HOUSE OF COMMONS

International Development Committee

Oral evidence: The philosophy and culture of aid, HC 101

Tuesday 9 November 2021

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Watch the meeting

Members present: Sarah Champion (Chair); Mrs Pauline Latham; Kate Osamor; Mr Virendra Sharma.

Questions 182 - 220

Witnesses

I: Heba Aly, Chief Executive Officer, The New Humanitarian; Samuel Wambayo, Executive Director and Co-Founder, Kids Club Kampala.

II: Themrise Khan, Independent Development Professional; Dr Chukwuka Onyekwena, Executive Director, Centre for the Study of the Economies of Africa.

Examination of witnesses

Witnesses: Heba Aly and Samuel Wambayo.

Q182 **Chair:** I would like to start this session of the International Development Select Committee's inquiry into the philosophy of aid. This topic overarches many of the inquiries we have done to date on sexual exploitation and racism within the sector. It goes to the broader discussion of what aid is, could be and should be for. As the FCDO is making its decisions on its development strategy, which will be for the next five years, we very much hope that the work we do on this panel will feed into that.

We are really fortunate today to have two panels. The first panel is made up of two people, Heba Aly, who is Chief Executive of the New Humanitarian, and Sam Wambayo, who is the Executive Director and Co-Founder of Kids Club Kampala. Welcome very much to both of you. Will you both introduce yourselves and say how you have got to this point, and also a little bit about the organisations you work with and for.

Heba Aly: Thank you for having me. As Sarah mentioned, I am the CEO of the New Humanitarian, a newsroom that was part of the United Nations for about 20 years. We spun off to become independent some six years ago now. Our journalists report about humanitarian crises around the world. They cover everything from conflicts to environmental hazards, to forced displacement, to health crises, as well as aid policy. That is what brings me here today.

Through our content, our podcasts and our events, we have been hosting a conversation about what we call rethinking humanitarianism—in other words, how to do aid better. Through that series, we have been exploring what humanitarianism means in the modern era, when it is no longer just a question of delivering food to remote parts of Africa but grappling with the complexity of migration and climate change crises in urban environments and so on, and when humanitarianism is no longer only the purview of the UN and Governments.

We are now seeing ordinary citizens pulling refugees out of boats in the Mediterranean, a 16-year-old activist having more impact on climate policy than decades of politicians, and private sector companies creating artificial intelligence that is being used to forecast famine and so on. It is really a different landscape today and one that we see as our job to chronicle. I will end by saying that I think that today aid is no longer about disaster relief. It is about addressing root causes, longer-term approaches, building resilience, empowering communities, power and agency. That is a lot of what our content tries to look at and examine.

Samuel Wambayo: My name is Samuel Wambayo. I am the executive director of Kids Club Kampala and a co-founder. We are a community-led charity organisation, working in the slums of Kampala and the surrounding places. We empower children through making sure that we

provide their immediate needs and strengthen their future through education, upskilling and safeguarding. We are part of the Small Charities Challenge Fund. Last year alone, we received about £465,000 to provide meals during the lockdown. We managed to provide about 1.5 million food packages for the people in the slum communities. We managed to abate deaths that would have been caused by hunger.

Besides that, I was born in poverty, lived in poverty itself, experienced it and I am at the frontline of fighting poverty. I am not only here as an executive director, but as a representative of those people experiencing poverty right now.

Q183 **Chair:** Sam, the work that you and your organisation do is amazing. To go through your figures in 2020, you provided 1.5 million meals for children to 165 vulnerable people. That is incredible, but should that be the work of a voluntary organisation, or should that be the work of the state? Should aid development be doing that, or should the country be doing that work itself?

Samuel Wambayo: That should not be a subject of discussion. Every Government should be responsible for the wellbeing of their citizens. Do these Governments have the will? Yes, they do, but most of the time their will is directed by their political agendas. You will find that the poor are easily left out, so poverty continues to grow, even as we have so many agencies trying to help the communities out of poverty. It is the responsibility of Government, but we can ensure that we empower the citizens and the poor people as well. They will later demand equal services from their Governments and definitely Governments will act.

Q184 **Chair:** Heba, could I broaden the question to you and ask you to make the case, basically, for international aid? What can aid do that cannot be achieved through other sources of income, such as international trade and foreign direct investment, for example?

Heba Aly: Trade and FDIs are a very market-based way of seeing the potential for improving the state of the world. While there are certainly cases in which private sector investment can have significant impact, and perhaps greater impact than aid, there are also situations that fall outside what economic development in that format can do and can address.

