategies such as the one that was tested in Afghanistan.

2 Aid handover dilemmas and CDR

One of the problems motivating the current analysis is the dilemma in fragile states that foreign aid agencies face in working through host-country institutions. On the one hand, concern for immediate basic needs motivates supporting those who can operate expediently and can efficiently translate funds into services. By definition, ‘fragile-state’ contexts are those in which central government institutional capacities are limited in their ability to mobilize or transmit resources so as to serve basic needs throughout the territory. State capacity is simply lacking, due to physical destruction, displacement, or ongoing contestation over fundamental political questions. International non-governmental organizations (NGOs) have developed specialized capacities to operate in such difficult settings and deliver high-quality basic services. Relative to domestic state counterparts, NGOs can rely on a combination of advantages in terms of resources and mission-motivated personnel. NGO services are often high quality (for an example relevant to the discussion below, see Burde and Linden 2013), although there are of course cases of corruption and exploitative practices.

On the other hand, a number of factors motivate an imperative to hand over service provision to institutions operating under the host country’s government. A long line of social science literature has put this in terms of the ‘Samaritan’s dilemma’, whereby offers of external assistance can induce dependency in ways that leave citizens in both aid-recipient and aid-donor societies worse off (Gibson et al. 2005). The current ‘localization’ discourse that predominates among donors echoes such sentiments. In an agenda-setting piece for the aid community, Glennie et al. (2012) summarize the logic of channeling development and reconstruction support through host-country institutions to facilitate ‘learning by doing’. In the longer run, the hope is that this promotes locally governed and locally accountable institutions’ capacity to operate autonomously. One may trade off short-term efficiency in the hope of generating longer-term domestic capacity.

Such analyses still leave open the question as to why such transfer to localized institutions is desirable. Here we must appeal to norms of accountability and sovereignty. Nussbaum (2019) develops a normative framework that supports the idea of localization under the logic of accountability. Assuming a right to have basic needs provided for, one must consider those claiming those rights and those who stand to service the associated needs. Each step that obscures the ability of those claiming rights from holding the service providers accountable (through, for example, directing their replacement or changes in priorities) deviates from the ideal. These normative arguments are buttressed by empirical observations that
the accountability pressures that do operate on the international aid sector in fragile states are often misaligned with or oblivious to the interests and concerns of citizens in aid-recipient countries (Autesserre 2010; Campbell 2018).

The question remains of how to navigate the dilemma: are there ways to soften the trade-offs between efficiently servicing material needs versus contributing to accountability and local institution building? Reconstruction strategies based on CDR have been motivated by the premise that ‘local communities possess the core skills, incentives, and unity to implement a large range of projects provided they are given the resources and a management support system’ (Cliffe et al. 2003). Ostensibly, the handover and localization challenges can be overcome by recognizing and bringing in contributions that communities might offer. These contributions complement and significantly expand the capacities that central ministries offer. CDR and CDD strategies give respect to intended beneficiaries’ autonomy in establishing priorities (Tanasoca and Dryzek 2021). Decentralization and devolution to communities may help to unwind the legacies of authoritarian and exclusionary centralization that perpetuate conflict. On this basis, decentralization can lessen the risk that external donors inadvertently favour present-day political incumbents at the expense of others and at the expense of pluralism more generally (Ferguson 1994; Murtazashvili and Murtazashvili 2020).

3 Assessing current pessimism on the institutional impact of CDR in fragile states

The proposition that CDR could expediently service material needs, contribute to institution building, and operate under local accountability has been the subject of a rigorous research programme. King and Samii (2014) and Casey (2018) offer a thorough review of a set of randomized controlled trials (RCTs) that sought to test the material and institutional impacts of CDR interventions. Such RCTs have been undertaken in Liberia (Fearon et al. 2015), Sierra Leone (Casey et al. 2012), the Democratic Republic of the Congo (DRC) (Humphreys et al. 2012, 2019), Afghanistan (Beath et al. 2013), and Sudan (Avdeenko and Gilligan 2015). Across the studies, and as summarized by King and Samii (2014) and Casey (2018), CDR interventions are shown quite generally as delivering effectively on immediate material reconstruction needs. An exception is the DRC intervention (Humphreys et al. 2012), for which reasons might have to do with the relatively low levels of resources applied per community (Casey 2018). Authors tend to take these immediate material contributions to be an unremarkable, almost mechanical contribution of CDR. These material accomplishments deserve much more attention, and in Section 5.1 I explain why.

