

## **Creating a New Era of Islamic-Western Relations by Supporting Community Development**

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In December 2002, US Secretary of State Colin Powell, speaking before an audience at the Heritage Foundation, remarked on the emergence of Islamic extremist movements: “A shortage of economic opportunities is a ticket to despair. Combined with rigid political systems, it is a dangerous brew indeed.”<sup>1</sup> Given the increasingly dangerous world we find ourselves in today, few would argue with this assessment. A year later, Secretary Powell visited Morocco, and showing the US government’s willingness to back up its words with actions, announced a fourfold increase of economic aid to that country—to roughly \$170 million over three years, starting in 2005. Leaving aside the size of the aid package, to many the real question is whether the international community, led by the United States, is willing to offer real economic assistance to the poor nations of the Islamic world in the form of aid that directly reaches communities and those most vulnerable to the messages of extremists. Actually, many such development programs already exist. Because they are typically modest in scale, they tend not to receive much attention from policy makers or the public. It is now time to turn a spotlight on them. For a relatively low cost, far less than that of typical aid programs,<sup>2</sup> these off-the-radar programs may turn out to be some of the most

1. Colin Powell, speech before the Heritage Foundation, Washington, DC, 12 December 2002.

2. Because of the high success rate of community-designed and managed projects, and the shared risk involved in these endeavors, they have a greater impact in proportion to development expenditures than do conventional development approaches (that is, where communities are not in full

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effective tools we have to combat the discontent that fuels political instability and terrorism. If Western countries vigorously supported this kind of assistance to Islamic nations, an era of regional stability and international security would ensue. Morocco offers a striking example.

Throughout the winter and spring of 2003, I was part of a Moroccan-American team of facilitators that organized interactive and widely participated in community meetings in the High Atlas Mountains, south of Marrakech. The villages in this region are among Morocco's poorest, with extremely high rates of infant mortality (mostly due to unclean drinking water), illiteracy, and joblessness. The population's dependence on fuel-wood for cooking and on grazing animals as their main source of income has contributed to massive deforestation and mountain erosion. The dialogue among community members, government officials, and nongovernmental organization (NGO) representatives resulted in a \$10 million development plan for the region. If funded, the plan will significantly help secure the economic, educational, health, and environmental future of fifty thousand people by establishing projects in potable water, modern irrigation, fruit and forestry tree planting, school construction, women's cooperatives, food production, mountain terracing, water-generated electricity, and artisan crafts. It is possible to estimate that the relatively small amount of \$3 billion for similar community-designed development projects would be sufficient to bring prosperity to Morocco's rural population of 13 million people in a country of 30 million.<sup>3</sup>

What is the magic bullet, so to speak, of these projects? In general, community-wide participation in the design and management of development projects creates prosperity through a pluralist democratic process. By directly responding to its self-defined needs, the community has a strong incentive to maintain the projects its members establish. Around the globe, such projects

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control of the form of development projects and their maintenance). The following refer to this observation: National Research Council, *Toward Sustainability* (Washington, DC: National Academy, 1991), 14; N. Uphoff, "Fitting Projects to People," in *Putting People First*, ed. M. Cernea (Washington, DC: World Bank, 1991), 467.

3. During 2003, I had conversations with Moroccan government and nongovernment officials as well as American NGO personnel and all generally agreed that \$3 billion to \$4 billion is an accurate estimate of the costs of community projects that would achieve broad-based development for all of Morocco's rural population.

have diversified income, provided food and healthcare, furthered education, preserved natural resources, and forged public-private partnerships.<sup>4</sup>

In the process of communities working together to realize their development goals, they also establish local associations (civil-society institutions) to manage projects and create new ones.<sup>5</sup> New tiers of cooperation then form as neighboring communities join together in implementing projects beneficial to the entire region.<sup>6</sup> In brief, achieving local development through inclusive community dialogue has positive economic and political consequences.<sup>7</sup> The diverse benefits can be immensely valuable for Middle Eastern and Muslim nations, as they would greatly increase international security by dealing directly with economic and social despair.

In the next section of this essay I look at some of the countries in the Islamic world and how community-designed development can play an indispensable role in their economic and political transformation, and I explore the role of Western nations, especially the United States, in this process. Measures that achieve participation in local development across a country are then described.