If you have an earthquake or a civil conflict, trade will not have impact in the short term. We examine humanitarian aid in our reporting, so I come through that lens. There is certainly a role for humanitarian aid as a firefighter—a last resort—coming in when no other solutions have worked and when there is not economic or geopolitical interest in trade or other economic forms of development. There is a special space for humanitarian aid, driven by a different set of principles—of humanity, neutrality, need and really responding based on need and not based on politics or foreign policy interests—that is unique and needs to be protected.

When you look at international development aid more broadly, there are a few ways in which it adds value, or ways in which we can see the value of it. We can think of international aid as a vehicle to universal human rights, so a belief that all humans on earth have a right to a certain quality of life, regardless of which country they happen to be born in. It then follows that countries such as the UK that subscribe to a worldview that recognises those rights and freedoms would have a responsibility to uphold them for all peoples.

We can see international aid as a recognition of what I see as a globalisation of vulnerability. In other words, we are increasingly all affected by these global challenges—it is no longer something that only happens in the so-called global south. We tend to see aid as a one-way travel from north to south, but actually it is going south-south and it is increasingly south-north. During Covid, we have seen that countries in the south have been helping with teaching countries in the north. We will all need a different lens. If we think of the world as one in which we are all there to help each other when those needs arise, that is perhaps another moment in which trade or FDI might not be the answer and this kind of aid would.

I have two final things. Our interconnectedness makes it such that, as we all know, a virus that is spreading somewhere else in the world will make its way to the UK. Underdevelopment in Africa will lead to migration in Europe. Pollution in the United States will lead to climate change everywhere. The threats we face are transnational. More prosperity and development in the underdeveloped world means a safer and more prosperous world for everyone. It is not a zero-sum game. That kind of international aid makes everyone better off.

The last thing, perhaps most interestingly, is that we can be thinking of international aid as reparations. If you look at the major donor countries today, many of them were built off of slave labour. The liberal capitalist world order, including the international aid institutions that were developed after World War II and that are now charged with helping the world's poor, was built on slave labour that, by some estimates, amounts to at least $16 trillion. When we talk about aid, we are actually talking, in this world view, of giving back those resources that were stolen or extracted.

Many countries, the UK included, have created and maintained an international architecture that keeps power in the hands of an elite few countries and prevents poorer, less powerful countries from being able to shape international policy in their interests. International aid plays a unique role in trying to right those historical wrongs, seen from that perspective. I am happy to talk a little bit more about that.

Q185 **Chair:** I hear what you are saying around reparation, but does it actually empower communities, or does it basically maintain dependency?

Heba Aly: Absolutely, there is a lot of dependency. That is something that should be fixed, but I do not think that is a reason to abandon aid; it is a reason to improve aid. We have seen, certainly in a lot of the countries that we cover, people getting locked into these cycles of crisis and depending for years and decades on international aid that is, by the way, doled out on a yearly basis, as though the crisis was going to end in six months. I am not in any way suggesting that that is an effective way to move forward.

To recognise that those countries that are perpetually in crisis are in crisis for a reason and are in disadvantaged positions because of a very clear history of exploitation and extraction starts to paint a slightly different picture. We can then certainly discuss what some more effective ways of channelling and transferring that aid are.

Q186 **Kate Osamor:** Hello and welcome. Sam, is international aid effective at reducing poverty and human suffering?

Samuel Wambayo: Yes, it is very effective. I look at myself as a very vivid example. I was born in poverty. Even at the time when I had need of foreign aid, for example, nobody knew that I would be who I am 20 years later. Most times, we are looking at figures and numbers to see how we are doing with regard to the impact of international aid. Usually, when you look at, for example, the national development plans for most of our countries, there is a design for five years. It is effective but, because our national development plans are designed for only five years, sometimes we miss out on seeing the long-term impact, because it would take a good number of years to be realised. But yes, it is very effective.

Q187 **Kate Osamor:** I wanted to ask you a further question. Thank you for being very open in speaking about where you come from and your childhood experience of being born in poverty. What conditions needed to be in place to enable poverty reduction? How was it that it was effective for you—what was in place?

Samuel Wambayo: Using myself as an example again, for now, we need a little more strength in policies, in terms of pro-poor and, for example, gender-sensitive policies, though they were not there. I am glad that I have been successful, and indeed so many others, out of foreign aid within the tough conditions, sometimes with unclear policies on the ground. We need a little more pro-poor and gender-sensitive policies.

