— the

Humanitarian Leader

Colonial Financial Power: The hidden architecture of a failed promise

LAURENCE OLANREWAJU SHOLOLA POLO





THE HUMANITARIAN LEADER:

Colonial Financial Power: The hidden architecture of a failed promise

WORKING PAPER 055

JULY 2025

Author Details

Laurence Olanrewaju Sholola Polo

Laurence Olanrewaju Sholola Polo is a humanitarian analyst with M&E experience. His work bridges decolonial theory and practice.

Acknowledgements

I thank the faculty and colleagues of the NOHA Network for their insightful feedback during my thesis research, which formed the basis of this paper. Any errors are my own.

Editorial Office

The Centre For Humanitarian Leadership Deakin University 221 Burwood Highway Burwood 3125 VIC Australia

Editor-in-Chief (English edition): Dr Phoebe Downing

Production Editor: Cara Schultz

Layout: Diana De Leon **ISSN:** 2653-1011 (Online)

The Centre for Humanitarian Leadership acknowledges the Australian Aboriginal and Torres Strait Islander peoples of this nation. We acknowledge the traditional custodians of the lands on which we work. We pay our respects to ancestors and Elders, past and present

Copyright

This paper was prepared for the Centre for Humanitarian Leadership. The views expressed herein are those of the author and do not necessarily reflect the views of the Centre for Humanitarian Leadership. These papers are circulated for discussion and comment purposes. They have not been peer-reviewed.

© 2025 by Laurence Olanrewaju Sholola Polo. All rights reserved

Cover image: Famine in Russia, 1921 - 1923. Refugee children were helped by Save the Children. © Save the Childrer

Abstract

The transfer of financial power to the Global South has stalled. Despite years of consensus on 'localisation', conventional excuses—risk aversion, capacity gaps—no longer suffice. They are not operational hurdles; they are the symptoms of a deeper, structural disease. This paper unmasks that disease by introducing Colonial Financial Power (CFP), a new analytical framework. Drawing on decolonial theory (Quijano, 2000) and critical power analysis (Barnett & Duvall, 2005), CFP reveals how colonial legacies are actively perpetuated in humanitarian finance. The framework is built on four interconnected mechanisms: (1) direct coercive control; (2) bureaucratic exclusion; (3) an architecture of inequality; and (4) the production of narratives that legitimise domination. By reinterpreting financial barriers through this lens, this paper offers leaders a new language to diagnose the problem, challenge the status quo, and forge a path toward a genuinely decolonial humanitarian system.

Relevance to humanitarian leadership practice or systems transformation

This paper challenges leaders to stop fixing the symptoms of a broken localisation agenda and start diagnosing the disease: Colonial Financial Power. It provides a new analytical framework to understand financial barriers not as isolated technical problems, but as deliberate features of a system designed to maintain control. This demands moving beyond procedural tinkering to confronting the ideological roots of financial inequality, enabling leaders to shift the conversation from "capacity" to "control" and begin the necessary work of redesigning humanitarian finance based on trust and sovereignty, not suspicion.

Introduction

The international humanitarian system is at a critical juncture, defined by a single, glaring contradiction. For nearly a decade, the sector has formally committed to a paradigm of 'localisation', a principle crystallised during the 2016 World Humanitarian Summit and its resulting Grand Bargain agreement. This landmark pact, signed by the world's largest donors and aid agencies, enshrined the normative goal of action that is "as local as possible, as international as necessary" (UN Secretary General, 2016). It was a promise of profound transformation, backed by a concrete target: to channel 25% of global humanitarian funding directly to Local and National Actors (LNAs) by 2020. Yet, years past that deadline, the promise remains spectacularly unfulfilled.

Today, the flow of quality funding to the Global South remains a trickle. Direct funding from Grand Bargain signatory donors to LNAs in 2023 was a mere 0.6%, with the total verifiable funding (including indirect channels) reaching only 4.4% of the total—a fraction of the 25% target (DI, 2024). This chasm between ambition and reality is not a policy failure; it is a policy success. It is the intended outcome of a system whose fundamental structures of financial control remain untouched, even as the sector faces a systemic crisis of legitimacy amplified by soaring global needs and unprecedented funding shortfalls (IRC, 2025; OCHA, 2024).

