

March blog digest: Aid case studies | New thinking on the Pacific | Networking development

by Stephen Howes

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Devpolicy Director Stephen Howes summarises blog posts and topics for the last month.

Aid case studies: Kalimantan Forests and Climate Partnership, and more

I am a firm believer in the importance of case studies when it comes to the study of aid. Aid comes in so many diverse forms that studies of aid aggregates tell us little. Last week Erik Olbrei and I were finally able to release [our study](#) on the Kalimantan Forests and Climate Partnership (KFCP), which is summarized in this [post](#). Erik started working on this paper in late 2010. I suggested the topic to him (in all innocence) when he said he was looking for a research topic for his Masters of Climate Change.

The story of KFCP is a fascinating one. It aims to reflood and replant drained peatland in Kalimantan thereby reducing the risk of fire and carbon dioxide emissions. It had perhaps the highest profile launch of any Australian aid project. It was announced by two Australian Ministers (Turnbull and Downer) and the Indonesian President back in 2007. But the public record then goes very quiet, and it takes a bit of digging to work out that the project has since been very significantly downsized and delayed. We're critical of the fact that the downsizing wasn't made public. The delays are more understandable – it's a complex project – but when set against the ongoing rapid rate of deforestation and peatland conversion in Indonesia no less worrying. We hope that the publication of the KFCP report leads to some debate and reorientation in relation to not just the project itself, but Australia's aid-funded strategy to help Indonesia protect peatland.

Another important aid case study came from Terence Wood, a close observer of the NZ aid scene. In this [post](#), Terence criticizes the decision to fund through the aid

budget a series of 10-day visits by young ASEAN business leaders to NZ to “establish trade and business relationships with New Zealand.” The issue was vigorously debated in our comments section, but I for one agree with Terence. How such an expenditure can be regarded as having “the promotion of the economic development and welfare of developing countries” as its main objective, which is the OECD requirement for something to be counted as aid, is far from obvious.

Aid case-studies don't have to be negative. To the contrary, most micro studies of aid suggest that it works. This [post](#) on a CARE women's empowerment project in Bangladesh, and [this one](#) on AusAID's funding of infrastructure maintenance in the Pacific show why.

We need a lot more aid case studies, from full-length research projects to blog posts. If you have ideas or tips, [contact us](#). We want to know and showcase both what is working and what isn't.

New thinking on the Pacific.

It is invidious to single out some blog posts as more important than others, but this [one](#) summarizing the new World Bank [report](#) on future of the Pacific island region has got to be up there in the top tier. I know some commentators question what is really new in the Bank approach, and others don't think it adequately acknowledges the importance of private sector development in the Pacific. I don't want to defend the World Bank's approach *in toto*. But I hope it helps shifts the debate about the Pacific, from one about what the Pacific needs to do better or differently to one which *also* looks at what Australia needs to do better or differently. This is a Bank report which speaks not only to the Pacific island countries, but also to Australia, and tells us (very politely) to change the way we give aid to the Pacific, and to open up our labour markets to Pacific islanders. These changes won't be easy (budget support to the Pacific?), but it is a debate we need to have, and where we need the firepower and objectivity of the World Bank.

Meanwhile, Wesley Morgan continued his series on PACER Plus with this [post](#). His argument this time was that one of the few things PACER Plus could provide to the Pacific would be more generous rules of origin for their exports to Australia. But any such concessions will only be of use prior to 2020 after which ASEAN countries will start having duty-free access to Australia and will outcompete the Pacific. There is, however, little prospect of PACER Plus coming into force before 2020. Another reason (in addition to those Wesley supplied in his [first blog](#)) for rethinking PACER Plus.

We've had a host of other great blogs on the Pacific in March: Dame Carol Kidu on

the plight of women in PNG; Steve Pollard's latest [Pacific Reflection](#) on service delivery; Andrew McNee's [fascinating analysis](#) (summarizing his [Discussion Paper](#)) of the interplay between the formal and the informal in the delivery of health services in PNG; and Joel Negin's surprisingly positive [assessment](#) of the large role Cuba is now playing in the Pacific and Timor Leste.

Development by networking

Networking was a theme for March. Maree Tait gave the [Global Development Learning Network](#) as an example of how new technology can promote cross-country learning. And David Howes proposed a new [network for education and development](#), arising out of the [Education Effectiveness and Collaboration Forum](#) which we cost-hosted with Save the Children on March 13.

Our disappointment for March was that Asia failed to nominate a candidate for the position of World Bank president. Our [quiet campaigning](#) for Sri Mulyani, former Indonesian Finance Minister and current Bank Managing Director came to naught, as Asia including Australia appeared to line up to support the right of the U.S. to nominate the Bank president. As we commented in this [development buzz](#), either Asia couldn't get organized to nominate its own candidate, or the Bank just isn't that important to Asia.