For example, right now, we are talking about the fact that women, who are of course, most times, struggling with their kids, need to have access to property, land and information. From my experience of being a frontliner, it is beyond having access. It is more like really having ownership of properties or the land that we need currently. We have given, for example, women positions of power without authority. We are proud that they occupy some positions, but you may find that actually they lack the power—I mean the authority—to influence decisions that

would benefit them and the poor communities. I am happy to expand on that, but I guess that is where we need to grow more as donors.

Q188 **Kate Osamor:** Heba, can I ask you the same question? Is international aid effective at reducing poverty and human suffering?

Heba Aly: I will preface my answer by saying that I am not an expert in long-term development aid—as I mentioned, I follow humanitarian aid—but I can certainly say that humanitarian aid has saved lives over the decades. Is it the best tool to reduce human suffering in the long term? The answer has to be no. Aid is meant to be a kind of life support, but it has not succeeded, to answer Sarah's earlier question, in breaking people out of that dependence on aid.

We certainly have seen global poverty levels dropping, at least until recently, but inequality is growing. Aid can be effective at reducing poverty, but you asked Samuel what else needs to be in place, and a more equitable global power dynamic has to be the starting point, because that is what will enable countries to get out of poverty. If we look at the lessons learned from Covid and the recent Black Lives Matter movement's resurgence, people need food aid but, perhaps more fundamentally, they need functioning health systems. They need functioning justice systems.

To be able to invest in all that, Governments need to be able to get out of debt, so it is all interconnected to the wider inequity in terms of power that the world order, as I see it today, is built upon. There are many things that the UK can do, using its diplomatic power. It is one of those countries that holds more power than others in the global system to contribute to more equitable power dynamics through reform of the Security Council, dare I say, and more equitable climate policies. Of course, everyone is now in Glasgow, talking about how rich countries will pay for the damage that they have caused developing countries in terms of climate change. There could be more equitable vaccine distribution and so on and so forth. That has to be the starting point that can then lead to more effective poverty reduction. In that, aid certainly has a role to play.

Q189 **Kate Osamor:** Sam, you rightly spoke about having gender-sensitive policies in place to enable poverty reduction. How can donors help to ensure these conditions are in place?

Samuel Wambayo: If we are making donations through our countries, for example in Uganda, we should ensure that part of the aid is going towards policy and ensuring that we have systems in place that help Governments to actually deliver services in a way that is equitable.

We have seen a vivid example in Uganda. We are at the stage where, for example, district meetings are funded by the NGO sector, which means that the ability for Government to even monitor the programmes and projects of the NGO is really very low. If just monitoring its set-up is very complex, it means that, when it comes to assisting design and influencing

policies, we may not be successful in that area. Besides, if it is not in the interest of any ruling Government, then they will turn a deaf ear towards that.

In our case, as IDC, we would put in more efforts to ensure that, whereas we are funding the NGOs on the ground, we have 50:50 foreign aid coming in as well, headed towards the policies themselves. At the end of the day, NGOs and charity organisations cannot work independently of Government.

Q190 **Kate Osamor:** Heba, what are the potential negative consequences of international aid?

Heba Aly: There are quite a few. The Chair has already mentioned dependency and trapping populations in that dependency, where they can no longer get back on their own feet and are needing perpetual aid. We have certainly seen cases of corruption, both within Governments that receive quite a bit of aid and within aid organisations themselves.

We have reported extensively and testified before this Committee about sexual abuse by aid organisations. There is certainly a power dynamic at play between those who give aid and those who receive aid. That opens up a whole series of risks.

We have also seen aid distort local economies, as international aid workers can pour into a country and spend money in ways that the local market is not necessarily used to and does not always necessarily benefit from. Perhaps mostly importantly, when aid is used as a foreign policy tool, that can have very negative consequences. We have seen that in Afghanistan, where aid was certainly used as an effort to further one side of the conflict's interests. That muddies the waters very significantly and jeopardises aid in the future. I will be the first to say that there are quite a number of negative consequences potentially, but these are consequences that can be managed and mitigated.

Q191 **Kate Osamor:** Heba, how do you think donors such as FCDO can mitigate those negative consequences?

Heba Aly: There are a number of things donors can do, particularly because they can incentivise changes and actions in the way that they fund by putting certain conditions into their grants. A lot of these negative consequences can be mitigated by investing in more local communities—so, rather than channelling aid through international organisations, trying as much as possible to work as close to the ground as possible. There are a number of challenges in doing so, but that certainly addresses the dependency issue. You can start to feel a certain resilience within local communities, that they are not just waiting for international aid to come and support them but are starting to develop those capacities to support themselves.

