



## February blog digest: Filling the analytical gap – Australian aid stories

By Stephen Howes  
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February blogs posts were dominated by aid debates and discussions and that's what I focus on here in this, our monthly digest of Devpolicy blog posts.

You won't find the perspectives and analysis which I summarize below anywhere else. Slowly but surely, we are filling the analytical gap which has existed for too long in relation to Australia's aid program.

### **Asylum seekers and aid: what is that \$375 million being used for?**

Robin Davies and Jonathan Pryke followed-up on the government announcement [reported](#) in December of last year that it would reallocate \$375 million within the aid budget to meet in-Australia costs associated with asylum seekers. Their [first post](#) analysed new information on where the aid cuts had fallen, arguing that it "raises questions about Australia's capacity to fund an appropriate response to ongoing humanitarian crises in sub-Saharan Africa, let alone deal with any major new crises there or elsewhere."

Their [second post](#) asked where the \$375 million had gone. At Senate Estimates, Immigration Secretary Martin Bowles suggested that some of the funds would be used in part for the

onshore detention network. This is quite different from what Foreign Minister Carr suggested when the announcement was first made. Then it was said that the funds would be used for “basic subsistence for refugees waiting to have their claims heard in Australia.” Unfortunately, as this post [notes](#), while both AusAID and Immigration were grilled on this issue, Senate Estimates forgot to put any questions to Treasury and Finance about the basis for the \$375 million estimate. Yet they were probably the ones who drove the decision. Is our aid budget funding the forcible detention of asylum seekers? I hope not.

## **Pacific aid initiatives critiqued**

The Australian Government was a strong supporter of the 2005 Pacific Plan, and invested heavily in its efforts to promote Pacific cooperation and integration. Some seven years later, it’s hard to find anyone who has a good word to say about the Plan. Two submissions to the recently-established official Pacific Plan review (headed by former PNG PM and sometime Devpolicy [blogger](#) Sir Mekere Morauta) summarized on the [Devpolicy](#) blog are sharply critical. Veteran Pacific commentator Tony Hughes [argues](#) that the Pacific Plan has suffered from a “vague purpose, shaky ownership, and fractured implementation.” Tony calls for a Pacific Commission to create “a single comprehensive and all-round-competent regional institution.”

Peter Larmour, an ANU and USP academic, [critiques](#) the over-emphasis on planning relative to regional institution, and the waste involved in regional meetings. Part of the problem, Peter argues, is precisely the strong backing the Plan received from Australia and New Zealand. Because of this, the Pacific Plan is often seen “as an exercise in Australian and New Zealand control” and is resisted for this reason.

The Pacific Plan might not have been a great success, but it can’t just be written off either. We’re currently working on a “lessons learnt” research project, which we’re planning to share at the Pacific and PNG Update, on July 8 and 9.

Another Australian aid policy initiative of this time was the Australia-Pacific Technical College, (APTC) which was intended to promote international labour mobility by providing Pacific islanders with Australian technical qualifications. APTC has done the latter but not the former. Hardly any of the 4,000 APTC graduates have migrated. Michael Clemens, a researcher with the US-based Centre for Global Development, thinks that using aid to promote migration is a good idea, so he wants to know why the APTC hasn’t been more successful in its labour mobility objectives. You can read about Michael’s initial thoughts in [this interview](#) I did with him when he was in Canberra (or [listen](#) to his excellent seminar presentation). And watch out for the research currently being undertaken by Michael and

some of us at Devpolicy into the APTC puzzle.

## **Over the fiscal cliff?**

Sue Harris Rimmer has just left the Australian Council for International Development, the peak development NGO body, and joined ANU. She's written a [post](#) reflecting on the aid sector looking both backwards and forwards. Sue reminds us of some of the gains made in aid in recent years, for example, in relation to gender. However, she warns, the May budget (where the Government has promised a \$600 million aid increase) looks bleak. What will happen after the election is anyone's guess, but Sue argues that, as the Coalition looks for a surplus, the aid program may fall over the fiscal cliff.

## **Too good to be true: AusAID's Annual Review of Aid Effectiveness**

If by now you're feeling pretty depressed about the Australian aid program, go and read AusAID's first [Annual Review of Aid Effectiveness](#) (ARAE), for 2011-12, released on 25 January. It will cheer you up. The press ignored it, and the [contractors](#) and [NGOs](#) said it was wonderful. We provided a critical commentary.

One of our main points that Robin Davies and I make in our series of [three posts](#) on the ARAE is that the aid program is just not as fantastic as the ARAE makes it out to be. It's not all bad news either, and I for one remain a strong supporter of aid expansion. But it's no point pretending that there are no problems, which is pretty much what the ARAE does (with perhaps one exception - which we note below).

In our [first post](#), we drew attention to other evidence from AusAID itself that the aid program delivers mixed results, none of which makes it into the ARAE. In particular, we note that AusAID's latest [annual country performance report](#) for Indonesia indicates that only five out of nine of our aid program's objectives are "on track" to be achieved. In Papua New Guinea, it's just three out of 10. In Solomon Islands, it's only one out of six, and in Afghanistan it is zero out of four. These are Australia's four biggest aid programs, and the assessments seem to us to provide a much more realistic depiction of the aid program's achievements and the difficulties faced in delivering effective aid than the very rosy picture painted by the ARAE.

Although we're critical, we're glad the ARAE is now being produced. Staff turnover has been a big problem in AusAID. Now, because of the ARAE AusAID has to monitor and report on turnover and the good news is that it is declining. Likewise, though more worryingly, without the ARAE we wouldn't know that the number of Australian aid projects, which is targeted to decline, actually has continued to proliferate.

