

The Truth about International Aid

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Are you surprised to learn from our politicians that however hard times might become, the foreign aid budget never gets cut?

We may be struggling with a hopeless mountain of debt and need to cut back every form of expenditure, including health and education and yet, it is apparently good for our morals and good for the developing world if we keep the aid flowing. It is a flow that is actually increasing and currently stands at 11.3 billion, roughly £137 per person in the UK. In the face of an economic crisis at home, the budget for Burma has doubled since 2011 to over £60 million. Does this not appear a little strange, especially when those involved in human rights in recipient countries regularly complain that this aid does more harm than good?

Despite the slick publicity, the Department For International Development (DFID), responsible for managing this money is a shady beast, famous for its aversion to transparency. It talks always of 'commitments' rather than results and has accounts, which The Guardian recently called "*extremely messy*". It is also notoriously difficult to work out how much of the budgets designated for different areas such as health or education, actually reach the ground. For according to DFID, these are the two sectors receiving the largest slice of the cake in Burma, while back home taxpayers see the equivalent budgets cut.

Last year DFID spend around £500 million on UK based consultants and there is a famously complex system of distribution of funds through agencies and NGOs. This tortuous and expensive route avoids the existing humanitarian groups working on the ground with the best grasp of the real requirements. This top-down means of distribution also undermines a developing country's own democratising potential and usually suits best an overbearing dictatorship. It also helps one to stay in power where their popular mandate has evaporated and where foreign aid supports humanitarian causes, allowing the regime to concentrate on the security forces that keep it in power.

Cambodia is a good example of a recipient country where the results of aid have not matched the intentions and the democratic process has actually been undermined. Sopal Ear, is assistant professor of national security affairs at the U.S. Naval Postgraduate School; "*I am convinced that, on balance, the long-term effects of aid dependence have made it difficult, if not impossible, for Cambodia to take ownership of its own development.*" In many cases in Africa, it has been

shown that aid dependency results in bad governance or what is frequently termed “neo-colonialism”.

Under constant pressure for more transparency, the International Development Minister Justine Greening, has spoken of the need for all organisations receiving and managing DFID money, including NGOs, to publish their spending data. It's a good idea and would address the concerns of many and yet nothing has happened and there is no date set for achieving this transparency. Go yourself on to DFID's website and you will struggle to find any data to identify how much money actually reaches the target causes.

The British Prime Minister David Cameron has spoken of the need to support ‘peacekeeping’ and ‘security’ in Burma but from experience, this has permitted funding to slip into the hands of the armed forces, where they are involved in delivering “humanitarian assistance”. In fact in Burma, £87,850 has recently been allocated for training Burma's famously undemocratic armed forces. Many involved with humanitarian causes in Burma suggest that the money would be better spent supporting training for former political prisoners, so that they can promote democracy and human rights. Alternatively, organisations in recipient countries could tender directly for funding and cut out all the expensive intermediaries. That would obviously be unpopular with the plethora of agencies involved in the process and equally unpopular where organisations on the ground are more likely to criticise a regime that regularly breaks international pledges to extend democracy and human rights.

And therein might lie a clue as to what is going here with foreign aid across the world. Mark Farmaner, Director of the Burma Campaign UK, argues that aid is being specifically channeled in ways that favour the Burmese regime in a fairly blatant attempt by the British Government to curry favour and win lucrative contracts down the line. Daniel Hannan is a politician and author who believes that international aid is generally not so much useless as “*actively harmful*” because it “*breaks the link between taxation, representation and expenditure*”, adding “*why are we borrowing money to give to countries to worsen their situations?*”

Undeniable, funding from the UK, as with other donor nations, is capable of providing vital services in developing countries strapped for cash. But it is crucial that proper attention is given to transparency and spending is responsibly, independently monitored. Without careful scrutiny and ethical management, foreign aid begins to look less like philanthropy and closer to the standard methods of global economic domination, even if wrapped in the soft language of duplicity for which the British are justly famed. Otherwise critics may be justified in calling DFID the Department For Imperialist Designs.