### US and EU Free Trade with Morocco and Jordan

Community-designed development can be extremely effective in combating the harsh effects of free trade. Some of the negative effects of free trade include falling prices for farm products, lower land prices, decreased demand for agricultural laborers, and urban migration.<sup>8</sup> For instance, under the North

4. J. Lewis and V. Kallab, *Development Strategies Reconsidered* (Washington, DC: Overseas Development Council, 1986), 35–46.

5. G. Mohan and K. Stokke, "Participatory Development and Empowerment: The Dangers of Localism," *Third World Quarterly* 21, no. 2 (2000): 246–68; C. Bryant and L. White, *Managing Development in the Third World* (Boulder, Colo.: Westview, 1982), 109; and B. Stokes, *Helping Ourselves: Local Solutions to Local Problems* (New York: W. W. Norton, 1981), 132.

6. P. Wignaraja, "People's Participation: Reconciling Growth with Equity," in *Real-Life Economics: Understanding Wealth Creation*, ed. O. Ekins and M. Max-Need (London: Routledge, 1992), 392–401.

7. T. Aliband, *Catalyst of Development* (West Hartford, Conn.: Kumarian, 1983), 9; J. Knippers, *Development in Theory and Practice: Bridging the Gap* (Boulder, Colo.: Westview, 1991), 40.

8. E. Byrne, "Morocco's Wheat Farmers Face Uncertainty," *Morocco Times*, 1 October 2003, 11.

American Free Trade Agreement, Mexican farmers have experienced many of these effects. Their cereals, grown using traditional methods, cannot compete with government-subsidized Western agricultural production, and with no work, farmers have been forced to look for employment in the cities. We now understand, however, that diversification of rural income sources can prevent the displacement of farmers caused by free trade. And in communities designing and implementing their own projects, income diversification has been a result.

US and European Union free trade with Jordan and Morocco makes it critical that these moderate Islamic countries invest heavily in rural development. As one community member expressed in an open forum meeting in Morocco, "We wouldn't want to move to the cities if we had the means to achieve the goals of our village." Notwithstanding the increase in US economic aid to Morocco, a country currently negotiating with the United States an agreement that will phase in free trade over a ten-to-fifteen-year period, the international community must do more to support *local* projects. It is at the local level that discontent festers, and it is at the local level that antidotes need to be applied. Thus, it is imperative that a concerted strategy be developed for raising funds to establish local projects. Part of any effective fund-raising strategy would include organizing international donor conferences. Fund-raising events should also be organized that directly appeal to private individuals inside and outside of Jordan and Morocco, people with the resources to make significant contributions to their nations' community development. Foreign corporations operating in both countries should be encouraged to increase any developmental assistance they currently provide. A compelling case can be made to show how this aid would be in the long-term best interests of these corporations.

### **The Israeli-Palestinian Conflict**

Community-design development can also assist in a critical way in securing peace among Israelis and Palestinians, a goal paramount to achieving regional stability and for putting Western-Islamic relations on a more trustful and productive footing. The current seemingly intractable situation has led most of the Israeli public and leaders to support physical and economic

separation from the Palestinians, which construction of the West Bank fence exemplifies. Some Palestinian officials are now also suggesting that a separation would be acceptable to them, even considering the increased economic hardships that would certainly ensue, if it also included full political separation along acceptable geographic borders.<sup>9</sup>

The Palestinian economy is completely integrated with, and dependent on, Israel. The trade and labor closures imposed by Israel to enhance its security have wreaked economic havoc on the majority of Palestinians and have dramatically underscored their economic vulnerability. Perhaps more than ever before, the Palestinian people have been ravaged by poverty, declining health, and environmental devastation. Two-thirds now depend on humanitarian aid to survive. According to the World Bank, the closures could cause economic implosion. Recent studies suggest that, but for the financial support of the international community, primarily the League of Arab States, the Palestinian Authority would already have collapsed.

Approximately 75 percent of all imports to the West Bank and Gaza are from Israel and 95 percent of all exports from the territories go to Israel.<sup>10</sup> The West Bank and Gaza are highly dependent on imports, with these accounting for roughly 80 percent of their gross domestic product. Thus, a good deal of economic power is derived, not from local industry, but from the exclusive right to sell imported goods from Israel. Palestinian exports to Israel make up less than 2 percent of Israel's total imports, while roughly 8 percent of Israeli exports go to the Palestinians. Clearly, as seen in trade, a severing of relations between Israelis and Palestinians would be much more traumatic for the Palestinians.<sup>11</sup>

Before 1993, roughly 40 percent of the Palestinian labor force, or nearly 120,000 people, worked in Israel. Those numbers decreased through much of the 1990s to the point that now a little over 10 percent of Palestinian labor is employed in Israel. Israel compensated for this loss by importing foreign replacements from Romania, Thailand, and other countries, which

9. R. Reuveny, "The Political Economy of Israeli-Palestinian Interdependence," *Policy Studies Journal* 27, no. 4 (1999): 643–64.

