

Priorities in NZ's 'Wellbeing Budget' (Credit: Labour NZ)



Aid and wellbeing: New Zealand links?

By Luke Kiddle
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From 2011 to 2015 I worked for the New Zealand Aid Programme, including three years posted in Honiara. In 2014 or 2015, I can't quite remember, a Corporate Division Senior Manager from the Ministry of Foreign Affairs and Trade (MFAT) came up for a short trip to Honiara, mainly to talk High Commission staff through some recent changes to MFAT's strategic priorities and associated communications. New, this time, was MFAT's core priority of working for New Zealand, *and New Zealanders* (this last bit was new; recognising New Zealanders living overseas). Four key pillars contributed to this central strategic priority, and there was a fancy new communications diagram reflecting how everything fitted together (it is still similar, with MFAT's current [strategic framework](#) having the core purpose of "the Ministry acts in the world to make New Zealanders safer and more prosperous"). Nowhere, or at least very buried, was the work of the New Zealand Aid Programme. So I asked the obvious question: where's the work of the Aid Programme here? In reply, I was told that they had worked this through via staff consultation in Wellington (many staff in the New Zealand Aid Programme had been asking the same question) and ultimately used an approach, and some nifty thinking with some major conceptual leaps, that "if New Zealanders are better off, then our aid partners are better off too". It seemed quite flimsy to me. I felt the important work of the New Zealand Aid Programme was minimised. In addition, I couldn't help think, I had been toiling for the betterment of Solomon Islands, not New Zealand. That is what motivated me in my work.

I resigned from MFAT upon leaving Solomon Islands and now teach environment studies and human geography at Victoria University of Wellington. This year, I'm teaching a postgraduate course on the geographies of wellbeing - essentially looking at how wellbeing varies from place to place, with particular focus on wellbeing within New Zealand. The course is timely - the New Zealand government is currently working towards our first '[Wellbeing Budget](#)', amid significant ambition to embed a wellbeing approach across New Zealand's public sector. Our Prime Minister, early in her tenure, [noted](#) "we want New Zealand to be the first place in the world where our Budget is not presented simply under the umbrella of pure economic measures, and often inadequate ones at that, but one that demonstrates the overall wellbeing of our country and its people."

Two workstreams are closely linked to the Wellbeing Budget. Firstly, around eight years of

work by Treasury to develop the [Living standards framework](#) (LSF), a mechanism to measure wellbeing across a number of human, social, natural and financial/physical aspects, and adapted from the OECD's [How's life](#) initiative for measuring wellbeing. Secondly, some new work, currently out for consultation and behind schedule, by Stats NZ called '[Indicators Aotearoa New Zealand](#)'. This work, meant to align closely with the LSF, has developed a long draft list of [possible wellbeing indicators](#). Stats NZ have noted that these indicators link to a classification system endorsed by the [Conference of European Statisticians](#) that is based on three dimensions of human wellbeing: wellbeing of the present generation in one particular country, or the 'here and now'; the wellbeing of future generations, the 'later'; and the wellbeing of people living in other countries, the 'elsewhere' dimension as, for example, influence by foreign aid.

The latter was especially interesting to me. Here was Stats NZ saying that the wellbeing of New Zealanders is influenced by foreign aid, and, in turn, foreign aid's impact on wellbeing overseas. But how is wellbeing in New Zealand influenced by aid, and its effectiveness? What we do know is:

- New Zealanders favour giving aid.
- New Zealanders, like Australians, [want their country's aid spent on helping poor people in need](#), rather than aiding their own country. In addition, there is a positive relationship between belief that aid does indeed help the poor (that aid is effective) and support for an increased aid budget.
- In the 2015 [New Zealand Aid Stakeholder Survey](#), the majority of respondents from NGOs and the private sector thought that aid was primarily focused on advancing the commercial and geostrategic interests of New Zealand, rather than helping reduce poverty overseas.

However, we know next to nothing about how this links to wellbeing. No research that I am aware of focuses specifically on the linkages between wellbeing in donor countries and wellbeing overseas. That seems a big gap.

Wellbeing is multidimensional. It is influenced by a variety of factors – some objective (such as income and health status) and some more subjective. (Subjective wellbeing is often measured using a five or ten-point scale preceded by a question like “all things considered, how satisfied are you with your life as a whole these days?”) Wellbeing is also both personal and influenced by the collective. For example, [research](#) shows us that within New Zealand, replicating international findings, there is a negative relationship between individual and average levels of wellbeing and wellbeing inequality. Or, in other words, wellbeing is

reduced amid wellbeing inequality. So we're a sensitive lot. Surveying of the New Zealand public reveals that the majority of us also care about, and support, aid. Indeed, *perhaps* wellbeing of New Zealanders is influenced by foreign aid and its effectiveness. It will be interesting to see how New Zealand's current focus on wellbeing pulls some of these strands together. Stats NZ, for example, will need to work with MFAT around measuring the impact of New Zealand's international aid efforts as part of its Indicators Aotearoa New Zealand initiative. In addition, New Zealand government departments, MFAT included, as part of 2019 budget processes, are required to explain how their work influences wellbeing (around the 46-minute mark of [this video](#), Minister of Finance Grant Robertson speaks about the Wellbeing Budget). I'm interested in hearing more about how MFAT views and explains these connections.

Personally, I would like to see more, and more impactful, New Zealand aid. And to bring it back to how I began this blog, I would like to see MFAT's explicit recognition that New Zealand's aid is about improving lives and wellbeing overseas, not about advancing New Zealand's interests. Perhaps this will come through in ongoing work to update the New Zealand international development policy statement.

About the author/s

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