The research programme offers a more pessimistic take when it comes to institution building. The studies have emphasized two types of outcomes when studying institutional impact. The first type of outcome is bottom-up collective action capacity, which the researchers have operationalized in terms of community member contributions to collective initiatives that require individuals to look beyond their immediate private interests. The studies use measures that include economic games (Avdeenko and Gilligan 2015; Fearon et al. 2015) as well as structured community activities such as submitting applications for future rounds of social fund grants (Casey et al. 2012). The second type of outcome is social inclusiveness, and in particular inclusion of historically marginalized groups such as women or minorities in resource allocation decisions. Researchers have operationalized this outcome through specially designed programmes to distribute centrally provided material goods such as food or agricultural production inputs within communities (Beath et al. 2013; Casey et al. 2012; Humphreys et al. 2012). As detailed in King and Samii (2014) and Casey (2018), as a whole, the studies find null or weak effects on these two types of institutional outcomes. The conclusion is that CDR is not an effective strategy for post-conflict institution building.
The emphasis on these outcomes was motivated, in part, by the idea that CDR can contribute to social cohesion, perhaps reducing the potential for conflict (Cliffe et al. 2003; King and Samii 2014). Given the null effects on institutional outcomes, the studies do not suggest optimism regarding CDR’s contribution to cohesion or stability. The SIGAR (2018) review of the CDR programme in Afghanistan, the National Solidarity Program (NSP), comes to a similar conclusion: despite the effective administration of infrastructure projects, NSP was limited in its contribution to stability, defined in terms of the Afghan government’s ability to exercise authority and ward off threats from the Taliban.

I do not think these results should be taken as the final word on the institution-building impact. Preliminarly, I note that Anderson and Magruder (2022) demonstrate that Casey et al.’s conclusions regarding null institutional impact in Sierra Leone are sensitive to alternative specifications. (Specifically, they show that it is likely that null would have been rejected if the study considered a panel data specification and a split sample approach to determine whether to use it.) But my concerns are not based on questioning the methodological merits of the findings. Rather, I want to argue that on empirical and conceptual grounds, the type of institution building that these studies emphasized may have been inappropriate. Mine is a different take than, for example, King (2013) or Bennett and D’Onofrio (2015), who propose revisions to CDR programme design under the assumption of wanting to improve collective action capacity and social cohesion.

First, it is not clear that there were problems of cohesion and bottom-up collective action in these settings. As Casey (2018: 157–58) notes in her review of the RCTs listed above, levels of social capital appear to be fairly high in these communities already ... Thus, it seems plausible that there is already sufficient social capital to facilitate collective action within the community. While these studies find no evidence that CDD enhances measures of such localized social capital, like trust and social networks, this may be a moot point. An intervention can only contribute to addressing a problem when that problem is itself present. The processes and cleavages that animated the violent conflicts in the countries in question were not driven to any meaningful extent by a lack of within-community social cohesion.

The second point is that it is not clear that bottom-up collective action capacity or social inclusion are reasonable standards for judging the success of CDR. In a war-torn context, is it even a reasonable goal to try to put communities into a position to solve their own problems without facilitation that comes from the top down? Mansuri and Rao (2012), in their evaluation of more development-oriented CDD programmes in much more institutionally stable contexts, proposed a ‘sandwich model’ through which community councils could operate as partners for a central government, rather than setting things up for communities to fend for themselves. While within-community social inclusion is a worthy goal, it is a goal that runs orthogonally to issues of effective service provision or even the cleavages animating the conflicts in the respective countries. In a sense, my conclusion is similar to that of Avdeenko and Gilligan (2015): social cohesion can be a sensible goal, but in so far as it is, one might consider programmes that try to address it directly (as discussed in, for example, King et al. 2010) rather than hoping for it to emerge as a byproduct of activities that are really intended to address more immediate, material concerns.

I appreciate that each of these studies developed its analysis plans and outcome definitions as part of a deliberative process that included a variety of stakeholders. Through such deliberations, and in consulting project documentation justifying the CDR programmes themselves (King and Samii 2014), these studies decided to focus on collective action capacity and inclusiveness as the way to test institutional impact. So we cannot entirely blame the study authors for leading us to pessimistic conclusions that I am trying to argue are unwarranted. I would chalk this up to excessive ambition on the part of those drafting project justification documents for major agencies such as the World Bank and to researchers.
wanting to define outcomes in a way that spoke directly to such ambition. The unfortunate consequence is an overly pessimistic take on what CDR has, in fact, accomplished.

In light of these empirical and conceptual arguments, my goal is to restore attention to and appreciation of CDR’s accomplishments as a ‘decentralized oversight’ mechanism. In this regard, I view it as a remarkably successful example of institutional design. The following sections elaborate.

