Nobody likes to admit failure - least of all government-funded development organizations in hard economic times. Yet in the last few years we have seen a number of prominent development agencies confess to failure. The International Monetary Fund admitted its failure to recognize the damage that its overzealous approach to austerity would cause in Greece. The World Bank President, Jim Yong Kim, in his turn, has adopted the idea of Fail Faires from the info tech industry, where policymakers share their biggest failures with one another. USAID’s Chief Innovation Officer also expressed some interest in organizing a Fail Faire, and the agency eventually did hold an “Experience Summit” in 2012.

This interest in failure is central to a broader shift in how development organizations - and other national and international agencies - have begun to work. I argue in my recent book, Governing Failure, that we are witnessing the move to a more provisional style of governance - an approach to governing that is far more aware of the possibility of failure and seeks pre-emptively to manage that risk in new ways.

Labelling something a failure is a political act: it involves not just identifying something as a problem, but also suggesting that someone in particular has failed. Debates about policy failures are crucial ways that we assess responsibility for the things that go wrong in political and economic policy.
The most interesting debates about policy failure, however, occur when what’s at stake is what counts as failure itself.

When we say that something, or someone, has failed, we are using a particular metric of success and failure. Formal exams provide the clearest example of assessment according to a scale of passing and failing grades. In most cases, such metrics are taken for granted. (Even if some students might not agree that my grading scale is fair, I am generally very confident when I fail a student.) But sometimes, if a failure is serious enough, or if failures are repeated over and over, those metrics themselves come into question. (I did once bump all the exam grades up by five percent in a course because they were so out of line with the students’ overall performance).

Contested failures surprise us enough to make us re-examine our basic metrics. When this happens, people start asking themselves what really counts as a failure – and a success.

In politics, these contested failures force both policymakers and the wider community to re-examine not just the policy problems themselves but also the measures that they use to evaluate and interpret them. These moments of debate are very important. They are very technical - focusing on the nuts and bolts of evaluation and assessment. Yet they are also fundamental - since they force us to ask both what we want success to look like and to what extent we can really know when we’ve found it.

In Governing Failure, I trace the central role of this kind of contested failure in one particular issue area: the governance of international development policy. The growing preoccupation with failure that we are now witnessing in this field is relatively new. In the 1980s and early 1990s there was a very different approach to development governance. The era of “structural adjustment” lending and the “Washington Consensus” was a time of confidence and certainty. Policymakers believed that they had found the universal economic recipe for development success. When they encountered difficulties and delays, they assumed that various external factors were to blame. This is in spite of the fact that, in the case of the IMF, the success rate in the 1980s was somewhere between one quarter and one half of the programs initiated.

The 1990s were a turning point. Success rates at the World Bank began to decline dramatically, critics labeled the 1980s a “decade of despair” for Sub-Saharan Africa, and both the AIDS pandemic and the Asian financial crisis reversed many of the gains made in poverty-reduction. These events made policymakers more aware of the uncertainty of the global environment and of the very real possibility of failure—lessons only reinforced by the recent global financial crisis.

What happens to policymakers when they are more aware of the possibility of failure? They can accept the fact of uncertainty and the limits of their control and become creative, even experimental in their approach to solving problems. Or they can become hyper-cautious and risk-averse, doing what they can to avoid failure at all costs. We can see evidence of both in the case of international development finance.

One of the major shifts in development practice over the past two decades has been the recognition that political buy-in matters if a policy is to succeed. As development organizations tried to foster more ownership by countries over their programs, they became quite creative. By reducing conditionality and delivering more aid without earmarking to countries’ general budgets, they shifted more decision-making responsibility to borrowing governments. By introducing “Poverty Reduction Strategies,” they asked those governments to engage civil society groups in identifying development priorities. In short, they let go of some of their control and attempted to create a more open-ended and participatory process in the hopes that a “partnership” based approach would lead to greater success.
But development organizations also took a more cautious turn in their response to the problem of failure. The social theorist, Niklas Luhmann, first introduced the idea of “provisional expertise” to describe this second more cautious trend in modern society. He pointed to the increase in a kind of risk-based knowledge that could always be revised in the face of changing conditions.

Risk-management, of course, has become omnipresent in development circles, as it has elsewhere. No shovel hits the dirt to build a school without a multitude of assessments of the various possible risks to the project’s success, allowing the various organizations involved to hedge against the possibility of failure.

An even more prominent trend in development policy is the focus on results. There are very few organizations these days that do not seek to justify their actions in terms of the results that they deliver: roads built, immunizations given, rates of infant mortality reduced. At a first glance, this focus appears anything but cautious. What greater risk than publishing the true results of your actions?

But is it possible to know the “true” results of a given policy? The problem of causal attribution is a thorny one in development practice, when any number of different variables could have led to the results that a given organization is claiming as their own.

If donors can only count as successes those results that can be counted, then they may end up redefining their priorities to suit their evaluation methods and their political needs. In most cases, results are donor-driven: not calculated and published for the benefit of the recipient country, but for the donor’s citizens back home – the taxpayers who want to know that their dollars are being spent wisely. So providing bed-nets and immunizations suddenly becomes more attractive than undertaking the long, slow and complex work of transforming legal and political institutions. Caution wins out in the end.

Which kind of approach to failure is winning out today - experimentalist or cautious? Sadly, it seems as though the earlier experiment with country ownership and participation has lost momentum - in part because the forms of participation involved were so much less meaningful than had been hoped. At the same time, the results agenda has only grown more numbers-driven in the last few years. As agencies have become more risk-averse after the global financial crisis, they have sought to make results-evaluation more quantitative, more standardized, and less responsive to the particular needs of local communities.

There is still hope - as these recent admissions of failure by major development organizations suggest. Yet the very fact that that USAID event was ultimately named an “Experience Summit,” rather than a “Fail Faire” is telling. Even when we admit to failure, it appears that can’t resist hedging our bets.