Leaning into some of the decolonisation issues that I raised earlier can mitigate the negative consequences of aid. I did not speak so much about

them just now, but there are also potential negative consequences in disempowering the very people that aid is meant to help. In taking a more decolonial approach to aid—I am happy to talk about what that might look like—you can also mitigate for some of those consequences.

Protecting the independence of humanitarian action would be an important mitigating action. The merger between the FCO and DFID causes some challenges in that regard, but there are ways, even within a joined-up FCDO, for humanitarian action to be driven by need and impartial principles, not solely by foreign policy objectives.

There are a number of things that donors can push their grantees to adopt when it comes to accountability, greater participation of affected people in decision making and feedback loops that can spot sexual abuse earlier on, essentially making the whole aid process more accountable.

Lastly, changing the way that they fund can have a pretty significant impact as well. Funding primarily through international organisations is not only problematic in the way I described earlier, in terms of robbing local communities of the opportunity to be able to help themselves, but also in that it reinforces a certain architecture that is supply-driven rather than demand-driven. A UN agency that focuses on food, such as the World Food Programme, is going to find food needs wherever it goes and is not necessarily going to be responding to what is most needed by the people. Starting to channel funding through pooled funds, for example, that are more controlled at the local level, can help aid to be much more attuned to what local people need.

Q192 **Kate Osamor:** What actions can aid agencies take to mitigate these negative consequences of international aid?

Heba Aly: There are a few things. One of them is the same as for donors, which is to work as locally as possible and invest as much as possible in local organisations and communities. Rather than seeing themselves as operational responders, we are certainly seeing, in our work and in our interviews with various people across the sector, a suggested shift towards a different kind of role, where international aid agencies are advocates and fundraisers but not necessarily operational responders. Instead, they see their success as building that local capacity. That is a real change in the way they would see their role.

In terms of other action, apart from obvious elements such as not aligning themselves with military actors, which we saw, as I mentioned, in Afghanistan, and which was quite damaging in the impact that aid was able to have, one of the most important things they could do is to remember what they are there for, why they were created and what their initial mission is. They should be much more focused on what the best way to alleviate suffering in this day and age is, rather than "How do I grow my organisation? How do I get more money? How do I expand my activities?" Ensuring that the definition of success is attached to the

original mission and not a self-fulfilling prophecy of endless growth would help to centre aid in what it is meant to be about.

Chair: Can I say to our witnesses that I would really appreciate bullet-point answers? We will follow up and ask you in writing if you want to expand your arguments. We are fascinated by what you are saying so far, but we want more time to hear more from you, so bullet points please.

Q193 **Mr Sharma:** Hi, Heba. Normally aid is questioned. A lot of people have different reasons and put different questions, but one question is whether it is serving the right people. In your view, whose interests does international aid serve?

Heba Aly: That is a very good question. Of course, foreign aid is meant to serve the benefits of the recipient country. Often, it is actually serving the country giving the aid, rather than the country or the population receiving the aid. We have seen, as I mentioned, aid being used as a foreign policy tool. We have seen it used as a way of planting a flag, gaining visibility or soft power. Increasingly, it is used as a way of securing national security.

For instance, we have seen a lot of aid directed from European countries to countries in the Sahel in order to stop migration to Europe. If that is your priority, fine, but let us not call that aid, because it is actually benefitting you. It is not benefitting necessarily the country receiving it. I will note that, in describing the merger of FCO and DFID last year, the Prime Minister actually used the words "missionary zeal". There are still echoes of that kind of colonial nature of aid, in which it is actually serving a foreign power. In the interest of bullet points I will perhaps leave it at that. I am happy to expand.

Samuel Wambayo: I want to approach that question in two ways. We usually have what we call relief, which is usually, most times, administered during emergencies, and then we have long-term development aid. In the case of relief, aid serves in the interest of the beneficiaries, who are usually the suffering—the poor. In the case of long-term development aid, it serves in the interests of the two parties. It is said that a friend in need is a friend indeed, so it will be an arrangement between these two Governments. Like Heba said, it could be towards major assistance, so that will serve in the interests of either of the parties—it is either the receiving Government or the donating Government. That is how I want to approach it.

If I can give an example, as Kids Club Kampala, over 80% of our funds and aid go direct to beneficiaries, because we are a small, efficient organisation. We ensure that much of the funding is delivered to the recipients themselves.

Q194 **Mr Sharma:** Sam, normally when you give aid, you want to see the success of that. Who decides what success looks like and how do we

measure it?