10. A. Hanieh, "Class, Economy, and the Second Intifada," *Monthly Review* 54, no. 5 (2002): 29–41.

11. See Reuveny.

decreased the Palestinian share of Israel's labor force from 8 to 2 percent. This period saw a sharp rise in the Palestinian unemployment rate to over 30 percent and a 10-to-16 percent decline in real wages.<sup>12</sup> Thus, the economic impact of labor closures was much more hurtful to Palestinians than to Israelis. Before the current uprising, the number of Palestinians working in Israel rose to 150,000, but it fell with the closures to just a few thousand. As of February 2004, Israel intended to increase Palestinian labor within Israel to about 40,000. Palestinian labor surveys put the current unemployment rate in the West Bank at a devastating 36 percent and in the Gaza strip at 48 percent.<sup>13</sup>

Case studies from every continent (and from almost every country) show that local and national self-reliance is fostered when community members collaboratively design and implement projects to better their lives.<sup>14</sup> Self-reliance is generated because interactive dialogue among community members draws forth information from a variety of perspectives, thus increasing the ability of participants to make informed decisions.<sup>15</sup> Studies also show that self-reliance is encouraged when projects are developed based on local capacities and know-how. What if the community development approach were widely applied in the West Bank and Gaza? Economic self-reliance would restructure the Palestinian economy. In time, this would encourage economic and political equality with Israel and set the stage for greater integration of the two societies that in itself would stabilize Israeli-Palestinian political relations and increase the prospects for peace.

Israel and the international community can generate tremendous good will, and noticeably lessen the short-term Palestinian costs of self-reliance, by directly funding community projects in the West Bank and Gaza designed and managed by local Palestinians. The international community (including the World Bank) should strongly encourage the Palestinian Authority to more actively support local development initiatives. The international com-

12. Ibid.

13. J. Greenberg, "Desperate Palestinians Sneak into Israel to Work," *New York Times*, 21 July 2002.

14. D. Korten and R. Klaus, eds., *People Centered Development: Contributions toward Theory and Planning Frameworks* (West Hartford, Conn.: Kumarian, 1984): 302-8.

15. D. Rondinelli, ed., *Development Projects as Policy Experiments* (New York: Routledge, 1993), 27.

munity should also support economic de-linking so that the Palestinians can construct a self-reliant economy, based on community empowerment, that will encourage a future, more equitable integration with Israel.

### Reconstruction of Iraq and Afghanistan

The billions spent in reconstruction contracts with foreign companies disempowers local communities and fosters resentment toward the international coalition, particularly the United States. Rarely do projects requested by local leaders accurately reflect the real priorities of local communities. Lessons from development interventions around the world over decades indicate that long-term sustainability of projects is undermined by this sort of development.<sup>16</sup> Indigenous capacities to manage development cannot reach their potential when local people are not in full control of rebuilding major sectors of their own economic life.

Sustained development and genuine reconstruction require establishing projects designed by *entire* local communities. The very nature of these projects ensures that the needs of local people are being met. And, in turn, local communities maintain these projects because they feel it is in their interest. Funding projects developed by local communities through facilitated interactive dialogue across Iraq and Afghanistan will significantly facilitate economic and political transformation in only a few years.<sup>17</sup> The process will also marginalize secular and religious extremists in both countries.<sup>18</sup>

16. R. Chambers, "Shortcut and Participatory Methods for Gaining Social Information for Projects," in *Putting People First*, 515–34; David Lea and D. P. Chaudrhi, eds., *Rural Development and the State: Contradictions and Dilemmas in Developing Countries* (London: Methuen, 1983), 17.

17. When funding is available and genuine participation in development has been applied, mobilization by communities to establish projects that meet their needs creates very positive results in a relatively short time. M. Edwards and D. Hulme, *Making a Difference* (London: Earthscan, 1992), 19.