So why does this gap persist? The conventional discourse offers a familiar litany of excuses: LNAs lack 'absorptive capacity'; donors face unacceptable 'fiduciary risks'. While presented as pragmatic, these arguments are a smokescreen. They obscure the deeper power dynamics at play and, more troublingly, place the burden of proof on the historically marginalised to demonstrate their worthiness (Barbelet et al., 2021). The persistence of this blockage, in the face of overwhelming evidence of local effectiveness, proves that these barriers are not operational hurdles, but active mechanisms of a more entrenched, structural order.

The financial architecture of aid is not a neutral pipeline; it is the primary arena where historical power hierarchies are reproduced.

This paper argues that to understand this stagnation, we must move beyond technical fixes and confront the system's colonial foundations (Mihlar, 2024). The financial architecture of aid is not a neutral pipeline; it is the primary arena where historical power hierarchies are reproduced. As critical scholars note, the aid system is built upon a "coloniality of power" that survived formal decolonisation, continuing to organise the world along

hierarchical lines that privilege the North (Quijano, 2000). Analysing this dynamic requires a dedicated conceptual tool. This paper develops that tool by introducing Colonial Financial Power (CFP): a persistent pattern of power, intrinsically linked to the logics of coloniality, that is articulated through the structures, norms, and practices of humanitarian finance.

Through a systematic synthesis of decolonial theory and critical power analysis (Barnett & Duvall, 2005), this paper derives four interconnected dimensions of CFP: direct control, bureaucratic exclusion, structural inequality, and the production of legitimising narratives. This framework provides a new lens to reinterpret financial barriers, exposing them not as discrete technical issues, but as observable manifestations of colonial power. In doing so, we offer leaders an incisive diagnostic tool to understand why the system resists change and to forge a pathway toward a genuinely equitable, just, and decolonised humanitarian future.

Beyond technical fixes: Unmasking the logic of power

For years, the humanitarian sector has diagnosed its localisation failures as a series of technical, operational, and administrative challenges. The discourse is dominated by a pragmatic vocabulary of risk, capacity, and compliance. Donors, it is argued, have a fiduciary duty that compels them to manage risk through stringent due diligence. International intermediaries are positioned as essential gatekeepers, possessing the scale to handle complex grants, while many LNAs are framed as lacking the 'absorptive capacity' for direct funding (Barbelet et al., 2021). The resulting architecture—a labyrinth of subcontracting and short-term, earmarked projects—is thus presented not as a choice, but as the unavoidable outcome of a system prioritising accountability.

This technical-administrative narrative, however, is fundamentally flawed. Its first flaw is its historical amnesia. The current power imbalance is not a recent phenomenon but the latest stage in a long evolution. From the classical Dunantist paradigm, which established a top-down, international-centric model of intervention, to the 'new humanitarianism' of the 1990s and the recent turn towards 'resilience,' the core architecture of power has remained remarkably intact. Despite discursive shifts from charity to rights to empowerment, the system has consistently preserved a North-centric model of values, norms, and, most critically, financial control (Hilhorst, 2018). The resistance to localisation is not a new challenge; it is the contemporary expression of a deep-seated structural pattern that has defined humanitarianism since its inception.

The narrative's second flaw is its unexamined, biased assumptions. The very concept of 'risk', for instance, is defined almost exclusively from a Global North perspective, fixated on financial threats to the donor while ignoring the existential risks transferred to local

actors who are left to manage crises without adequate resources (Baguios et al., 2021). Similarly, the LNA 'capacity gap' is a manufactured concept, measured against a Northern-centric template that devalues local knowledge and alternative models of accountability (Mihlar, 2024; Peace Direct, 2021). It is a self-fulfilling prophecy: a 'gap' is created to justify the very 'civilising' mission of external control.

