IS AID DEFENSIBLE?

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Categories: Africa, Observations

Today, the ever interesting Phil Ritchie blogged on the issue of international aid. As many people will know, the current British Government have promised to maintain the level of overseas aid at a fixed amount (0.7% of gross national income) until 2013. Today however, it leaked out that the minister of defence, Liam Fox, would like to see the government step back from this promise.

Phil's response was that the government should in no way cut the amount which is spent on aid and he cited a very eloquent piece from Cranmer to support his position. Of course, no caring person, above all a Christian, could countenance a rich country like ours cutting their aid budget - or could they?

I certainly don't support Liam Fox, who is no doubt leaking information to serve his own political agenda. However, I do think that it is right and proper that we do have a wholesale review of our commitment to overseas aid.

Before going any further, I should mention that I spent six years living in an African village without electricity and running water in order to work with the people there to bring mother tongue education to the area. This doesn't mean that my opinions are correct, but it should show that I have a deep and life-long commitment to development work.

The problem with both Phil and Cranmer's articles is that they concentrate on how much money we should spend on aid. Neither of them looks at the impact that the money has on lives of the recipients. Surely the point of foreign aid is not just to spend money, it is to make a positive difference in the lives of people.

Whatever the motivation for aid, there are a number of issues which need to be addressed. The first is that an awful lot of aid money is actually wasted. A year or so ago, I quoted from the expat wife blog on this issue, I'll repeat part of the quote here:

> *What people in UK may not know is that right here, in East Africa and Nairobi, within the lucrative world of â€˜aid to Africaâ€™, given shape by huge organisations such as the UN, the World Bank, USAID, DFID etc. the world has gone officially crazy for the past ten years. Well staffed aid organisations with numerous highly qualified and trained staff running hundreds of programs routinely farm out work to external consultants, who then hire more consultants to organise their conferences, write reports, run their workshops and roll out their aid programs and schemes. It is what is known as the gravy train. (Read the full article.)*

The other key issue is that there is mounting evidence that not only does government aid not do much good, it can actually be positively harmful. Dambisa Moyo in her must read book, Dead Aid: Why aid is not working and how there is another way for Africa points out a number of ways in which aid programmes damage the recipient countries. These include reducing government accountability to the populace and destroying local entrepreneurship and initiative). The blurb says:

> *Dambisa Moyo argues that the most important challenge we face today is to destroy the myth that Aid actually works. In the modern globalized economy, simply handing out more money, however well intentioned, will not help the poorest nations achieve sustainable long-term growth.*

We have a problem in that the value of aid has become an article of faith which we are no longer allowed to question. However, there are huge questions about the value of government aid and even such sacred cows as fairtrade goods and celebrity campaigns are not without their problems.

The issues raised by government aid are far more nuanced and complicated than most people give them credit for. I would strongly recommend that anyone who is interested in the subject reads Moyo's book (or at least watches the video below). Other good resources are Bill Easterly's The White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good. Two good blogs to follow are Aid Watch and Good Intentions Are Not Enough. This article (though not about aid) gives an excellent overview of the way that the complexities of poverty have led to violence in Ivory Coast.

Of course, it is right and proper that a rich country like ours (despite all of the doom-mongering around the recession) should help people in poorer nations. The purple prose in Cranmer's article makes a serious point. However, we should shy away from making the automatic assumption that giving government aid money is actually helping - the evidence is at best mixed. However, if we did something serious about removing trade barriers so that developing nations could export their goods fairly to the West and then stopped dumping our own subsidised goods on overseas markets and putting local farmers out of business, we could make a huge difference in the lives of people across the globe.

Perhaps the British government should maintain its current aid level, perhaps not. Whatever we do, the decisions should be made on the basis of evidence, not simply on sentiment.

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