



“£50 and a bicycle”: the role of NGOs
in the Australian official aid program.

Dr. Patrick kilby

Government Funding of NGOs

- NGOs engagement with government is an important reason for their existence as public benefit organisations, and its role in public policy;
- Should funding be part of this?
- There is the co-option (on the one hand) and the possible 'dependency' trap (on the other) Lissner 1977 and Lang 2012;
- As a result Australian NGOs were relatively slow in its early years in developing a fruitful engagement with government on aid and development policy, and in particular funding;
- Sweden and US funded NGOs in the 1950s;
- UK, Canada, Germany, et al in the 1960s, Australia (apart from volunteers) in the 1970s;

Australia the early years

- The first government funding of Australian NGO was in 1953: a Volunteer Graduate Scheme program to Indonesia where the government provided an airfare, £50, and a bicycle to each volunteer;
- Set up by Jim Webb and Herb Feith through the Australian Committee of the World University Service in 1953. Herb and Betty Feith were the first volunteers under the scheme in 1954. Ten years later this became the Overseas Service Bureau (now AVI) with a much broader remit;
- Despite the commitments of the First Development Decade (1961-1970), and the UNGA resolution for greater engagement with NGOs (1963); apart from the establishment of ACFID (1965) pushed by Sir John Crawford little progress was made in the 1960s in building strong NGO-Govt relations or funding;

1970s into the 1980s the 'good' years

- The Whitlam govt set up the Australian NGO Cooperation Program in 1974, which grew very slowly and was unable to meet demand with only \$25k for \$26m of projects;
- The official aid program going to NGOs doubled from 0.17% in 1975 to 0.36% in 1980, which was then to rise 10-fold by the end of the decade to reach a peak of 7% of ODA in 1995;
- The section of the Harries report into ODA argued against further funding of NGOs;
- While the Freedom From Hunger Campaign of 1963-64 had little or no effect on Govt funding; the Cambodia Appeal did focus the mind of government on the role NGOs could take, and using NGOs in the bilateral program started;

The 1990s: The tensions emerge

- From the early 1990s issues emerged from AusAID, which were probably about the high cost of administering relatively small grants to NGOs from the bilateral program in the context of stagnating aid growth, and government efficiency dividends;
- Questions of NGOs being 'dependent' on AusAID despite a positive NGO effectiveness review report;
- These were brought to a head with ANAO aid reports, and NGO scandals about aid misuse;
- Blame game between AusAID and NGOs. AusAID saw the Code of Ethics as weak and pushed a Code of Conduct; as well as accreditation of NGOs

The 2000s a boom in public support

- At the beginning of the 2000s the Howard government was suspicious of NGOs, and was against general government support for them. ACFID was spared these cuts;
- The events of 9/11 and the Indian Ocean tsunami led to a positive re-evaluation of the role of NGOs and a rapid rise in public support; led to more government support of NGOs but not advocacy (except Make Poverty History), with development education on a very short leash;
- The Rudd government embraced NGOs and there was another mini-boom of government funding.

The 2010s a time of uncertainty

- Globally NGO legitimacy has been brought into question;
- half of a sample of ninety developing countries in 2012, either ban or restrict foreign funding of civil society, which is up from one quarter of the same list in 2005 (Christensen and Weinstein 2013);
- Both Canada and New Zealand have stopped both their NGO subsidy schemes (all competitive grants now) and supporting their peak NGO bodies, and so NGOs voice is limited;
- The role of the DAC is weaker as China and BRICS have a greater say in the aid agenda;
- bilateral aid flows are falling;

The Challenges

- Advocacy is part of NGO DNA, to express what Lissner (1977) calls their *Weltanschauung* - a world view;
- About social justice issues such as human rights, child rights gender rights etc.
- Lang (2012) argues that NGOs have lost this capacity or it is weaker;
- I am not so sure: the issues is how to get a foot in the door when:
 - Fewer people (government and public) want to listen to aid/social justice stories;
 - Legitimacy has to be established and this unfortunately if often with money;
 - Are we prepared to step away (SCF on Nauru);
 - How will relations with DFAT with a much broader remit develop;



Thank You