Third, this narrative conveniently ignores the structural interests that benefit from the status quo. The current funding model, built on intermediation, is not a neutral pipeline; it is a multi-billion-dollar business model that sustains large International Non-Governmental Organisations (INGOs) and UN agencies (Kochanski et al., 2025). This is the political economy of aid, where intermediaries function as prime contractors in a global marketplace. Their institutional survival, operational scale, and competitive advantage depend on their ability to secure and manage large grants, a role that would be threatened by a genuine shift to direct local funding. This creates a powerful self-reinforcing cycle: donor policies favour large grants, which only large intermediaries can manage, and these intermediaries, in turn, lobby to maintain these very policies. Resistance to change is not mere inertia; it is an active defence of a system that concentrates power and resources. The inclusion of local actors in high-level forums thus becomes performative, offering the appearance of participation without conceding any real influence over agendas or financial flows (Baguios et al., 2021).

Most importantly, by framing the debate in technical terms, the sector avoids the necessary and difficult conversation about its colonial foundations. The aid system was not born in a vacuum; it is a modern iteration of the historical relationship between the colonial West and the formerly colonised world (Rutazibwa, 2018). The power asymmetries we observe today—in who defines problems, designs solutions, and is deemed 'risky'—are not recent developments. They are contemporary manifestations of what decolonial scholars term the "coloniality of power, knowledge, and being" (Quijano, 2000; Maldonado-Torres, 2007). This is the logic that survived formal decolonisation and continues to structure global relations.

Therefore, the financial barriers to localisation are not a checklist of technical problems to be solved. They are the visible mechanisms through which a deeper logic of colonial power operates.

Limited direct access, restrictive earmarking, and burdensome compliance are not bugs in the system; they are features.

Limited direct access, restrictive earmarking, and burdensome compliance are not bugs in the system; they are features. They function to maintain control, discipline local actors, and preserve a global hierarchy. To transform the system, we must move beyond this superficial diagnosis and unmask the hidden logic at the heart of humanitarian finance.

Naming the unseen: Conceptualising colonial financial power

The persistent failure of the localisation agenda is not an accident, but a feature of a system designed to resist the redistribution of power. To confront this deeply embedded logic, we must first name it. This paper introduces the concept of CFP, defined as:

A persistent pattern of power, intrinsically linked to the historical legacies and ongoing logics of coloniality, that is articulated and reproduced through the structures, norms, discourses, and practices of humanitarian finance. This power actively shapes and perpetuates global North-South hierarchies, the epistemic subalternisation of local knowledge, and the dependency of local actors, thereby obstructing the autonomy, equity, and decolonial transformation of the international aid system.

This framework moves beyond treating finance as a neutral tool and instead analyses it as a primary vehicle of power. To systematically unpack its mechanisms, we derive the dimensions of CFP from a synthesis of two theoretical streams, which provide its conceptual foundation.

The first pillar of CFP is decolonial theory. This perspective argues that the end of formal colonialism did not end colonial relations. Instead, it gave way to a "coloniality of power," a persistent matrix of domination that continues to structure the modern world (Quijano, 2000). This matrix operates along three interconnected axes. First, the coloniality of power refers to the hierarchical control of the global economy, politics, and authority, which structurally privileges the Global North. Second, the coloniality of knowledge describes the hegemony of Western/Eurocentric paradigms, which are presented as universal truths while actively silencing or subalternising other epistemologies. Finally, the coloniality of being refers to the racial and social classification of populations, a process that dehumanises non-Western subjects and justifies practices of control and tutelage (Maldonado-Torres, 2007). CFP is, in essence, the specific manifestation of this tripartite coloniality within the domain of finance.