18. This projection is based on observations of what takes place *within* communities that experience broad participation. There often exists some opposition (usually emanating from entrenched local elites) to development processes that benefit entire communities. When this occurs, communities resolve these sorts of conflicts internally, sometimes with the help of outside facilitation. What is important to note is that when entire communities benefit from development projects, they are strengthened and given a real incentive to confront opposition that seeks to undermine the entire process. Thus, it is a reasonable projection that Islamic nations and their peoples will more boldly work against extremism in the wake of projects local communities design and manage.

Specifically, how can community-designed development be applied to improve the situations in Iraq and Afghanistan? Because large-scale reconstruction is essential, meetings characterized by broad public participation should be organized in every community. In these meetings, which require facilitation, local people should first prioritize their development goals and next design projects to reach those goals. The hundreds of town hall meetings currently being organized at the provincial and neighborhood levels to discuss the transition to self-rule are indeed a positive step. Occupation authorities are organizing such meetings in each of Iraq's eighteen provincial capitals.<sup>19</sup> The process of communities designing their own development, however, requires regular meetings and ongoing relationships as projects are implemented.

Members of the community, local teachers, government extensionists,<sup>20</sup> and NGO personnel, among others, can all be effective facilitators of meetings once they receive training in techniques to build consensus and to organize interactive dialogue. Facilitation techniques must always be adapted to the specific social context and culture.<sup>21</sup> They require the testing and revising of techniques with local communities and the use of experts from various professions that apply facilitation methods. Local development facilitators should be trained by other nationals in methods designed for the communities they serve. Led by the United States, the coalition partners then need to fund the projects that communities will design, implement, and manage by themselves. This type of funding will strongly encourage the local populations in both countries to assume ownership of the reconstruction of their respective nations—a necessity for overall sustainable economic and political development.

19. N. Banerjee, "Iraqis Get a Taste of Democracy at a Lively Town Hall Meeting," *New York Times*, 13 January 2004.

20. The term *government extensionists* refers to those individuals who interface with communities from government agencies, whether these are the ministries of health, education, agriculture, tourism, or others.

21. C. Kottak, "When People Don't Come First: Some Sociological Lessons from Completed Projects," in *Putting People First*, 431–64.



### Islamic Extremism

Broad participation in community development marginalizes extremists by strengthening indigenous democratic processes (which are themselves more likely to succeed) that generate economic prosperity.<sup>22</sup> As many experienced observers have noted, inclusive direct dialogue among community members—including women—in planning local development is an inherently political and democratic process.<sup>23</sup> Community empowerment occurs through a gradual, nonviolent, and generally accepted process because of the collective and individual benefits the community experiences. As people achieve their own interests, they feel less alienation; their zone of tolerance also expands, because the underlying conditions that fuel extremism are being directly addressed. Those affected are then less likely to channel hatred toward outside actors or allow themselves to be used as tools of destruction. Additionally, in the Muslim world, as the majority of people in communities, regions, and nations come to enjoy the benefits of the local development approach, the more they will be emboldened to fight extremism within their own countries.

### Public Diplomacy

With the Muslim world's public perception of America at an all-time low, secretary of state for public diplomacy and public affairs, Margaret Tutwiler, was given the enormous task of building favorable impressions of the United States. The September 2003 report on public diplomacy by the US General Accounting Office stated that in Egypt, for example, the second largest recipient of US assistance, "only a small percentage of the population was aware of the magnitude of the aid."<sup>24</sup> In October 2003, a State Department-sponsored study of American public diplomacy in the Muslim world stated that Egyptians are thankful to the Japanese for funding their opera house but were "unaware that the United States funded the Cairo sewer, drinking

22. Jennifer Windsor, "Promoting Democratization Can Combat Terrorism," *Washington Quarterly* 26, no. 3 (2003): 43–58.

23. See Aliband; Knippers.

24. US General Accounting Office, "US Public Diplomacy," GAO-03-951, September 2003, 17.

water, and electrical system and played a key role in reducing infant mortality.”<sup>25</sup> The study notes, too, that in recent years the United States raised its assistance to Jordan, but this increase was accompanied by a dramatic worsening of public attitudes toward the United States, with just 1 percent of Jordanians holding a favorable view. Of course, US policies in the Middle East, especially in regard to Iraq and the Israeli-Palestinian conflict, will greatly determine the success of public diplomacy measures, including educational, media outreach, and interactive programs.