Samuel Wambayo: We have success for either of the parties. We have success for the beneficiaries themselves, although, of course, most times they do not have such a voice that we get to hear them, but sometimes you have someone like me. If I was not invited to this platform, you guys would not have known that I have been a beneficiary of aid and have lived and experienced poverty. Here I am, at the frontline. In my own view, in my opinion, I am a success story—I am a success myself. I can clearly tell that whatever was spent on me, from whichever donor, has been a success and well utilised.

On the other hand, sometimes we look at the numbers. For example, we look at how many children have attended a certain class and how many have graduated. As an institution, we are tempted to think that that is success to us, because we need to deliver and communicate these numbers to whoever is giving us the funds.

Both parties—the beneficiaries and us administering aid—look at success in different ways. We at the frontline understand what success is from the angle of the beneficiaries: every time they do not need more of our services, it is success. I am successful because I do not need any more sponsorship for education. I am a benefit to my community now. For example, as Kids Club Kampala, we run food banks. If, by the beginning of next year, our food banks are no longer needed in the slum communities, that is success to us and it will be success to the beneficiaries as well.

Heba Aly: I agree that success should be a reduction of need. There are certainly international ways in which that is meant to be measured, through the sustainable development goals and so on. As much as possible, those metrics of success should be set at the national and local level, not by the donor, and should be long term. Rather than what we often see—aid agencies reporting back on how many mattresses they delivered to a crisis zone—we should be looking at how we have, on the whole, improved people's lives and lifted them out of need.

I will also make the point that, at the moment, we do not really have ways in which the beneficiary—I am sorry to use the term "beneficiary", which itself is a little bit problematic—or the people receiving aid can be the judges of whether that aid has been successful. They are quite removed from the entire process. In any other sector, the idea that the same organisations would identify needs, respond to those needs and then report back on the quality of their response would be considered a conflict of interest and yet in the aid sector that happens quite regularly. We need to find ways in which people affected by poverty or crises who are receiving aid have some way of rating the quality of that aid and feeding back into that measurement of success.

Q195 **Mr Sharma:** You both briefly touched on it, but I wondered whether you could add anything about how donors and aid organisations can ensure

that aid serves the interests of those who receive it.

Samuel Wambayo: I want to speak from the context of Uganda and some of the African countries that I have been to. Let us identify community-driven programmes that are effective at delivering services that reduce poverty, for example education and upskilling, so that we do not create dependency. I also want to say that we should look into providing aid that allows flexibility, in terms of the model that is administered, so that it serves best in whichever context it is administered, in whichever country and whichever area. It depends on where it is being administered, basically.

I also want to say that, in terms of Government and us, you will notice that in most countries NGOs and the charity sector are kind of at loggerheads with each other. When you are giving aid, let us give more aid to NGOs that are on the ground, but at the same time give a section of this aid to Government for monitoring purposes, so that, in whichever way, it is not abused. It should be given to the right NGO sectors, but we should also give a section of that aid to Government for monitoring and supervision purposes.

I gave an example earlier on NGOs—there are district meetings that are meant to be monitoring the activities of the organisation, but you will find that it is the NGOs themselves that are funding and facilitating these meetings. The NGO sector is not a business entity, so it has no business funding meetings of the district. Government should be funding these meetings.

There are Governments that are held up that do not have enough funds to monitor and supervise the activities of the NGO. If you give more money to the NGO sector without having provision for Government to monitor these activities, there will continue to be conflict between NGOs and the charity sector. There has been a scenario with the democratic facility here in Uganda that, of course, I may not discuss further, but you can tell that we need to balance it out: give some funding to Government for monitoring purposes and give more funding to NGOs that we are sure will deliver committed development programmes.

Finally, as I finish, if we have entities or NGOs such as Kids Club Kampala, for example, that we have seen are delivering and saving lives—just tremendous achievements—why do we not look at duplicating the way they do their work? Why do we not look at duplicating Kids Club Kampala in any other part of the world? For example, Heba talked about having programmes run by the local people themselves; that is exactly what Kids Club Kampala does: 100% of the staff on the ground are local people. They understand the dynamics. They understand the context. They love the work they do at heart and definitely deliver. We should carry out a case study and duplicate the work of Kids Club Kampala in other communities.

Heba Aly: I will try to be brief. Sam's point is that one way donors can ensure aid benefits those who receive it is to encourage and push for greater representation of people affected by and receiving that aid in the make-up of those aid organisations. We recently did a survey of a number of large UN agencies and international NGOs working in the humanitarian space and found that very few of them had more than 15% representation of affected people on their boards and on their leadership teams. The more that those organisations look like the people they are trying to help, the more they are going to understand the needs. That is one: we should not shy away from a formal role for affected people on the governance boards of aid organisations.