The second pillar is a critical analysis of power derived from the work of Barnett and Duvall (2005). Traditional analyses often view power narrowly, as one actor's ability to force another to do something. The Barnett and Duvall typology offers a more comprehensive model, distinguishing power along two axes: the kinds of social relations through which it works (direct vs. diffuse) and the specificity of those relations (interaction vs. constitution of actors). This yields four distinct, yet mutually

reinforcing, forms of power. Compulsive power is direct control of one actor over another. Institutional power is indirect control exercised through rules and procedures that shape agendas. Structural power is the power that emanates from the positions actors hold within a social structure. Finally, productive power is the most diffuse form, operating through discourse and knowledge to shape the very identities and subjectivities of actors. This typology provides the analytical toolkit to disaggregate CFP and identify its diverse mechanisms of operation.

The synthesis of these frameworks yields the four interconnected dimensions of CFP. These are not a random checklist but a comprehensive analytical map, revealing how colonial logics are operationalised through distinct financial mechanisms. They function as a mutually reinforcing architecture, ranging from the overt to the ideological.

Dimension 1: Direct imposition – the power of the purse

As the most direct form of compulsive power, this is the most visible dimension of CFP: the raw, coercive capacity of powerful actors (donors, INGOs) to compel or constrain LNAs through explicit financial conditions. It is the power to command.

Its manifestations include conditional funding, that is, the imposition of non-negotiable terms, including tightly earmarked grants that force LNAs to implement externally designed projects. This subordinates local priorities to donor agendas, a clear expression of the coloniality of power (Baguios et al., 2021).

Imposed methodologies are another form compulsive power. This is manifested as the requirement to adopt Northern-centric management tools, reporting standards, and risk frameworks as a prerequisite for funding. This is a direct imposition of the coloniality of knowledge, devaluing local practices and forcing a particular 'way of doing' business.

The power to define the subject is also a key means of control. This dimension operates through the 'coloniality of being', by forcing LNAs to present themselves in a specific way—as a compliant, auditable, and non-threatening 'receptor' of aid—in order to be deemed a worthy partner.

The operational logic of this dimension is discipline and compliance. It functions to ensure that local actors, regardless of their own priorities, adhere to the strategic and operational frameworks dictated by the Global North.

Dimension 2: Bureaucratic formalisation — the rules of exclusion

Operating as institutional power, CFP is also embedded in the seemingly neutral rules, procedures, and norms of the aid system. This is the indirect power of a formal architecture that systematically privileges certain actors and marginalises others. These are the 'rules of the game' designed to predetermine winners and losers.

A key manifestation of this is the imposition of exclusionary eligibility criteria. Due diligence requirements based on the scale and systems of large Western organisations—such as years of audited accounts or specific legal statuses—function as insurmountable barriers for most community-based LNAs. These rules institutionalise the coloniality of power by making the system accessible only to those who already resemble the powerful (Barbelet et al., 2021).

Standardised grant-making is another such tool. Proposal templates and logical frameworks are not neutral tools but artifacts encoding a technocratic, linear way of thinking. This formalises the coloniality of knowledge by subalternising more holistic, relational, or indigenous epistemologies of change.

Finally, the formalisation of intermediation excludes LNAs. Donor policies favouring large, multi-million-dollar grants institutionalise the role of intermediaries and cement the subordinate role of LNAs as mere subgrantees, formalising a hierarchical coloniality of being.

The operational logic here is one of systemic filtering and standardisation. It creates a supposedly objective system that launders political decisions of exclusion into neutral-sounding administrative procedures, making inequality appear as a natural outcome of 'good governance'.

[Bureaucratic formalisation] creates a supposedly objective system that launders political decisions of exclusion into neutral-sounding administrative procedures, making inequality appear as a natural outcome of 'good governance'.

Dimension 3: Global architecture — the blueprint of inequality

In its structural form, CFP is exercised through the very architecture of the global humanitarian system. This is not about specific rules, but about the durable social and economic positions that predetermine the capacities and interests of actors. The North is structurally positioned as the centre of capital, expertise, and decision-making, while the South is positioned as the periphery—a recipient of aid and implementer of agendas. This unequal positioning, which normalises North-South hierarchies, is a direct legacy of a colonial world order.

This form of power manifests in centre-periphery financial flows, indeed, the entire system is built on a model where capital originates in the North and cascades down through layers of intermediaries. This architecture structurally ensures that strategic control and the largest share of resources remain centralised, a direct reflection of the coloniality of power (DI, 2024).