If communities are not fully engaged in the design, implementation, and management of projects that influence their daily lives, as evidence suggests is too often the case in the state-to-state aid the United States provides Egypt and Jordan, then foreign aid as a tool of public diplomacy will be ineffectual. American support of locally designed projects, in contrast, generates enormous public good will and as such is an excellent form of public diplomacy. By engaging whole communities, these projects make people feel they are involved in a development process that is for once responsive to their needs. This perception engenders in the beneficiaries feelings of trust and acknowledgement toward those organizations and agencies that have made such an experience possible, including the providers of financial assistance.<sup>26</sup> Further, the trust that is built offers the opportunity for the United States to explain its intentions in the Middle East to a more receptive audience.

Films and/or videos of community meetings that take place across Egypt, Jordan, Morocco, Iraq, Afghanistan, and a future Palestine showing local peoples working together to improve their lives by creating projects funded by the United States can be powerful tools of public diplomacy. Additionally, these films and videos can be used in training people, such as English teachers, in community development facilitation. During her February 2003 testimony before the Senate Foreign Relations Committee, Under Secretary of State for Public Affairs Charlotte Beers called English teachers a “secret

25. Edward Djerejian, “Changing Minds, Winning Peace: A New Strategic Direction for US Public Diplomacy in the Arab and Muslim World—Report of the Advisory Group on Public Diplomacy for the Arab and Muslim World,” submitted to the Committee on Appropriations, US House of Representatives, October 2003, 20.

26. G. Honadle and J. Van Sant, *Implementation for Sustainability* (West Hartford, Conn.: Kumarian, 1985).

weapon,” because they are needed everywhere in the world.<sup>27</sup> Training foreign teachers who work in Muslim nations in consensus-building skills will allow them to achieve the potential of their service by helping them use these skills to assist communities in accomplishing their goals and in the process build more productive international partnerships. The US Peace Corps could set an example by giving training in consensus building and facilitation to the roughly thirty-five-hundred English teachers who volunteer to serve around the world.

In brief, if the international community significantly increased its financial support for community-based economic development managed by local communities, millions of people will be able to realize opportunities that seemed impossible, international relations and security will be significantly strengthened, extremism marginalized, and a horrific clash between the Muslim world and the West averted.

### **Initiatives to Achieve Community Development across a Country**

The following five initiatives would achieve community development across a country.

#### **Establish Agencies of Coordination**

One of the major challenges to achieving inclusive participation in development is bringing all interested parties into a dialogue process. An *agency of coordination* is an administrative framework that organizes and facilitates meetings among communities, government agencies, and NGOs for planning and implementing development. It has the flexibility to operate at local, provincial, national, and international levels in order to negotiate partnerships to promote community objectives. Whether such an agency is governmental, an NGO, a consortium of NGOs, or takes some other form is determined by the host country.

27. Charlotte Beers, “American Public Diplomacy and Islam,” testimony before the Senate Foreign Relations Committee, Washington, DC, 27 February 2003.

An agency of coordination could also have a vital role in facilitating Arab-Israeli development cooperation. For example, several years ago when there was less tension in the Middle East, Moroccan-Israeli collaboration was actually possible. Procedurally, however, initiating it was not easy, as this required interested Moroccans to contact directly the Israeli liaison office in Rabat. Many Moroccans, though interested in working with Israel on development projects, feel more comfortable working through a trusted intermediary to establish initial direct contact.<sup>28</sup> MASHAV (the aid wing of Israel's Foreign Ministry) itself cannot initiate contact, for to do so would constitute interference in Moroccan internal affairs. This situation, which makes direct dialogue difficult to attain, explains in part why in over twenty years of Israeli-Egyptian peace there has been little development cooperation. Indeed, mid-level discussions among Israeli and Arab government officials are difficult to achieve even when the opportunity exists. An agency of coordination (perhaps in this case an international NGO that could contact both Arab and Israeli officials) would be able to catalyze and then help to maintain dialogue until trust is built.

#### Establish Community Development Planning and Training Centers

Such centers, situated in communities and locally managed, facilitate an interactive process that enables communities to determine their priority goals and then to design and implement projects to achieve them. Centers also provide training in facilitation, modern agriculture, health, fundraising, and other skills desired by the local population. In addition, centers can assist in reconciling conflicts among diverse groups. In sum, they provide one-stop shopping for community-development needs and do so in ways that transfer needed skills to the local population. Clearly, training centers could perform a key role in the reconstruction of Iraq and Afghanistan. In Morocco, there is interest among some national and provincial government officials to establish one in addition to that in Marrakech, the first such center in that country.

