Towards a new narrative on aid and international development

Hello, thanks very much for inviting me to speak at this seminar. It’s a privilege really to have been invited to contribute and I am sorry I can’t be there in person – I live in Colombia.

I have been asked to comment on the importance of aid in UK Africa relations, during and since the last Labour government, and on whether that importance is now declining.

Well let me start with this. I wrote a book, published almost 5 years ago now, but still available, and still relevant I think – “The Trouble with Aid – why less could mean more for Africa”.

My central policy recommendation was that rather than seeking a doubling of aid to Africa – the big campaign call of the Make Poverty History coalition, of which I was a part, working for Christian Aid – African countries should be setting out plans to reduce aid over time as a proportion of their annual income.
BEYOND PRO-AID AND ANTI-AID

The central, I suppose, analytical device, was to criticise the way in which the debate about aid had been, and is still, divided quite simplistically into pro- and anti-aid camps. I called for a balanced debate about aid’s impacts. And I split those impacts of aid into four main categories – direct impacts, policy impacts, political and governance impacts, and macroeconomic impacts.

I argued that while direct impacts, such as building schools, vaccinating kids, are probably very positive overall in the history of aid to Africa, although not without problems of course, and while macroeconomic impacts can be managed, it is the policy and political consequences of receiving large amounts of aid (as a proportion of the economy) over long periods of time, that have generally been damaging to Africa’s development, development not just in terms of project successes, or even economic growth, but in terms of structural transformation – moving to more productive economies – and political evolution – moving to more accountable and capable governance. And that was because of wrong-headed, anti-developmental conditions imposed from outside, and because of a culture of aid dependency, that led to accountability to foreign donors, over a country’s own citizens.

I am really summarising because I don’t have much time.
AID IS NOT THE PRIORITY

And furthermore I argued that even if you disagree with my analysis, even if you think that aid in large quantities over long periods of time has been generally beneficial to African countries, even then, aid is still one of the least important things that wealthier countries need to do to support development in Africa.

Allow me the indulgence of reminding myself how I ended my book.

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So, aid as an excuse not to do what is really necessary. That’s still basically what I think. Despite the fact that I work mostly on aid issues nowadays, I don’t consider it by a long chalk to be the most important development issue.
THE MYTH OF CHARITY

So my criticism at that time, when this book was published, was of both major parties – both were comfortable with propagating the myth of charity.

Of course there is charity and solidarity in international development, and so there should be. But I think the over-reliance on that way of thinking has retarded a mature debate about international development based on the evidence, and also a genuinely respectful attitude towards other countries – and I’m afraid that the British remain, despite progress from the colonial era, and I am generalising, remain somewhat patronising and condescending to people of other countries, especially poorer ones.

We need to move the narrative on. And it is possible to do so. Two massive changes have transformed the modern world and development efforts in the twenty first century.
FROM AID TO INTERNATIONAL PUBLIC FINANCE

The concept of aid as charity to the very poorest naturally leads to the idea that aid will “do itself out of a job” as the poorest people and poorest countries get wealthier. So that’s why I am engaged now in an attempt to reposition aid as international public finance which, like national public finance, will be a permanent fixture, not a temporary fix, will be for levelling living across the world, not just eradicating the worst forms of poverty, will be for global public goods, just as national public finance is for national public goods, and will be contributed to by all countries, even the poorest, according to their means, ending this outdated us and them, north and south, division, the patronising myth of charity that has succeeded in raising funds, but also in lowering the level of the debate.
THE END OF DRAB CONSENSUS

At a meeting I was at a few years ago, then-Secretary of State Andrew Mitchell claimed, to nods from his counterparts, that there is no Tory or Labour or Lib Dem, do they still matter, or UKIP, international development agenda, but just a British one. And this is typical of the British approach in which development is treated as if devoid of politics, which is a useful falsehood when fundraising or vote-winning, but is obvious nonsense.

I got an email today from a trade unionist telling me about a forthcoming conference at which he said “development” will be a major item on the agenda or, he said, “as we prefer to call it, the economy”.

As Ed Miliband began to set out his stall as Labour party leader, in the aftermath of the crash and the onset of austerity, he said that the biggest question for Britain is "whether we head towards an increasingly US-style capitalism – more unequal, more brutish, more unjust – or whether we can build a different model, a capitalism that works for people and not the other way around".

Not words you would be likely to hear from David Cameron. And he has continued to seek to differentiate his version of the Labour party from the Tories in a bolder way than his immediate predecessors.
Why then, is the same critique not applies globally? Of course it should be. And it was perhaps a matter of time before the cross-party development debatelessness became unstuck. When I started writing this kind of thing in the Guardian it was received well by senior Labour politicians, and then Ivan Lewis gave a conference speech in October 2012 (I think it was) which for me marked a clear decision to open international development for debate, in the same way as everything else is open to debate.

He criticised a Conservative belief in trickle-down economics and a simplistic "public-bad, private-good" ideology and called for, quotes, “Growth which is sustainable, companies that are both profitable and responsible, meaningful agreements on fair trade and climate change, universal access to free healthcare, compulsory education and social protection. Global human rights with no exemptions for our allies. Women's rights at the heart of conflict resolution. Decent work, decent labour standards for workers everywhere".
LABOUR VS TORIES ON INTERNATIONAL DEVELOPMENT

Labour are now even advocating an international Sure Start philosophy for early childhood, similar to the one they enacted in the UK. Falteringly, perhaps, Labour is setting out a distinctively Labour approach to international development, to be pitted against a Conservative alternative at the next general election.

And that Tory alternative also has merit. An instinctive distrust of welfare-like approaches, the active promotion of private sector solutions like never before, and an exaggerated but not foolish focus on results-measurement and value for money.

There’s a year to go and I think both parties should be working on their distinctive narratives. Labour, in particular, should be building up to the kind of radical transformation of the development discourse that they delivered so successfully under Blair and Brown. It’s not easy – what’s needed is not always politically possible.

In parenthesis, the Lib Dems, probably because they never thought they would have any power, had the most progressive development policies before they were in fact elected to office, since which time we have literally not heard from them.
But I think politicians and public are now ready to move on from the charity narrative (and I know Blair said he’d moved on from that but he hadn’t really) to a more mature narrative bringing together the fortunes of the rest of the world with the fortunes of the British electorate, and making the case that global sustainable development is in Britain’s interests and will require British money and leadership.

The actual policies, in terms of trade terms, grants vs loans, the role of the private sector etc, will all need to be thrashed out. But in my view we won’t be able to make the necessary changes to our international aid and development policies, until we change the narrative – from charity to mutual benefit.