This architecture also centralises knowledge production through what we could call 'epistemic centralisation'. The authority to define what constitutes a 'crisis', 'best practice', or 'evidence' resides in Northern-based institutions, structurally reinforcing the coloniality of knowledge.

Structural disadvantage is also built into the system. By virtue of their position, INGOs and UN agencies can negotiate favourable overhead rates and funding conditions, while LNAs lack the structural leverage to do the same. This perpetuates a cycle of under-resourcing and reinforces a structural coloniality of being where some actors are systemically valued more than others.

The operational logic of this dimension is the naturalisation of positionality. It makes the unequal distribution of power and resources appear as an inevitable structural reality rather than a historically constructed and actively maintained political choice.

It [the architecture of the global humanitarian system] makes the unequal distribution of power and resources appear as an inevitable structural reality rather than a historically constructed and actively maintained political choice.

Dimension 4: Production of narratives – the manufacturing of consent

Finally, as productive power, CFP operates through its most subtle and profound form: the power to shape identities, beliefs, and what is considered 'common sense'. This productive power doesn't just constrain actors; it produces them—creating the 'capable' donor and the 'risky' local partner, making existing hierarchies feel natural and inevitable.

Narratives of Southern 'corruption' and 'low capacity' are contrasted with Northern 'accountability' and 'expertise' through dominant discourses. These discourses, rooted in colonial tropes of the untrustworthy native, directly enact a coloniality of being by constructing the LNA as an object of suspicion requiring external tutelage (Mihlar, 2024; Peace Direct, 2021).

Hegemonic knowledge also sustains the coloniality of knowledge by producing a 'common sense' notion that Western, technocratic approaches to finance and management are inherently superior and universal. Alternative models are not just ignored; they are rendered unthinkable.

The ultimate function of this power is to manufacturing consent and foster internalisation. When actors across the system—including those in the South—come to believe that direct funding is 'inherently risky' or that international oversight is a 'necessary evil', the hierarchy reproduces itself without coercion. It is no longer merely imposed; it is consented to.

The operational logic is ideological reproduction. This dimension ensures the system's longevity by shaping the subjects within it to accept, and even desire, the very hierarchies that subordinate them. It is the dimension that makes external control feel not only necessary, but legitimate. Together, these four dimensions provide a comprehensive framework for understanding the resilience of the aid system's inequalities and for identifying the multiple fronts on which change must be fought.

CFP in action: Reinterpreting the barriers to localisation

The CFP framework is not a theoretical abstraction; it is an analytical lens that reveals how everyday financial practices maintain a colonial order. The well-documented barriers to localisation are not a random collection of obstacles. Viewed through the CFP lens, they are exposed as the concrete mechanisms through which power is exercised. This section analyses four key barriers to demonstrate how the dimensions of CFP operate in practice.

Barrier as feature: Limited direct access to funding

The most glaring symptom of the localisation agenda's failure is the minuscule proportion of funding flowing directly to LNAs. The 0.6% figure reported for 2023 is the ultimate indicator of a system that refuses to cede financial control (DI, 2024). Reinterpreting this barrier through the CFP framework reveals it not as a problem to be solved, but as a multi-dimensional act of power:

Dimension of power		
Direct imposition (D1)	The decision by donors and intermediaries to bypass local actors is an explicit exercise of coercive power. It forces LNAs into a position of dependency, compelling them to operate under the tutelage of international partners to access resources vital for their survival.	
Bureaucratic formalisation (D2)	This is institutionalised through eligibility criteria (e.g., multi-year audits, extensive grant histories) that function as formal rules to disqualify the vast majority of local organisations. These rules, designed by and for large Northern institutions, make direct access a bureaucratic impossibility for many (Barbelet et al., 2021).	
Global architecture (D3)	The system's centralised, centre-periphery design is configured to favour large international players. The architecture makes direct funding to thousands of smaller "peripheral" actors appear structurally anomalous and inefficient, thereby structurally necessitating intermediaries.	
Production of narratives (D4)	This entire structure is legitimised by discourses that construct LNAs as inherently 'higher risk' or lacking 'capacity'. These narratives, drawn directly from a colonial playbook of paternalism, make exclusion seem not political, but prudent and responsible.	