4 The logic of decentralized oversight

Decentralization is often motivated on the basis of an informational rationale. If one wants to decide how to allocate resources over a set of localities for infrastructure, it makes sense to give individuals within those localities control over the process, given that they will tend to know the needs and priorities of their respective locality. A canonical reference is Oates (1972), who argues for decentralizing to the furthest extent that still allows for effectively managing externalities or reaping economies of scale (Casey 2018).

CDR interventions also invoke another logic, what I call decentralized oversight. Yes, CDR project selection was granted to local councils, on the basis of the classical information rationale (local communities know best). However, project selection is only half of the challenge; the other half is implementation. Implementation of CDR projects themselves is often put under the oversight authority of the local councils. Local councils are answerable to their community members, creating bottom-up accountability pressures. This is distinct from traditional implementation bureaucracy, in which accountability is primarily from the top-down, starting at the ministry and then linking downward through provincial and then district agents. Such decentralized oversight helps to overcome a problem that is particular to fragile states: limited state capacity to monitor implementation over this top-down chain of command and, perhaps due to problems of transport or communication infrastructure, high costs of such monitoring.

Regardless of whether the motivation for decentralization is based on the logic of local information or oversight (or both, as seems to be the case for CDR interventions), scholars point to possible hazards of decentralization, with emphasis given to risks of elite capture or embezzlement. Particularly in situations where local elites are put in charge of using funds sent out from the centre, neither officials at the centre nor citizens within localities may be able to monitor leaders’ use of funds well. This leaves local elites with space within which to redirect funds in ways that could make local citizens worse off than if central authorities were fully in control (Bardhan and Mookherjee 2005, 2006; Gadenne and Singhal 2014).

Given such potential risks, a large recent literature has examined strategies of decentralized ‘social accountability’ to mitigate risks of elite capture and allow for decentralization processes to deliver. We can view the social accountability literature as contributing to our understanding of how decentralized oversight can be made to work. While early work on social accountability was pessimistic (e.g. Olken 2007), a wave of research in recent years has pointed to strategies that can work. Fox (2015) offers a review and synthesis, arguing that the findings point to the role of both increasing local community members’ access to performance information and, crucially, investing in community-level mobilization. The latter helps to ensure that citizens can take action to hold elites and service providers accountable.

Social accountability is not the only mechanism through which decentralized oversight can work. Indeed, decentralized control over resource allocation can be invulnerable to capture if those who are put in charge do so on the basis of their own intrinsic interest in the local public good being provided. Any redirection of funds away from community member interests by elites would be attributable to interests being misaligned (Bardhan and Mookherjee 2005). That said, such misalignment is not always a given.
Interest in basic infrastructure or services such as primary education may be widely shared by local elites and citizens alike (Galiani et al. 2008). Moreover, local deliberation can help to increase such alignment between those in positions of authority and citizens who are the ostensible beneficiaries (Barr et al. 2012).

CDD has long put these principles into practice (Mansuri and Rao 2012), and CDR, as an adaption of CDD, maintains these principles as well (Cliffe et al. 2003). A central feature of CDR is the investment in using collective processes, such as elections, to nominate local authorities to oversee projects, strengthening local-level collective oversight institutions, and giving such institutions access to information regarding project performance. This is in stark contrast to traditional, top-down state-building, in which agents are appointed from the capital and downward through the provincial and district levels. CDR projects tend to be focused on satisfying basic needs (basic infrastructure, health, education), on which leaders’ and local citizens’ preferences are mostly aligned, even if there may be some scope for disagreement over precisely how resources should be distributed. CDR programmes include deliberation processes for selecting projects, with the potential to align interests. As such, CDR would seem to abide by best practices identified from the theoretical and empirical literature to establish local oversight and bottom-up accountability for managing risks from decentralization.

5 Evidence on CDR and decentralized oversight

In this section, I review three types of evidence to support the claim that CDR is a demonstrably effective decentralized oversight mechanism that has succeeded where more traditional state-building approaches have failed. I review evidence on the efficiency of infrastructure delivery, durability of CDR institutions, and repurposing of CDR institutions from project selection and oversight for infrastructural reconstruction to basic service delivery (in this case, primary education). The analysis draws on existing reviews as well as fieldwork in Afghanistan conducted by a team led by Dana Burde, Joel Middleton, and myself.

