



Australian Bahá'í Community

Aid Policy

The Australian Bahá'í community welcomes the review of aid policy which is being undertaken by the Government and values the opportunity to offer its views on this important issue. The importance which our Faith accords the issue of development is reflected in the experience of the Bahá'í community, which, in 1995, was carrying out over 1500 social and economic development projects around the world. Many of these projects have had lasting benefits for individuals and communities. Through projects such as these the Bahá'í community strives to put its words into practice.

The provision of aid by Australia is an expression of the foresight and generosity of the Australian community. It realises a basic human virtue of fundamental importance to the building of a liberal, prosperous and inclusive global society. It also contributes to the establishment of global peace and security. The judgement to be made as to the appropriate level of aid contributions by Australia is one that our Government needs to make in the light of budgetary circumstances. It is also a judgement which needs to be made with due regard to the global reality of an increasing gap between the rich and poor and the serious consequences of such a state of affairs. The existence of extremes of wealth and poverty, particularly when it is so stark, is according to the Bahá'í teachings, an intolerable injustice. The aid program has its part to play in addressing this situation and needs to respond to the moral and political challenges to which it gives rise. In this respect we welcome the commitment of the Government to achieving the United Nations goal of 0.7 percent of GDP, when budgetary circumstances allow. We hope that as the budget is returned to surplus, the Government will work also to achieve this outcome. In the interim we hope that the Government will consider setting a timetable for returning Australia to at least the OECD ODA/GNP average as soon as possible. At 0.29% ODA/GNP Australia is now well below the OECD average of 0.41%.

The direction for aid outlined in *A Confident Australia*, namely an emphasis on the reduction of poverty and the promotion of economic development as permanent means to overcome poverty and the achievement of an equitable international order are a welcome re-focusing of Australia's aid policy. We welcome also the link between human rights and aid policy addressed by the Minister for Foreign Affairs, Mr Alexander Downer in his speech Human Rights in Australian Foreign Policy delivered at the July DFAT/NGO Human Rights Consultations.

Fundamental to a consideration of aid policy is the concept we hold of the relationships between the participants in the aid process. We have commented on the aspects of generosity outlined above, however, to regard aid only in this light reduces the recipients of aid to passive observers in a process beyond their control. Aid, as much as being an exercise in generosity, is a co-operative venture between governments, non-government organisations and individuals. It is an exercise which is of benefit to all who are involved - whether in terms of a more effective economic system, a more stable and peaceful international order or a global society which better

reflects the aspirations of all peoples, as, for instance, expressed in the Preamble to the United Nations Charter. Seen in this context, the need to involve recipients of aid in decision making concerning the delivery and nature of aid intended to be provided for their benefit, is evident. Often the scope of decision making left to people is marginal and limited to choices formulated by agencies experiencing realities far removed from their own. The effectiveness of the collective venture which aid delivery represents depends crucially, in our view, on full consultation with intended beneficiaries, from conception to conclusion of aid projects. It is their voices as to their needs and wishes which must be heard if aid is to gain their support and achieve “lasting poverty reduction” - as called for by the Minister for Foreign Affairs in his press release of 28 May 1996.

Such consultation is an important aspect of empowering individuals and communities to control their own futures and of fostering grass roots initiative and self-sufficiency. Such empowerment, we believe, has a significant role to play in our aid program and could be fostered by projects having one or more of the following features:

- a focus on training and capacity building for communities and individuals, to provide recipients with skill and knowledge necessary for self-sufficiency
- a focus on the creation of economic ventures which enable recipients to generate and control wealth and thereby provide for their own needs
- small scale aid projects, which by their nature, foster control and involvement by recipients at a grass roots level
- the involvement of businesses and non-governmental organisations which have a track record of working with communities at grass roots levels and achieving sound outcomes.

A human rights paradigm, in our view, should also be regarded as central to the aid process. A rights paradigm allows us to see aid delivery in the context of universally accepted global goals which as stated by the Universal Declaration of Human Rights are the “common standard of achievement for all peoples and all nations”. These goals provide also a litmus test for the effectiveness of aid - lack of progress on the realisation of rights should signal the need for a review of any particular portion of the aid program.

An aspect of a human rights focus, which also raises issues of equity and effectiveness of aid, is the involvement of women in decision making processes. Women are over-represented among the poor - 70% of the poor are women - yet their voices are sometimes the last to be heard in the process of development. Achieving the equality of women and men is an essential prerequisite, to fostering more prosperous and equitable societies. In the context of aid delivery the involvement of women in decision making is an element of this process. The 1995 United Nations Development Report identifies 30% participation by women as the critical minimum level for women’s participation in decision-making. The involvement of women in decision making is one way of ensuring that gender equity is maintained in the delivery of the aid program.

Accountability and transparency of aid projects. In the delivery of aid questions of accountability and transparency arise which need to be addressed if greater effectiveness is to be achieved. Compliance with ethical principles and the application of sound financial procedures by all involved at point of delivery are essential in order to restrict opportunities for the misuse of funds and resources.

Trade and economic considerations. An aid policy designed to produce trade and economic outcomes favourable to the donor country can have the effect of reducing the poverty mitigation achievable from a limited budgetary allocation. In this respect we very much welcome the definition of the purpose of aid in A Confident Australia. It is our view that whilst it would be desirable if Australia's aid program could contribute to the advancement of Australia's economic and trading interests, this objective should not derogate from the primary goal of the aid program, namely, to eliminate poverty and promote social and economic prosperity in developing countries. Australia's long term interests, in our view, are better served by an aid policy that gives priority to this goal.