28. In 1996 and 1997 I served as a liaison between Morocco and Israel. This statement is based on my observations while I facilitated dialogue between members of Israel's Foreign Ministry and academic institutions and Moroccan government, press, and academic organizations.

### Create Democratization

Two fundamental elements of pluralist democracy are the dispersion of power toward the interior (localities) and the inclusion of all social groups in decision making. Agencies of coordination and community planning and training centers are pluralist democratic institutions because they strengthen the capacities of communities to manage their own development. They are also powerful vehicles for promoting democracy through development assistance.

Community members and leaders who have acquired the skills to achieve collaborative development and have experienced its benefits make excellent candidates for local and national elected office. Their experience has been shown to supply them with the confidence and strategies to run for public office.<sup>29</sup> They have understood that an effective political campaign begins with a series of town hall meetings at which local people are given the opportunity to express their concerns and interests. They have also understood that political parties pursuing the development goals of communities have a good chance of gaining and keeping power because their platform reflects the priorities of local people. They realize, too, that inclusive collaboration in the design and management of local development opens the door for their nation to achieve its development potential.

Developing this kind of leadership sets the stage for political transformation from within to occur. Delaying too long in building democracy through development assistance in postconflict areas, such as Iraq and Afghanistan, only allows government officials to become more entrenched and unwilling to give up any of their political power.<sup>30</sup> In the long term, Western nations, especially the United States as their leader, must understand that the most genuine and effective way of encouraging pluralist democracy in the Muslim world is by example.

29. This has been a personal observation derived from my community-development experiences in Morocco and New Mexico and the observations of colleagues who have facilitated local development around the world.

30. Johanna Mendelson Forman, "Achieving Socioeconomic Well-Being in Postconflict Settings," *Washington Quarterly* 24, no. 4 (2002): 125–38.

### Implement Fruit and Forestry Tree Planting and Irrigation Improvements

Around the world, tree planting is regularly identified by both rural and urban communities as a top priority. Trees provide income, jobs, and enhance food production and the environment. Modern irrigation maximizes the utility of water supplies, increases yield, lays a foundation for potable water, and, by bringing water to land once barren, creates the opportunity for schools, clinics, and other service centers to be built. The international community should fund tree-planting and irrigation improvements in viable areas and communities across the Muslim world. An additional reason is that planting a tree is considered an “act of faith” in Islam and as such can instill genuine trust between local people and funders.

In the weeks before the war with Iraq, Tutwiler, then the US ambassador to Morocco, took some bold steps and acquired immediate funding from the US Agency for International Development (USAID) to plant fruit trees in communities in southern Morocco. Creating goodwill with Arab communities, helping to diversify the incomes of rural farmers in preparation for free trade, and serving the needs of local populations (all of which tree planting does) is an example of public diplomacy at its best.

### Fund Community Development

Funding is needed for agencies of coordination, for planning and training centers, and, to the greatest degree, for implementing projects that local communities design. American ambassadors could appoint special envoys for community development. Their appointment would show that the full weight of the ambassador’s office is behind raising funds. These envoys would assist in establishing local projects, such as tree planting, beyond the geographically limited USAID project sites. A wide pool of prospective donors exists that can be mobilized because multiple sectors (economic, social, health, education, environment, and so forth) are advanced in this development approach. As community resources improve, outside funding will become less necessary.

In March 2002, at the United Nations development summit in Mexico, President Bush announced his intention to establish a \$5 billion annual fund (added to the \$12.5 billion the United States now gives in foreign assistance)

to promote growth through the creation of the Millennium Challenge Account (MCA). MCA supports investments that the beneficiaries themselves formulate in a transparent process, one consistent with the development approach described here. For MCA to be successful, however, its administrators need to make certain that not just host government agencies but community representatives are part of the formulation process. Not only will their participation make for more sound development, it also will serve American public diplomacy objectives. MCA can be a positive example for USAID, which often formulates its own proposals for developing countries. Unfortunately, MCA is not accessible to all developing nations due to its targeting potential investments in “high-end” countries, none of which are presently feeding grounds for terrorism.