5.1 Evidence point 1: efficient delivery

As introduced above, King and Samii (2014) and Casey (2018) offer detailed reviews of the evidence from a set of high-quality RCTs evaluating the effects of CDR interventions in fragile-state contexts—specifically, Afghanistan, DRC, Liberia, Sierra Leone, and Sudan. As reported by Casey (2018), evidence from the short-term impact evaluations in Afghanistan and Sierra Leone clearly supports the conclusion that CDR can deliver infrastructure, although the evidence from DRC and Liberia does not. Longer-term follow-up in Sierra Leone by Casey et al. (2021) found that infrastructure was better maintained in CDR communities than in places where infrastructure projects were implemented through more traditional, centralized approaches. Contrary to findings from the short-term evaluation, a longer-term follow-up by Mvukiyeye and Van der Windt (2020) found that certain measures of infrastructure (school and hospital quality), which reflected areas of investment under the CDR programme, were in better shape eight years after programme initiation. That said, the longer-term effects in DRC appear to be smaller than those found in Sierra Leone Casey et al. (2021).

The conclusion from these evaluations is that CDR can deliver infrastructure, and the Afghanistan and Sierra Leone projects appear to have done so especially well. These two programmes were distinct from the programmes in DRC and Liberia in at least two important ways King and Samii (2014: table 2). First, in Afghanistan and Sierra Leone, overall programme implementation was administered through national ministries with the assistance of NGOs for implementation, whereas in DRC and Liberia the CDR programmes were more wholly NGO-managed and implemented. This is actually good news for the idea of using CDR as part of a localized institution-building strategy. Second, the per capita
investments in Afghanistan and Sierra Leone were about double those in DRC and Liberia. Thus, from the Afghanistan and Sierra Leone studies, one finds that decentralized oversight under CDR delivered infrastructure as part of a well-financed, ministry-managed process. This, again, is good news for those advocating localization: ministry management was relatively more successful in cases where allocations were larger.

Studies reporting on the impact of CDR interventions tend not to dwell on this evidence about project delivery. Infrastructure delivery and project completion are sometimes taken to be mechanical outcomes of the programme (although the lack of indication of short-run effects in Liberia and DRC would be a puzzle). The emphasis in the evaluations of these programmes quickly turns to questions of measurable effects on welfare and the other institutional effects. I think this gives too little weight to what was accomplished, particularly in challenging post-war settings. It is not a given that the processes would result in successful project implementation and material improvement of infrastructure. The case of Kenya’s Arid Lands Resource Management Project (ALRMP), discussed by Ensminger (2017) and to which I return below, is an example of CDR failing to deliver even on these ‘mechanical’ benefits. That these programmes, in Afghanistan and Sierra Leone especially, were able to yield meaningful infrastructural improvements, despite general institutional weakness and through national institutions, is remarkable.

The findings on project delivery raise a second question about efficiency. As discussed above, decentralization, and the transfer of authority that it involves, generates opportunities for local authorities to misappropriate resources or duplication of administrative efforts. Even if this does not amount to wholesale graft and projects being delivered, such misappropriation would increase costs and undermine efficiency.

Among the studies that are the focus here, the Afghanistan NSP project offers the most complete evidence regarding the incidence of embezzlement or other misappropriation of resources. At least from this evidence, it seems that CDR provides an institutional network for the delivery of projects and services that can also operate with minimal misappropriation or redirection of funds. NSP was subject to audit reporting by the United States Special Inspector General for Afghanistan Reconstruction (SIGAR) from 2003 through 2017 (SIGAR 2018). A 2011 audit (SIGAR 2011) evaluated the application of over US$1.5 billion in donor contributions, of which 72 per cent were allocated to the block grants, 19 per cent to facilitation, and 9 per cent to administration. Costs that were identified as potentially ineligible or unsupported amount to only a tiny fraction (less than 1 per cent) of the US$1.5 billion total, and only one instance of outright fraud was identified (involving a US$2.8 million transaction that was misdirected due to a hawala dealer). The SIGAR report pointed specifically to ‘community participatory monitoring’ and ‘local ownership’ as mechanisms through which the use of funds was held in check. Complementing the SIGAR reports is Beath et al.’s (2018) study of a food aid delivery programme in which community leaders were enlisted to coordinate village-level delivery. The question that they sought to answer was whether NSP institutions helped to reduce embezzlement and improve targeting to the most vulnerable. They found that in NSP communities indicators of embezzlement were slightly lower, although these effects were not statistically significant (Beath et al. 2018: table 5). But this was off of a baseline of very little apparent embezzlement overall (less than 10 per cent of localities appeared to show any indication that leaders redirected food aid). In so far as embezzlement has been a concern during the internationally aided reconstruction process in Afghanistan, the roots appear to be more in higher levels of state authority than at the level of local communities. By empowering local communities and circumventing more centralized channels for implementing projects, NSP helped to bypass the sites in which redirection of funds was most likely.

