What impact does aid have in Asia’s contested corners?

By Colum Graham

A new report by the Asia Foundation titled “The Contested Corners of Asia: Subnational Conflict and International Development Assistance” finds “that subnational conflict is now the most deadly, widespread, and enduring form of violent conflict in Asia, affecting more than 131 million people”. The report is intended to provide “a reality check” for aid policy-makers working on these areas. The report identifies ADB (the largest donor to areas of subnational conflict) and JICA have sometimes claimed in their projects for areas of subnational conflict, that improved service delivery and economic growth will contribute to peace-building “without any explanation of causality”.

It argues with evidence from case studies on Aceh, Mindanao and Thailand’s Southern provinces, that adhering to the OECD DAC Principles for Good International Engagement in Fragile States may not achieve good outcomes in contested subnational conflict areas. Rather, working to strengthen the state’s
institutions, or to improve service delivery, in subnational conflict areas (if they perpetuate discrimination) may be “actively counterproductive”.

The report recommends that international donors need to monitor more closely the “key dynamics that could have implications for the trajectory of a conflict or a transition to peace”. For instance, AusAID’s Basic Education Assistance in Mindanao’s project, while “thriving”, is highlighted for not having “had a transformative impact on the reduction of violence”. It also highlights that domestic political pressure to improve results in the short-term may undermine the incentive for donor strategies and programs to be designed on analyses of local contexts.

The report’s recommendations are a mix of calls for both modesty and ambition. On the one hand, the report suggests “more realism and reflection on the level of impact that aid programs can have on the trajectory of long-running conflicts.” On the other, it encourages a focus from donors to help “restore confidence and transform key institutions at the local level”.

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