Barrier as control: Insufficient overhead coverage

A persistent and debilitating barrier is the failure to provide LNAs with adequate coverage for their core operational and institutional costs (overheads). While international partners often negotiate robust rates for themselves, LNAs are frequently offered artificially low, fixed percentages that fail to cover the real costs of running an organisation (DI, 2024). This is not a mere accounting issue; it is a technology of control.

Dimension of power		
Direct imposition (D1)	When a donor imposes a restrictive overhead cap, it is a direct exercise of power that cripples an LNA's ability to invest in its own systems, staff, and long-term sustainability. It is a coercive act that keeps local actors in a permanent state of precarity.	
Bureaucratic formalisation (D2)	This practice is institutionalised through standardised donor policies that apply a one-size-fits-all, low overhead rate. These rules, presented as 'efficiency policies,' formalise a coloniality of knowledge by imposing a Northern model of project-based costing that ignores the holistic needs of local organisations.	
Global architecture (D3)	The system's structure, which views LNAs as temporary 'project implementers' rather than permanent local institutions, structurally devalues the need for institutional investment. Overheads are seen as a 'diversion' from direct service delivery, a view that benefits an architecture built on short-term, visible results.	
Production of narratives (D4)	This is justified by the insidious narrative that high overheads are a sign of inefficiency or even corruption in the South. This discourse constructs the LNA that advocates for fair cost recovery as 'less efficient' or 'less committed' than its under-resourced, 'leaner' counterparts, thereby manufacturing consent for its own financial starvation.	

Barrier as technology: Risk aversion and burdensome compliance

The humanitarian sector is saturated with the language of risk. Complex and often disproportionate compliance requirements are imposed on LNAs, consuming scarce resources and functioning as powerful mechanisms of control (Baguios et al., 2021). CFP analysis unmasks 'risk management' as a primary technology of colonial governance.

Dimension of power		
Direct imposition (D1)	The non-negotiable obligation to adhere to a donor's complex and often culturally alien compliance framework is a direct imposition of power. It transfers the administrative and financial burden of risk management onto the least-resourced actors.	
Bureaucratic formalisation (D2)	Risk is formalised into standardised checklists, templates, and reporting systems that codify a Northern-centric, bureaucratic approach to accountability. This forces a "mimetic professionalisation" that can stifle local innovation and divert resources from mission to compliance (Barbelet et al., 2021).	
Global architecture (D3)	The system's vertical accountability structure—flowing upwards to the Northern taxpayer—creates immense pressure to minimise perceived fiduciary and reputational risk, which cascades down the chain as increasingly rigid requirements. LNAs, at the bottom, have no structural power to contest or redefine 'acceptable risk'.	
Production of narratives (D4)	This machinery is sustained by the powerful discourse that the Global South is a site of inherent risk (corruption, instability), while the North is the source of control and order. This constructs the LNA as a subject to be disciplined, whose legitimacy is measured by its ability to comply, not its effectiveness on the ground.	

Barrier as system: The predominance of intermediation and sub-contracting

The primary funding modality is not partnership but a layered model of intermediation that relegates LNAs to the role of 'sub-contractors' (DI, 2024). This system perpetuates dependency and reinforces a hierarchical division of labour. CFP reveals this model not as a technical necessity but as the institutional embodiment of colonial power relations.