The relatively clean implementation of NSP was certainly not a given: the context in Afghanistan was challenging, and CDR programmes had not always succeeded in the past. SIGAR (2018) notes that NSP managed to apply 72 per cent of funds to projects and 28 per cent to administrative costs, whereas
other stabilization initiatives in Afghanistan during this same period applied up to 75 per cent of funds to administration. The USAID-sponsored District Delivery Program, launched in 2010, had similar local-level reconstruction and development goals as NSP but sought to do so by increasing the capacity of district-level governments and channelling resources through them. In this way, the District Delivery Program was a more traditional top-down state-building programme. It was cancelled in 2013, with less than 6 per cent of project funds disbursed, due to concerns about corruption (although such concerns were questioned in subsequent reports) and bureaucratic inefficiency.

It is not a given that things would work out this way for a CDR programme. It is important to acknowledge progress in the design of CDR in reducing the scope for misappropriation. Ensminger (2017) contrasts the poorly performing ALRMP CDR programme in Kenya, implemented from 1996 to 2010, to Indonesia’s Kecematan Development Program (KDP), implemented from 2007 to 2015 and among the world’s largest CDR programmes. A World Bank forensic audit report found the vast majority of transactions associated with ALRMP CDR implementation to be suspicious or fraudulent, resulting in the Kenyan government having to pay back substantial sums to the World Bank. Ensminger’s own fieldwork revealed that funds were often appropriated by local elites for their private benefit rather than being applied to projects with broad benefits. By contrast, in the KDP, only a small minority of transactions or funds appear to have been subject to fraud or misappropriation. Beyond social accountability and aligned interests of local authorities, Ensminger points to other CDR design features that can help to minimize misappropriation. These include embedding the programme in a ministry or top-level agency with a culture of performance, steering clear of known ‘centres of corruption’ in government, being careful about how discretion is given in selecting projects or beneficiaries, and establishing mechanisms for transparency and monitoring.

In the design of the NSP in Afghanistan, one could see these lessons being put into effect. The World Bank has long invested in a learning network through its series of reports on CDR strategies (Mansuri and Rao 2012; Wong and Guggenheim 2018). Advisers to the Indonesian government, including Scott Guggenheim and others connected to the World Bank, assisted in the design and operation of the KDP and also contributed to the design of NSP and related programmes in Afghanistan (Banerjee 2019; Cliffe et al. 2003). And, as noted throughout this paper, CDR programmes have been subject to rigorous evaluation and testing even in the most challenging of contexts.

My sense is that the suite of available evaluations does too little to celebrate these accomplishments in efficient project delivery. The contexts in which the CDR-based reconstruction initiatives were operating represent, after all, among the very most difficult institutional environments imaginable. To have arrived at an institutional intervention to service infrastructural needs, in situations where other interventions have failed, is an important win for institutional engineering.

5.2 Evidence point 2: durability of the institutions

Interventions are of limited value when they fail to establish a beneficial legacy, and rather serve only to generate value during periods of intensive facilitation and application of resources. What can we say about the durable impact of CDR-based reconstruction? Three recent studies have looked into durable impacts of CDR, and the results suggest that CDR may do more for institution building than the first wave of RCT studies conveyed. These recent studies include long-term follow-ups by Casey et al. (2021) in Sierra Leone and Mvukiyehe and Van der Windt (2020) in the DRC, as well as a descriptive study led by Dana Burde, Joel Middleton, and myself in Afghanistan (Burde et al. 2017). The Sierra Leone and DRC studies show that certain benefits last, although they do not substantially revise the received wisdom about institutional effects. The Afghanistan study approaches the question differently, looking at whether the CDR institutions in Afghanistan exhibit a high degree of formalization after the completion of facilitated projects and whether they might be adaptable to provide oversight on new tasks, such as basic service provision.
We begin by considering the results of long-term follow-up studies in Sierra Leone and DRC, for which the Sierra Leone study showed promising results while the DRC study, in a manner that was similar to the short-term follow-up, did not. In Sierra Leone, Casey et al. (2021) evaluated long-term outcomes in 2016–18, approximately a decade after the period of facilitated CDR activities in 2005–09. Village development committees remained operational in 60 per cent of localities that participated in the treatment group that received intensive facilitation in 2005–09, as compared to 43 per cent in control areas. This is indicative of facilitation investments translating into meaningful long-term differences in institutional capacity. The study also found that the substantial gains in access to local infrastructure and other public goods persisted into the long run. When considering these persistent effects in comparative perspective, they note that the CDR-based infrastructure investments exhibited more durability than a comparable European bilateral infrastructure programme in Kenya. As Casey et al. (2021: 13) put it, such durability is ‘consistent with CDD [CDR] advocates’ claims about the value of local participation in aligning investments with demand and thereby bolstering utilization and maintenance over time’. Finally, contrary to the null effects on institutional capacity-building found in the short-term follow-up study, the long-term follow-up shows that the CDR intervention produced a small positive improvement in average long-run institutional quality at the local level. The long-term follow-up also showed a modest improvement in the local response actions to the 2014 Ebola crisis in Sierra Leone. Mvukiyehe and Van der Windt’s (2020) long-term assessment in DRC showed fewer long-term gains. They document that the infrastructure and upgrades built under the programme endured, but these did not translate into meaningful effects on the quality of services or welfare. It is worth recalling that Humphreys et al. (2019) found little in terms of short-run impact as well. One sense is that this programme was hampered by the relatively small size of its per-community allocations (as described above) or other limitations of the intervention.

