

## **Lateral thinking needed on foreign aid**

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Senator Barnaby Joyce is doing his job by asking sensible questions about the level and purpose of the almost \$4 billion we spend each year on bilateral and multilateral aid.

His suggestion should be welcomed even by those who seek to apply any proportion of Australia's immense wealth to increasing the health, prosperity and happiness of the world's poorest and most desperate people.

Australia's international development assistance budget should be subject to the same tests of effectiveness, value-for-money and cost-benefit as every other claimant on the national budget.

The political representatives of Australia's taxpayers – including Senator Joyce — have the duty to ensure the development assistance budget delivers the greatest good for the greatest number.

And, where necessary, the spirit of radical reform that has motivated both Labor and Coalition governments since 1983 also requires that outmoded assumptions and structures for delivering assistance should be junked or remodelled.

The way in which development assistance is delivered must reflect the new economic realities facing donors reeling from the impact on their budgets of the global financial crisis and build upon new models that have succeeded in getting development aid to the grass-roots.

In his remarks, Senator Joyce channelled two deeply held but very wrong, common prejudices about aid.

Firstly, that Australia (and by extension the developed countries generally) give too much of their national wealth away to the world's poor and needy.

Secondly, that whatever the level of aid, much of it is wasted and misused because it passes through incompetent or corrupt official channels, and therefore cannot reach those who need assistance the most.

The idea that Australia is a profligate spender on international aid only makes sense if you believe that Australia should provide no international development assistance whatsoever — a view completely repudiated by the Australian public.

Australians strongly believe Australia should provide development assistance at a level that reflects our wealth, values and interests and the immense, unmet human needs of the poor, sick and afflicted.

In the 2009 Lowy Institute Poll of Australian public opinion on foreign policy issues, 93 per cent of respondents rated "helping to stabilise weak nations in our region" as an important foreign policy goal.

In the 2007 Lowy Institute Poll, 74 per cent of respondents said that democratic and humanitarian values should be more important than economic and political interests in shaping our foreign policy.

Australians supported the Rudd government's commendable and often-repeated 2007 election promise to increase the percentage of Australia's aid budget to 0.5 per cent of GDP by 2015.

We endorsed the Coalition's bi-partisan support under former leaders Brendan Nelson and Malcolm Turnbull for the 0.5 per cent target and welcomed Opposition leader Tony Abbott's reiteration of that pledge in the wake of Senator Joyce's remarks.

It is beyond time that Australia's level of development assistance (presently 0.34 per cent) rose to meet the levels of comparable countries including Sweden (1.03 per cent), the Netherlands (0.81 per cent), Ireland (0.53 per cent), Britain (0.52 per cent) and France (0.47 per cent).

But whatever level we set, there is an imperative need to rethink the way in which development assistance is delivered. Joyce's concerns are shared by the major governmental and private-sector aid donors, including Australia.

In the past decade there have been profound changes in the way in which multilateral and bilateral donors raise and distribute aid, especially in relation to health assistance. In 2002, the Global Fund to Fight AIDS, Tuberculosis and Malaria was set up as a public private partnership to raise, distribute and account for the massive new funding required to bring the world's three most deadly infectious diseases under control.

Since then, the fund has gained the confidence of international public and private-sector donors — including the Bill and Melinda Gates Foundation — who have provided some \$US19 billion to assist 140 developing countries to provide treatments, prevent new infections and care for those suffering from the three diseases.

As a result, some 4.9 million lives have been saved by fund-supported programs that have also put 2.5 million people on AIDS treatments, 6 million people on anti-tuberculosis treatments and distributed 104 million insecticide-treated malaria-preventing bed-nets.

On February 22, the fund's executive director, Dr Michel Kazatchkine, will be in Canberra to lobby the Australian government and parliamentarians to increase Australia's contribution to for the coming three years.

In his meetings with Foreign Minister Stephen Smith, shadow foreign minister Julie Bishop and perhaps with Senator Joyce, Dr Kazatchkine must and will demonstrate that the Global Fund distributes donors' dollars frugally, wisely and well to the clear benefit of millions in our region and around the world.

The Global Fund is part of the new thinking and reformed international architecture that is required if the taxpayers of the developed world, including Australia, are to increase their support for the world's poorest and neediest people.

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