We hope that the next ARAE will give a more accurate and balanced account of the aid program's strengths and weaknesses. Our [third and final post](#) on the topic provides some suggestions for how it might go about this.

## **Public finance in fragile states**

This isn't about a blog post, but rather an announcement of a seminar which will be offered on March 5 by ODI scholars Marcus Manuel and Alastair McKechnie based on the ODI Budgets Strengthening Initiative. It has been organized at short notice and so didn't make it in to our regular [newsletter](#) (brought out in the middle of each month, whereas this digest comes out at the end). The seminar is at 12:30 in the Crawford School's new Brindabella Theatre. It's on a critical subject, and very relevant to our own [research](#). More details [here](#) and registration [here](#).

## **Summary of posts**

You can find a summary of all February posts in the list below. Don't forget our expanded set of buzzes. We provide monthly wraps (buzzes) on [Australian aid](#), [global development](#), [education & development](#), and [aid & Asia](#), as well as fortnightly wraps on the [Pacific](#).

## **Aid**

[Key observations on the state of New Zealand's aid strategy](#) by Joanna Spratt.

*"Overall, the Strategy is an important and welcome addition to the Aid Program. Greater clarity and articulation would be useful in key areas".*

[Sector on the fiscal cliff](#) by Susan Harris Rimmer.

*"As an advocate, I've learned that what has been won can be lost."*

[Construction in educational development: - the 'edifice complex'?](#) By Robert Cannon.

*"Where is the evidence that the construction of schools and educational facilities is effective development? Does it lead to sustainable quality improvements in education? The short answer is we really do not know."*

[Asylum-seeker costs—wrong questions, wrong people](#) by Robin Davies.

*"We recommend simply releasing the policy basis on which the \$375 million estimate was made, sooner rather than later. We'd like to think that this figure was not the result of a stab in the dark."*

[That \\$375 million for asylum seekers: where will it go?](#) By Robin Davies and Jonathan Pryke.

*“The only way we could calculate costs in the vicinity of \$375 million, while respecting the requirement that they be eligible to be reported as aid, was by including costs well outside the publicly-stated purpose of the funding reallocation.”*

[How Australia’s aid program is helping to pay the asylum-seeker bill](#) by Jonathan Pryke and Robin Davies.

*“While it is welcome that we now have updated budget figures, what remains entirely invisible is the impact of the aid cuts on individual programs, projects and organisations, both this year and into the future. For more information on this, we wait with bated breath.”*

[AusAID’s first Annual Review of Aid Effectiveness \(part 1\): is our aid program really that good?](#) By Stephen Howes and Robin Davies.

*“Drawing on the aid program’s own country-level reports would provide the ARAE with a much stronger evidence base and avoid the current disconnect between it and other more fine-grained performance reporting.”*

[AusAID’s first Annual Review of Aid Effectiveness \(part 2\): more questions than answers](#) by Stephen Howes and Robin Davies.

*“In summary, what’s newest and most valuable about the ARAE—the third-tier information—is also what raises the most questions. Is AusAID managing its projects effectively? Is it consolidating its portfolio? To the limited extent to which the ARAE answers these questions, the answer is either we don’t know, or no.”*

[AusAID’s first Annual Review of Aid Effectiveness \(part 3\): some suggestions for next time](#) by Stephen Howes and Robin Davies.

*“Whatever happens at the election, we hope the ARAE, or at least the three three-tier framework, survives it. Results reporting is good for the aid program. It just needs to be done better.”*

## **Development Policy**

[An interview with Michael Clemens \(part 1\): US seasonal worker program and skilled vs.](#)

[unskilled migration](#) by Michael Clemens and Stephen Howes.

*“The conventional wisdom around the world ...is that skilled migrants are always better. It’s difficult for me to understand, as the descendant of exclusively unskilled immigrants ..., why it is only skilled labor that is needed to build the U.S. economy.”*

[An interview with Michael Clemens \(part 2\): fostering skilled migration and the Australian Pacific Technical College](#) by Michael Clemens.

*“... I’m interested in this factual question of why a program that was originally designed to foster some substantial labor mobility hasn’t done that.”*

[Why the MDGs are both too ambitious and not ambitious enough](#) by Terence Wood.

*“For each Goal, individual countries should be set tailor made targets that are based on modest but meaningful improvements in historic trends.”*

## **The Pacific and PNG**

[The Pacific Plan: vague purpose, shaky ownership, fractured implementation](#) by Tony Hughes.

*“To be taken seriously any plan needs a credible purpose, clear ownership and a workable means of implementation. The Pacific Plan has had problems in all three areas”.*

[Fine for Fiji Times raises questions about media freedom](#) by Matthew Dornan.

*“The Fiji Times has been fined \$300,000, and its publisher \$10,000, for contempt of court. The editor in chief of the Fiji Times also received a suspended jail sentence of six months.”*

[Anti-planning: a submission to the Pacific Plan Review](#) by Peter Larmour.

*“Here I want to argue that many of the problems of the Pacific Plan are problems of planning itself, and that the review should pay attention to efficiency as well as effectiveness.”*

[‘Informality’ in the World Development Report 2013: implications for Papua New Guinea](#) by John Conroy.

*“This new [World Development Report] is notable for a positive, if somewhat qualified, endorsement of the value of informal economic activity.”*

[The economic costs of non-communicable diseases in the Pacific Islands](#) by Ian Anderson.

*“NCDs, including heart disease, diabetes and cancer, are already the leading cause of death in 12 Pacific Island Countries for which data is available, frequently accounting for 70% of all deaths.”*

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## About the author/s

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