Research in Afghanistan by Burde et al. (2017) looks at the sustainability question differently. Rather than looking at the long-term impacts of the CDR intervention, we focused on the descriptive questions of whether the community councils established under NSP (1) could demonstrate their formal institutionalization after ministry-facilitated NSP activities concluded in 2015, and (2) had the capacity to adapt by going beyond overseeing occasional infrastructure projects to overseeing sustained service provision. The specific goal of the analysis was to assess whether the NSP-generated CDR institutions could provide a reliable institutional network for sustaining primary schools in remote communities in Afghanistan after the international NGOs that launched the schools withdrew. To do this, we carried out capacity assessments of councils in 179 villages in late 2016. With regard to the first question (the institutional formality of CDR councils), in all communities representatives from the councils could be summoned upon request. In 80 per cent of communities, the councils were able to furnish documentation and describe activities during the two years prior to the assessment, which was the tail end of the last period of ministry-facilitated projects. Their activity was concentrated on infrastructure projects, which were the central focus of the NSP. Consistent with NSP’s goals for inclusion and accountability, 63 per cent of councils could present their procurement documents, and 85 per cent were able to display records from social audits. As noted in Burde et al. (2017: 23), the social audits were a formal requirement under NSP for administering grants, and the high rate of demonstrable compliance with such formal requirements indicated well-functioning institutions in a setting where examples to the contrary had been unfortunately common (SIGAR 2018).

In addressing the second question of adaptability to a new role in overseeing service provision, it is important to note that our assessment work was carried out in collaboration with the Afghan presidency in their 2016 launch of the Citizen’s Charter National Priority Program (CCNPP). The Citizen’s Charter was issued by Afghan President Ashraf Ghani and established that ‘access to clean drinking water, quality education in government schools, and delivery of Basic Package of Health Services’ were basic rights for all Afghan citizens (GIRoA 2016). To operationalize this commitment, the CCNPP sought explicitly to employ the institutional network created under NSP for administering basic services. Our research was designed to inform how that strategy might be carried out. While NSP operated exclusively
under the Ministry of Rural Reconstruction and Development, the CCNPP was proposed as a multi-ministry initiative for basic service provision in rural and urban areas of the country. Moreover, the NSP community councils were augmented to enhance their capacity for overseeing service provision. For primary education this included the creation of an Education Subcommittee. It also meant linking the Ministry of Education’s (MoE) existing regional School Management Shuras with the community councils.

Burde et al. (2017) employed state-of-the-art assessment methods from the literature on firm and public sector managerial capacity (Bloom and Van Reenen 2007; Bloom et al. 2016; Lemos and Scur 2016) to assess the capacities of the community councils and the supporting institutions (Educational Subcommittees and School Management Shuras) to oversee the administration of village primary schools. The assessment used a rubric to define capacity levels in various domains as ‘low’, ‘moderate’, ‘adequate’, and ‘high’. Our assessment showed that the NSP councils were positioned as decision-making and problem-solving bodies in their respective communities, with the potential to oversee the Education Shuras and School Management Shuras, which were more specifically trained to manage education and linked to the formal MoE system. On average across the 179 villages, the community councils scored lower than the Education Shuras and School Management Shuras on seven school management practices, achieving ‘adequate’ competency only on the problem-solving capacity. The Education Shuras and School Management Shuras achieved at least ‘adequate’ competency in five of seven school management practices. This reflects differences in each institution’s originally intended purpose: recall that the councils were created through NSP to oversee grants targeted primarily at infrastructure projects, rather than to serve as school management bodies. The capacity assessment suggested that CDR institutions offered a network of decision-making institutions that could oversee sustained service delivery, but that their role would have to come amid a network of more specialized bodies (the Education Shuras and School Management Shuras) with ongoing support from above by relevant ministries.