The second point is feedback. There has been a big push for feedback systems within the aid sector, but a lot of them are flawed, in that aid organisations receive the feedback and then they can choose to act on it or not, or sometimes they do not even know what to do with it. There have been a number of suggestions recently of an independent accountability mechanism that could receive feedback, complaints and questions around whether aid is really benefitting the right people. That independent mechanism could report back to the governance boards of those organisations. It is a way of putting in place some independent accountability.

By the way, supporting media organisations that do independent reporting and monitor the activities in areas that are receiving aid is also a way to provide that kind of independent check and balance on the system.

Lastly, as I mentioned earlier, if you measure success in a very short-term, narrow way, that is not necessarily going to be the kinds of activities that benefit those in need the most. Taking a much longer-term, more sophisticated view of what success looks like may well help to ensure that aid is benefitting the right people and that grantees are not simply trying to meet short-term tick-box exercises for donors but really looking for that long-term impact.

Q196 **Mr Sharma:** Sam, how does the UK's aid spending affect how the UK is seen by other countries? The UK gives grants and aid; how is it seen by other countries?

Samuel Wambayo: That is a very good question. I will give my own perception. Aid has always been given with good intentions. It is a local saying that when there is a fire in the neighbourhood, you do not stand and just enjoy the scenery because, sooner or later, this fire will spread over to your house. In that way, it helps us to stand up for one another. If there is a challenge in the neighbourhood, you stand up and help the neighbour.

In the same way, aid is seen as a sign of brotherhood between the UK and the receiving countries, because it is always directed towards the specific sectors that need help and it continues to strengthen the ties. Of

course, like Heba mentioned earlier, sometimes it is seen as a political tool. I guess it is about all the ties around it. In this case, of course, as the IDC, I guess our intention is to get the best way possible for how aid can be administered. With us, it is a sign of brotherhood and an indication that the UK cares. It is a good indication.

Q197 **Mrs Latham:** My first question is to Heba Aly. What would you like to see included in the FCDO's forthcoming international development strategy?

Heba Aly: I would start with a greater focus on development than on trade as a way of creating economic development and progress around the world. To the extent to which it is an indication, the integrated review spoke quite a bit about trade. It was quite focused on trade; development was a bit of an afterthought, from my reading of it. There should be recognition that strengthening security, as I believe the UK wants to do, depends on a prosperous world for everyone.

There has been a lot of focus on getting back to 0.7%; it would be important for the designation—so, what counts as ODA—to be as fair as possible. There has been a lot of discussion already around some of the creative accounting that is reducing the amount of money that is actually available for international development moving forward. That is a real challenge.

In addition to the quantity of aid, the strategy should also be looking to improve the quality of aid. In particular, there are a number of ways in which aid can be more effective moving forward, in terms of being more anticipatory, locally rooted and long term and resilience-focused in its approach. Resilience was already mentioned a fair bit in the integrated review. Those are elements that it would be important to include in a future strategy.

At the New Humanitarian, we have curated a series of views on the future of aid. Those were the themes that came up most often: more anticipation, more decolonised and locally rooted aid. We heard a lot about prevention of conflict rather than simply response to conflict. Taking that view, in everything that the UK does it should be thinking more long term and specifically with a context in mind in which climate change is going to really dramatically increase the needs around the entire world. What is an aid policy that can be resilient to that level and scale of need?

Decolonising the UK's approach to aid needs to be part of the thought process. There needs to be a focus on equity, power and undoing some of the damage of the past, rather than solely a security-focused or national interest-focused approach.

Q198 **Mrs Latham:** What do you believe a coherent, joined-up approach to the UK's relationships with low and middle-income countries would look like?

Heba Aly: I am not an expert—sorry to keep prefacing—on the internal UK Government machinery. There have been some very good

commentaries on this, in particular a blog by the Center for Global Development that talks about having a platform for ODA across Government and for the FCDO to be central in delivering the whole aid budget and not just the FCDO's budget. There is some joining up that can happen on that front.

More broadly, the most important pillar will be to really understand what the objectives are of the Government's aid agenda and to resolve any tension, to the extent there is any, between foreign policy objectives versus what I discussed earlier—the objectives of aid as an entity in itself that is separate from other national interests and recognition that aid should be based on need, not only on foreign policy. Addressing that kind of tension and coherence would be important.

The other thing is that it is not very helpful when hypocrisy is on full display. For instance, you will see the UK Government as part of a coalition that is bombing Yemen and, on the other hand, providing aid to Yemen. Ensuring that what the UK is doing on a military or a foreign policy front is coherent with its international development and is not contributing to the problems that international aid is then solving would certainly be one way of creating greater coherence.