Dimension of power		
Direct imposition (D1)	When an LNA accepts a sub-grant, it is often compelled to operate under the strict, non-negotiable directives of the prime partner, ceding control over the terms, deliverables, and narrative of its own work.	
Bureaucratic formalisation (D2)	The model is institutionalised through partnership agreements and sub-grant contracts that legally codify a hierarchical relationship, positioning the LNA as a vendor or delivery agent, not an equal partner with strategic agency.	
Global architecture (D3)	Intermediation is the central pillar of the system's financial architecture. It is a modern reflection of colonial economic models where local entities produce raw value (implementation) that is capitalised upon, branded, and reported by metropolitan centres.	
Production of narratives (D4)	The model is legitimised by the pervasive discourse of 'added value'—the narrative that international intermediaries provide essential expertise, scale, and risk mitigation that LNAs supposedly lack (Barbelet et al., 2021). This justifies the entire architecture as both necessary and benevolent.	

In conclusion, these barriers are not independent failures. They are synergistic and mutually reinforcing components of a coherent system of power. The predominance of intermediation is justified by risk aversion, which in turn provides a rationale for limiting direct access and underfunding core costs. CFP is the engine driving this entire cycle. For leaders, the path toward a more just and equitable future begins not with fixing the individual parts, but with naming and dismantling this engine.

Towards a decolonial praxis: From diagnosis to action

The persistent gap between the promise of localisation and its financial reality is not a technical problem. It is, as this paper has argued, a symptom of a deeper disease: a structural logic of power rooted in colonial legacies. The conventional diagnosis, focused on risk and capacity, fails because it serves to conceal the fundamental asymmetries that define the system. It treats the symptoms while ignoring the disease. This paper has sought to transcend this superficial analysis by introducing CFP. By shifting the conversation from technicalities to power, the CFP framework explains why the system so tenaciously resists change. The analysis has demonstrated that key financial barriers are not isolated bugs, but the very features of a system designed to maintain a global hierarchy.

The analysis has demonstrated that key financial barriers are not isolated bugs, but the very features of a system designed to maintain a global hierarchy.

The primary contribution of this framework is, therefore, diagnostic. It provides a language to name the unseen forces that obstruct genuine transformation, shifting the burden of proof from the marginalised, who are constantly asked to prove their 'capacity,' to the powerful, who must now justify a system that perpetuates colonial dynamics. Acknowledging the risk that any new language can be co-opted for performative 'decolonisation washing' (Koch & Rooden, 2024), the value of the CFP framework lies in its structural focus. It moves beyond rhetoric by demanding an analysis of concrete financial architectures, bureaucratic rules, and funding flows, making it harder to hide inaction behind progressive terminology.

This framework is not a counsel of despair, but a call to a more honest, courageous, and strategic form of action—a decolonial praxis. For systems transformation, it confirms that meaningful change cannot be achieved through incremental adjustments alone. Tinkering with due diligence templates or internal INGO-led reforms may slightly alter the terms of direct imposition (D1), but

they often leave the underlying global architecture (D3) of intermediation and centralised control intact. A decolonial praxis, by contrast, uses the CFP framework to evaluate and champion models that fundamentally challenge the system's logic. This means actively supporting alternatives like locally-governed pooled funds, which do more than redirect capital; they attack the system's core by decentralising the architecture (D3) and wresting control over the production of narratives (D4), allowing local actors to define their own priorities and measures of success.

For humanitarian leadership, a decolonial praxis demands different things from different actors. For leaders in the Global South, the CFP framework offers a tool to move beyond defensive postures and to articulate collective, structural demands for financial sovereignty and epistemic justice. It is a language to say, "The problem is not our capacity, but your control." For leaders in the Global North, it demands a profound and uncomfortable process of self-reflection and a commitment to "unlearning patterns of domination," as articulated by Peace Direct (2021). It means practicing a different kind of leadership—one defined not by control and oversight, but by the courage to cede power, to listen, to trust, and to actively dismantle the very structures from which one derives privilege.