To conclude, evidence on the long-term impacts of CDR from Sierra Leone, and to some extent DRC, show that gains in institutional capacity endure, even if the gains themselves are not of tremendous magnitude. The evidence from Afghanistan shows that the CDR institutions organized through the NSP were formalized, enduring, and potentially adaptable to new tasks. To realize this promise, central governments and their partners would have to commit to continued capacity-building and facilitation, along the lines of Mansuri and Rao’s (2012) ‘sandwich’ model. But the very fact that the NSP generated a ready-to-employ institutional network should be counted as an institution-building success.

5.3 Evidence point 3: successful adaption to new oversight tasks

I now turn to the last evidence point, which concerns the performance of CDR in tackling problems beyond the oversight of infrastructure projects. The long-term evidence from Casey et al. (2021) and Mvukiyehe and Van der Windt (2020) demonstrated that infrastructure upkeep can be better in places receiving investments in CDR council oversight. This already points to the potential for CDR to service ongoing needs. In this section, I look at evidence from Afghanistan that speaks even more directly to CDR institutions’ potential as networks to oversee sustained service delivery, and in particular primary education.

I focus on research led by Burde, Middleton, and myself to study the potential for CDR institutions to serve as a network of decentralized service administration in Afghanistan from 2016 to 2019. The research sought to test whether the CDR institutional network could provide a foundation for sustainably administering basic services. This served as an empirical test of the concept informing the CCNPP, described in the previous section. The study was conducted as an RCT, with encouraging findings. The details are covered in Burde et al. (2022). Here I highlight results relevant to this paper’s broader argument—namely, that CDR represents a durable and adaptable institutional investment.
Before turning to the results of the Burde et al. (2022) study, it is worth noting that our RCT was not the first time CDR institutions in Afghanistan have been utilized for purposes other than project delivery under NSP. USAID’s Local Governance and Community Development Program and the Alternative Development Program worked with the CDR councils to target basic services, economic growth, and infrastructure development programmes in rural areas. Like NSP, these programmes successfully executed many projects, but they accomplished little in establishing a strong link to local and national levels of government (as per discussions with USAID officials, reported in Burde et al. 2017). These projects were also forced to close down due to the worsening security situation in Afghanistan.

The Burde et al. (2022) RCT built on the capacity assessment findings summarized in the previous section. Community councils were recognized in their leadership and decision-making roles, and, along with their Education Subcommittees, were given capacity refreshment training to prepare them to oversee the application of funds transmitted directly to them by the MoE to sustain the operations of a primary school in their village.

Along with the Citizens Charter, the context of the study was a recognition that the handover of international NGO programmes to the Afghan government administration had not fared well in recent years. Throughout the reconstruction period following the 2001 US-led invasion, international NGOs established and ran programmes to service basic needs in education and health. When NGO programme cycles ended, such services were handed over to Afghan ministries, in line with the localization and handover imperatives discussed in the opening section of this paper. In a survey that we undertook in 2014 (reported in Burde et al. 2017), we documented troubling problems with such handover. We studied 209 villages that hosted community-based primary schools that had been established as part of an international NGO-run programme from 2004 to 2011. A previous study by Burde and Linden (2013) used an RCT to estimate impacts from the 2007–08 programme cycle, showing that these NGO-run schools produced tremendous gains in children’s educational access and learning. But in 2014, three years after the end of the NGO programming and ostensible handover to the national ministry to sustain these children’s access to school, only 48 villages had schools that either continued to operate within their village or to operate within a reasonable daily walking distance (2 km or less, based on the results from Burde and Linden 2013). This 77 per cent ‘failure’ rate in handover prompted a need to test new strategies for sustaining service provision after NGO programme cycles ended.

Thus, in line with the Citizen’s Charter idea of utilizing the NSP-initiated councils, and motivated by the imperative to find a better approach to handing over NGO-run schools to a sustainable local administration model, Burde et al. (2022) used an RCT to study how well the NSP-created community councils would fare in overseeing primary school administration. The treatment condition in this study was a model through which community councils were put in charge of school administration in their respective villages. Using the school management capacity assessments described above as a guide, councils and their Education Subcommittees received training on primary school administration. The councils and their Education Subcommittees liaised directly with local MoE institutions (including the School Management Shuras and district offices) to request and receive materials necessary for running the school. Payments to cover teacher salaries and materials were wired directly to community council leaders, and the councils were responsible for issuing teacher salaries and procurement of materials for the school. The control condition was ongoing NGO administration of the village-level schools. The treatment–control comparison reflected the true choice at hand: given the failure of the status quo ‘handover’ policy, the real question was whether there existed an alternative handover model that could sustain a level of quality comparable to NGO administration. If not, then ethically it would seem necessary to maintain NGO administration until a workable handover model could be figured out.