There is now a very known discussion within the sector around the humanitarian peace and development nexus and ensuring that, in everything you do, you are thinking not only short term but long term in building resilience. While humanitarian aid needs to be independent, for some of the reasons I have discussed earlier it should be at least speaking to and in concert with some broader goals for development and peace.

Lastly, DFID had a lot of expertise. That expertise should be tapped into and valued within this new joined-up unit. There are a number of mission-driven bureaucrats within the now joined-up FCDO whose morale may be in question thanks to some of the recent changes. Bringing them into the fold may well be also a helpful way of creating those links.

Q199 **Mrs Latham:** Sam, I wonder whether you would like to tell us whether you think it would be more effective in the long term for donors to fund organisations that work with communities, or to give the funding to national and local governments to improve the service's provision.

Samuel Wambayo: It would be more effective for this aid to be given to local charities. For example, international charities and the big charities sometimes are seen as a political tool. Whenever you look at their staffing, they usually have more foreign people than the local staff, so it looks a bit weird for the locals—they are always asking themselves, "How hard are these jobs for us to do?" It also appears to be more of a mockery because they do not understand the local context. Giving more funding to local charities like Kids Club Kampala would help us to be more effective.

As I discussed earlier, it would also be good to give a certain fraction of aid towards Governments to help them to improve in terms of systems. This aid may not be in terms of money itself; it may be in terms of expertise towards the Government, but also a small fraction for monitoring purposes. The small charities want to work independently of Government. It also looks risky to have lots of money in the hands of charities when the Government themselves are struggling to have funding. For us to avoid abuse, a small fraction should be given to Government for monitoring purposes.

Q200 **Mrs Latham:** Heba, do you have a view on that?

Heba Aly: I would argue that channelling aid through Governments should be the default, unless there is a reason not to, so that you are not subverting a sovereign Government's plan for their own people. We have seen in many countries NGOs and others being accused of being foreign plots against the people and manipulative for foreign purposes. The way to avoid that is to see aid as a support for a local Government's own efforts to help its people.

Of course, there will be situations in which that is not possible, where the Government are, for instance, responsible for abuses against their people and where channelling through communities can be more effective and reach people that the Government may not be willing to reach. Where a Government is willing and able to help its own people, that should be the default. As we said from the beginning, it is their job to provide services to their citizens. The aid architecture should not be encouraging Governments to essentially get off the hook and not do their jobs.

Q201 **Chair:** Heba, I would like to challenge you on what you have said. I am thinking that a lot of the humanitarian crises around the world are man-made. I am thinking of Yemen, what is happening in Ethiopia and what is happening in Myanmar. I can see with development money in stable countries the model you propose makes a lot of sense but, in a humanitarian situation, presumably you would then be looking at the INGOs, the NGOs, the charities. What are your thoughts?

Heba Aly: That is exactly the distinction that I would make. Where it is a stable Government, a stable country and you do not have an active conflict, it should be the preference to work through the agreed development plan, which is the sustainable development goals. Where, in the cases you mentioned, the Government are actually an active party in a conflict, it becomes much more complicated. Those are exactly the situations in which international NGOs feel they have an added value and where organisations such as the International Committee of the Red Cross, which is neutral and will attempt to reach everyone, would be a viable alternative.

The shift that can now be made to take that a little bit further is to say, in a situation like that in Yemen, Myanmar or Ethiopia, where the Government are in conflict with other parties in their country, it does not

necessarily mean that only international charities can help. There will be local charities and local NGOs that may well have a side and may well not be neutral, but can reach local people much more effectively. Through some smart targeting, you will find some local NGOs that will be able to reach some parts of the country and other local NGOs that will be able to reach other parts of the country.

We should not assume that, by default, a conflict situation absolutely requires an international aid agency to operate. In many cases it will, but it is not the only way forward. Finding those ways to support local communities in doing that work is certainly the direction the sector is trying to move towards.

Q202 **Chair:** I have a final point—I will just ask this question, Sam, because I think it might come to your answer.

There is a perception that the international aid community—I am talking about both the donors and the delivery organisations—is, on humanitarian aid, understanding the need to become more local, empowering the local communities, looking at sustainability and looking at involvement. The 85% of international aid money that goes to development seems to have more conditions attached to it and seems to be less focused on getting the money to the grassroots organisations. I wonder whether both of you would agree with that assumption. Heba, does development money have more conditions attached to it and is there less movement to become more empowering to the communities that it should be serving?