Finally, the CFP framework opens up a new agenda for research and monitoring. It calls for a methodological shift away from purely quantitative metrics (e.g., counting dollars) towards qualitative and critical analyses of power dynamics. Future research must empirically test and refine the CFP construct. This includes exploring its manifestations in more complex contexts, such as the power dynamics within South-South cooperation, and examining how it can explain emergent hierarchies between elite national NGOs and grassroots community organisations (Koch & Rooden, 2024). Furthermore, it must explore CFP's intersection with other axes of oppression, analysing how its mechanisms disproportionately disempower organisations led by women, youth, or Indigenous peoples. Monitoring and evaluation could then be redesigned to track not just the flow of funds, but the quality of partnerships and the degree of financial sovereignty held by local actors. Such an approach would measure progress not by how well the marginalised adapt to the system, but by how fundamentally the system itself is transformed.

Ultimately, CFP is a formidable force, but it is not immutable. By making it visible, we make it contestable. This paper is offered not as a final word, but as an invitation: an invitation for leaders, practitioners, and scholars to use this framework, to refine it, to critique it, and, most importantly, to use it to fuel the difficult but essential work of building an international aid system that is, at last, truly just, equitable, and decolonial.

References

Baguios, A., King, M., Martins, A., & Pinnington, R. (2021). *Are we there yet? Localisation as the journey towards locally led practice: Models, approaches and challenges.* ODI. https://odi.org/en/publications/are-we-there-yet-localisation-asthejourney-towards-locally-led-practice

Barbelet, V., Davies, G., Flint, J., & Davey, E. (2021). Interrogating the evidence base on humanitarian localisation: A literature study. ODI. https://odi.org/en/publications/interrogating-the-evidence-base-on-humanitarian-localisation-aliterature-study

Barnett, M., & Duvall, R. (2005). Power in international politics. *International Organization, 59*(1), 39-75. https://doi.org/10.1017/S0020818305050010

Development Initiatives (DI). (2024). Falling short? Humanitarian funding and reform. https://interagencystandingcommittee.org/grand-bargain-official-website/development-initiatives-falling-short-humanitarian-funding-and-reform

Hilhorst, D. (2018). Classical humanitarianism and resilience humanitarianism: Making sense of two brands of humanitarian action. *Journal of International Humanitarian Action*, 3(1), Article 15. https://doi.org/10.1186/s41018-018-0043-6

International Rescue Committee (IRC). (2025). *A new era for aid: Prioritising people and protecting progress*. https://www.rescue.org/sites/default/files/2025-05/New%20Era%20for%20Aid%20-%20FINAL%20DRAFT.pdf

Koch, D.-J., & Rooden, A. (2024). Understanding and addressing the unintended effects of aid localisation. *Development in Practice*, 34(3), 351–363. https://doi.org/10.1080/09614524.2024.2303666

Kochanski, A., Scott, E., & Welsh, J. (2025). Localization in world politics: Bridging theory and practice. *Global Studies Quarterly*, 5(1), ksaf023. https://doi.org/10.1093/isagsq/ksaf023

Maldonado-Torres, N. (2007). On the coloniality of being: a contribution to the development of a concept. *Cultural Studies,* 21(2-3), 240-270. https://doi.org/10.1080/09502380601162548

Mihlar, F. (2024). Coloniality and the inadequacy of localisation. Working Paper 044, *The Humanitarian Leader*, Centre for Humanitarian Leadership, Deakin University. https://ojs.deakin.edu.au/index.php/thl/article/view/1971/1659

Peace Direct. (2021). Time to decolonise aid. https://www.peacedirect.org/time-to-decolonise-aid/

Quijano, A. (2000). Coloniality of power and eurocentrism in Latin America. *International Sociology, 15*(2), 215-232. https://doi.org/10.1177/0268580900015002005

Rutazibwa, U. O. (2018). What's there to mourn? Decolonial reflections on (the end of) liberal humanitarianism. *Journal of Humanitarian Affairs, 1*(1), 1-12. https://doi.org/10.7227/JHA.010

UN Secretary General. (2016). One humanity: Shared responsibility: Report of the Secretary General for the World Humanitarian Summit (A/70/709). United Nations.

United Nations Office for the Coordination of Humanitarian Affairs (OCHA). (2024). Global humanitarian overview 2025. https://www.unocha.org/publications/report/world/global-humanitarian-overview-2025-enarfres