Given the nature of the comparison, Burde et al. (2022) use a ‘non-inferiority equivalency design’ to evaluate whether the novel community council-based model could meet a performance benchmark established by the NGOs. Thus, rather than testing whether the community councils performed signif-
icantly better than the NGOs, the test was whether the community councils’ performance was within a range that was deemed to be roughly equivalent to NGO performance. This analysis allows for the community councils to do worse than the NGOs, but not too much worse. An explicit inferiority threshold was established based on a cost comparison between community council administration and NGO administration; what Burde et al. (2022) test is whether the community council’s performance was significantly better than what one would achieve was that performance degraded with an elasticity (in terms of dollars spent) of 1. Performance was assessed after one academic year based on children’s attendance and test scores and household assessments of the quality of the school; the study also assessed whether there were any indications of bias or misuse of funds.

The findings were highly encouraging for giving councils authority to oversee school administration. Per-village costs under the community council model were only 53 per cent of the costs under NGO administration. We used this cost ratio to establish a minimally acceptable performance benchmark, and the community model over-performed relative to the benchmark concerning student attendance (only a 2 percentage point difference), test scores (only a 0.016 standard deviation difference), and household satisfaction (only a 0.013 standard deviation difference). There was no indication of biases based on ethnicity or gender, and in terms of the use of funds, we found that teachers were actually paid more regularly, and therefore expressed even higher satisfaction under community council administration as compared to NGO administration.

The Burde et al. (2022) study offers rigorous evidence of the lasting value of NSP’s institutional network for service delivery. This approach served as the basis of the broader Citizen’s Charter initiative, including in the domains of health and water/sanitation. After the Taliban takeover in 2021, the NSP network continued to function as a service delivery and oversight mechanism through the newly registered non-profit, the Community Driven Development Organization (CDDO), which sought to institutionalize the capacities developed to support the NSP programme. This attests to the robustness of the NSP institutional network despite the political upheavals.

The findings from Afghanistan, along with the findings regarding infrastructure maintenance in Sierra Leone and DRC, are indicative of how institutional investments through CDR can produce a robust and sustainable network for longer-term oversight of service delivery. At least in the Afghanistan case, such performance in service delivery depended on working with relevant line ministries—contrary to the types of local collective action tasks that had been used previously to evaluate the institutional effects of CDR, the idea is not to transfer responsibility to CDR councils to fend for themselves in pursuing development goals. This would seem to be a realistic but meaningful way (given the failure of other decentralization initiatives, discussed in the previous section) to recognize the lasting impact of CDR.

6 Conclusion

This paper has sought to revise the current take on the institutional impacts of CDR. A rigorous research programme has tended to undersell the successes of CDR in establishing a localized network for administering reconstruction aid, and instead focused on weak effects on bottom-up collective action capacity and social inclusiveness. I argue that such conclusions are unduly pessimistic about the value of CDR as a strategy for addressing both short-term material needs and longer-term institution-building needs. It is not clear whether issues of collective action capacity were themselves problems, nor is it clear that enabling communities to ‘fend for themselves’ is a reasonable goal in post-conflict reconstruction. Social inclusiveness is a worthy goal, but it is quite distinct from the need to develop institutions for material reconstruction and service provision. Rather, I argue that CDR can be viewed as a remarkable

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1 This is based on discussions with CDDO leadership and partners working with them as of January 2023.
success, given that it served as the basis of efficient delivery of infrastructural reconstruction, the resulting institutional network has been durable, and the institutional network has been adaptable to the servicing of new needs, such as overseeing ongoing administration of basic services such as primary education. In reviewing detailed evidence from Afghanistan, these achievements stand in contrast to challenges experienced with other strategies that have tried to run through more centralized government channels.

CDR has already helped to manage several dilemmas in reconstruction assistance and in transitioning from more ‘emergency’ modes of NGO-led implementation to approaches that are more directly subject to local accountability. The successes of CDR bring to the forefront considerations of respecting the autonomy of local communities. CDR is an approach that uses local empowerment as a complement to centralized state capacity in achieving reconstruction and development goals. Further policy research could build on the lessons from the Afghanistan research described above, looking into ways of making use of the institutional networks created by CDR. The localization agenda emphasizes using aid to contribute to institution building in aid-recipient countries (Glennie et al. 2012). Those working on this agenda should take a lesson from this success, and consider how to balance between building centralized state capacities versus empowering local communities.

References