A second new foreign aid initiative, the Middle East Partnership Initiative (MEPI), announced by Secretary Powell in December 2002, is designed to address underdevelopment in the Middle East. Its promotion of civil society, education, private-sector development, and equal status for women makes it a viable funding vehicle for the development strategy outlined in this article. But MEPI’s fiscal year 2004 budget request of \$145 million is inadequate for it to achieve its development objectives.

Even with MCA and MEPI, the amount of funding to foreign aid is depressingly small and in no way adequate for achieving US foreign policy goals. Though MCA represents the largest US foreign aid increase in decades and solidifies the US position as the largest donor in the world, foreign aid amounts to only about 4.5 percent of the annual Defense Department budget. The United States still ranks among the very bottom of the list of twenty-four nations that contribute to overseas aid (contributing about 0.15 percent of gross national product, or GNP), well short of the goal of 0.7 percent of a nation’s GNP set by the UN in 1970. Part of the reason there has not been more foreign aid for decades is because only a few studies show a clear correlation between aid flow and economic growth in the countries where it has been distributed. But, as some observers explain, foreign aid has been used to support vain projects, military buildups, corrupt officials, or strictly geopolitical outcomes.<sup>31</sup>

31. L. Brainard, “Compassionate Conservatism Confronts Global Poverty,” *Washington Quarterly* 26, no. 2 (2003): 149–69.

Republican representative Jim Kolbe from Arizona, chair of the House Appropriations Foreign Operations subcommittee, described foreign assistance as one leg of a three-legged national security stool.<sup>32</sup> (The diplomatic corps and intelligence services make up the second, and national defense the third.) Foreign assistance in the form of funding community-designed projects across the Muslim world is hardly a vain enterprise; the extremely high success rate of these projects can make them the sturdy leg of our foreign operations, allowing the United States and its partners to help achieve long-term peace and prosperity. For it to work will require at the least doubling the overseas aid contributed by the twenty-four nations that now together fund roughly \$60 billion a year. Shortly after 11 September, Britain officially suggested each country double its contribution. If the United States took the lead and allocated this amount, other nations might be encouraged to follow, and a multinational initiative could be created. There is evidence to suggest that there is public support within the nations that give aid for increasing their contributions.<sup>33</sup>

We must also revise funding criteria of donors to make supporting locally defined initiatives their priority. For example, USAID's Middle East Regional Cooperation program (MERC), created as a result of the Camp David peace accords, funds projects that involve primarily Arab-Israeli joint technological development. To advance regional collaboration during this critical time, MERC should decide to fund projects using as its main criteria the quality of Arab-Israeli partnership, regardless of whether a technological development component exists. The transfer of technology is currently a major prerequisite for receiving Israeli MASHAV's assistance. This requirement often seems to Israel's Arab neighbors to serve Israeli interests rather than those people MASHAV is apparently trying to help. In contrast, projects that communities design to meet their own needs typically do not require the import of technology.<sup>34</sup> When new technology is needed, for example, pressure/drip

32. Jim Kolbe, "Lessons and New Directions for Foreign Assistance," *Washington Quarterly* 26, no. 2 (2003): 189–98.

33. M. Otter, "Domestic Public Support for Foreign Aid: Does It Matter?" *Third World Quarterly* 24, no. 1 (2003): 115–25.

34. K. Griffin and T. McKinley, *Implementing a Human Development Strategy* (London: Macmillan, 1994), 24.



irrigation systems for agricultural communities, it usually involves diffusion of a technology already existing within the country.

### Conclusion

The United States should assume the lead and mobilize the financial resources of the international community (of course, first its own). This new and radical approach—a shift from large-scale aid to the countries themselves or in the form of massive state-controlled projects, both managed by central governments, to smaller, community-directed initiatives *across* countries will reap dramatic benefits. Supporting communities in achieving their self-described goals will marginalize secular and religious extremists, reconstruct Iraq and Afghanistan economically and politically, assist in resolving the seemingly intractable Israeli-Palestinian conflict by instilling self-reliance and the possibility of reintegration on more equitable terms, and secure the economic future of developing nations engaged in free trade with the West. Our international security will be strengthened and our image worldwide, particularly in Islamic countries, will improve. In providing a vehicle for successful public diplomacy, we will foster an environment in which mutual understanding on broader geopolitical issues is attainable. These profound benefits are achievable by communities creating prosperity through a pluralist democratic process. By transforming the economic and political landscape, this process can bring peace and prosperity to millions of people. The United States must make funding of community-initiated development its highest priority. In this way, the United States can open the door to a new era of Western-Islamic relations.