

Back to Downer Mark I with the aid objective

by Stephen Howes
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It's not only Greg Sheridan who [gets aid wrong](#). Yesterday it was the turn of Laura Tingle in the Financial Review. She claimed new documents revealed the government no longer had an obligation to spend to aid to reduce poverty. Tingle's article and its claim that the decks were being cleared for 'a profound change' in our aid program prompted protests from Labor and Greens alike.

What in fact happened? A routine [budget-related document](#) produced by the foreign affairs portfolio for next week's Senate Estimates lists three 'outcomes' for the expenditure administered by DFAT. That expenditure now includes the aid program, following the merger of the latter into DFAT. In the same document last year DFAT's spending was arranged under three 'outcomes' and AusAID's under two. This year, DFAT's outcomes are as they were last year except that what were the AusAID outcomes have been compressed into two words, 'international development', and inserted into the first one. That outcome is now (abbreviating somewhat) 'the advancement of Australia's interests through engagement on foreign, trade and international development policy priorities.' The addition of 'international development' simply signifies that, with the abolition of AusAID, DFAT now has this third responsibility added to its pre-existing two of foreign policy and trade. Nothing new or profound there.

So what is the purpose of Australia's aid? According to the same [document](#), it is 'to promote Australia's national interests by contributing to international economic growth and poverty reduction.' (p. 3) So much for ditching the goal of poverty reduction. This objective is virtually identical to the formulation DFAT first put forward in October last year, which we revealed [here](#).

But it's not quite much ado about nothing. The formulations above are the first public statements we've seen from the Coalition in relation to the objective of aid. They are unimaginative and unfortunate. Do we really only engage on international development, or try to reduce global poverty, to promote Australia's national interests? Of course, a more prosperous and stable region, and world, is good for Australia. But it is also, and primarily, good for poor people. Aid is as much an expression of our national values as it is a tool of our national interests. The new formulation just doesn't get this. And it leaves itself open to the sort of misrepresentation now occurring.

In fact the Australian aid objective is now remarkably similar to the way it was at one stage under Downer, when the purpose of Australian aid was ‘to advance Australia’s national interest by assisting developing countries to reduce poverty and achieve sustainable development.’ There is a certain irony in the fact that a government that was unwilling to use the model of aid delivery embraced by Downer (a distinct but less autonomous AusAID) is prepared to embrace the way he once formulated the objective of the aid program.

Downer himself changed the wording of the objective in 2006 because of the suspicion it raised that everything the aid program did was meant somehow to advantage Australia. Downer’s was a mild change: he kept the national interest motivation but put it last – ‘in line with Australia’s national interest’. Interestingly, the Downer formulation Mark II persisted in the above-referenced budget document right up until last year as outcome 1 for aid expenditure. This formulation even makes an appearance on p. 29 of this year’s document, in what is clearly a mistake.

The Independent Review of Aid Effectiveness worked hard to come up with a better wording than either of the Downer formulations, based on our analysis that they formulations gave both too much and too little weight to the national interest. I won’t rehearse those arguments, which are presented [here](#). They had little traction with the last government, and clearly none with this.

In summary, first, there is very little new in yesterday’s aid news. And, second, it is good that the new wording keeps the focus on poverty reduction, but unfortunate that we have to wrap our aid efforts in a cloak of national interest: this does nothing for clarity, and it sells us short as a nation.

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