List of blogs

Blogs since our [February Digest](#), listed here in order from oldest to newest (now with "key quotes" to entice you to click on the link!).

[Cuba in the Pacific: more than Rum and Coke](#) by Joel Negin: *"one of the most prominent of the Cuban engagements now is in Timor-Leste where more than 300 Cuban health workers are spread around the country and which sent 700 young Timorese to study medicine in Cuba free of charge."*

[Aid in fragile and conflict-affected states](#) by John Eyers: *"there are situations in which for reasons of security or foreign relations Australia must provide aid, even though making this aid effective is at best improbable and at times impossible."*

[Illuminating the local: Stories of health in Papua New Guinea](#) by Andrew McNee: *"there may be much to learn for the formal health services from the traditional experience of PNG villagers."*

[Five aid challenges for the new Foreign Minister](#) by Stephen Howes: *"defending an increasing aid budget will be important, but for the new aid spending to be effective, and for the commitments around increased aid to be durable, reforming the aid*

program to increase its effectiveness needs to be a priority for the new Foreign Minister.”

Transport Costs in Africa: why are they so high and what can be done about them?

By **Sanjivi Rajasingham**: *“since wages in Africa are low, and road transport is a labour intensive industry, transport in Africa should be inexpensive. But it’s not, and quality is low. ... Why?”*

Aid? Or a subsidy to New Zealand business? By Terence Wood: *“the Young Business Leaders Initiative might be a good way of promoting New Zealand and New Zealand markets to the world, but it is not aid.”*

Education, Environment, Health, Infrastructure, Justice, Law, Security, Sanitation, Water ... Public Services. Could there be more? Could they be better? By Steve Pollard: *“where the major obstacles to change are generated by the people and their relationships, then the solutions to overcoming them must start with the same.”*

Reaching new heights – attacking malnutrition through women’s empowerment by Laura Taylor: *“an evaluation of a program in Bangladesh which has shown that empowering women has a significant impact on reducing child malnutrition.”*

AusAID at Senate Estimates: Cambodia resettlement and more by Devpolicy: *“these Senate Estimates hearings are opportunities to promote disclosure and transparency around the aid program. Here are some highlights from the latest transcript.”*

Australian Aid Can Make a Difference in Burma by Trevor Wilson: *“Australian Government policy, including its aid policy, needs to adjust creatively to the end of direct military rule in Burma.”*

Why Australia should support Sri Mulyani for World Bank President by Stephen Howes and Jonathan Pryke: *“Australia could play a critical role. We have long supported the principle of an open, merit-based and transparent recruitment process. Now is the time to back our words with action.”*

Dame Carol Kidu on PNG Women in the 21st Century by Matthew Dornan: *“what appears to be an increase in domestic violence in PNG is, according to Dame Carol Kidu, the result of an ‘uncomfortable interface between tradition and modernity’.”*

‘Pacific Futures’: The World Bank challenges conventional thinking on the Pacific island region by Stephen Howes and Jonathan Pryke: *“How Australia responds to these new ideas from the World Bank will be a lot more important than what the Bank itself does.”*

Peanuts to India? The controversy over British aid by Niloofar Raifei: *“India appears to be a worthy recipient, and perhaps even worthy of being the UK’s largest aid recipient. And yet the fact that India appears to be a reluctant aid recipient speaks to the difficulty of managing aid in a world in which the poorest people no longer live in the poorest countries.”*

Networking can promote knowledge exchange and cooperation on development by Maree Tait: *“networks such as GDLN provide the platform for global virtual networking and learning.... The technology is there, the people and networks too. Let’s make more creative use of them.”*

A very real and practical contribution? Lessons from the Kalimantan Forests and Climate Partnership by Erik Olbrei and Stephen Howes: *“if it is worth persevering, nothing short of an overhaul of KFCP and of Australia’s overall strategy in Indonesia’s forestry sector will suffice.”*

Rents to riches? A new look at the resource curse by Naazneen Barma: *“Orthodox approaches to natural resource management that seek to impose best practice arrangements in the sector often miss the distinct policy priorities and reform opportunities in particular countries.”*

New rules to expand Pacific exports? Only if action is taken fast by Wesley Morgan: *“With the PACER-Plus talks now set to drag on for years ...it is not clear that new rules [of origin] implemented at the conclusion of talks would offer any benefit to the Pacific island countries at all.”*

Education and development: a modest proposal for a TEPID network by David Howes: *“[we] require a new form of networking within the Australian education sector in relation to delivery of aid and development services.”*

Aid and the Maintenance of Infrastructure in the Pacific by Matthew Dornan: *“the PRIF [Pacific Regional Infrastructure Facility] is an excellent example of how donors can ensure the infrastructure in which they invest fulfils its economic potential.”*

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