Heba Aly: I am not sure that that is the case. In many cases, development money has more flexibility to work on that long-term capacity building than a humanitarian organisation working in the midst of a crisis has the luxury, or perceives itself to have the luxury, to do. In some ways, development is an opportunity to do much more locally rooted work, because you have the time to invest in that capacity building, setting up those structures, transferring technical expertise, et cetera.

Of course, a lot of development aid is locked into certain frameworks, processes and bilateral agreements. That might be a hindrance, but I do not think it needs to be that way structurally. Sam may well know more about that.

Q203 **Chair:** Sam, you get the final word.

Samuel Wambayo: I wanted to start from what Heba mentioned, in the context of countries in conflict. Is it conflict? I am not sure how we define conflict in terms of countries. I am thinking that you imagine that, where there is war and you have refugees, that is the conflict we are talking about, but there are also countries that seem peaceful but their Governments are in conflict with their own citizens. If we are defining conflict in terms of war, we might miss out on that aspect and we can easily miss helping those who are the most vulnerable.

Chair: Good point.

Samuel Wambayo: For the second question, I want to say that aid is always our last resort, when everything has failed. I live almost 99% of my time with the poor—I really understand what it means to be poor. Sometimes we go into policies and forget that what really needs to be done is to help someone out, save their life. I just want to say that aid is always somebody's last resort. You deliver this aid and you look someone in the eyes. This person is saying, "This is long overdue. You are heaven sent."

Even in countries that seem peaceful—I do not want to mention these countries—this is obviously happening on the ground. There are so many people suffering. In the present day, the 21st century, people lack accommodation. People lack basic necessities and they are not at war, for example. The countries seem peaceful, but they just cannot even afford something to eat. I want to give you an example—

Chair: Sam, I wonder whether we could have that example in writing, please. The Committee shares your deep sadness and frustration that all around the world we find people in that very situation that you are describing.

Can I say thank you very much to the first panel? We really appreciate you sharing your thoughts and experience. Sam, can I say a particular thank you for all the work you do for the children in your town? It is very clearly coming from a very personal place. I am so glad and so proud that you have used your experiences to help others. Heba, thank you very much for all that you do and thank you for your organisation's continued engagement with our Committee.

Examination of witnesses

Witnesses: Themrise Khan and Dr Chukwuka Onyekwena.

Q204 **Chair:** I would now like to turn to our second panel, please. We are very fortunate to be joined by Themrise Khan, who is an Independent Development Professional, and by Chukwuka Onyekwena, who is the Executive Director for the Centre for the Study of the Economies of Africa. Could you both tell us a little more about your organisations and the sort of work that you do? Themrise, could you start by telling us a little about yourself and your experience in this field?

Themrise Khan: Thank you, Madam Chair, for inviting me. This is my second appearance before the Committee. I am based in Pakistan. I have worked in the field of development aid assistance for almost 30 years now, primarily in Pakistan but in other parts of south Asia as well, and for a short period of time overseas. My areas of work have dealt with working with grassroots NGOs in the field that have been recipients of international aid and working with international NGOs and donors in

Islamabad. I have primarily worked in gender. That has been a very important part of my work in this area. I am a researcher and evaluator.

Recently, I have actually decided to leave the development sector, primarily because of my disillusionment with it. I have worked too close to the people who are supposedly the recipients of this aid money and too close to the people who are providers of this aid. I do not see the two mixing, so it is time, after 30 years, that I have decided to throw in the towel and perhaps use my experiences that I have garnered over the years to look at aid from a different perspective. That is what I hope to share with everybody.

Q205 **Chair:** Chukwuka, over to you. Tell us a little about yourself and your organisation, please.

Dr Onyekwena: Good afternoon, everyone. My name is Chukwuka Onyekwena. I am the executive director of a think tank based in Abuja, Nigeria called the Centre for the Study of the Economies of Africa—CSEA. At CSEA, we are using evidence-based research to inform policies in Nigeria and Africa broadly. We work in several areas: macroeconomics, public financial management, and also trade and investment. We also look at issues concerning aid effectiveness. We have been around for 12 years and we are research based, with a huge focus on Africa.

My background is more on foreign direct investments and trade, which will play out in my response, because I will be more prone towards supporting FDI and trade than international aid.

Chair: I will just say to panellists that we have a limited amount of time and a lot of questions for you, so if you could give quite direct answers, we would be really grateful, because that means we can get more of your thoughts on record. For some things, we will probably follow up with you in writing if we have additional questions.

Q206 **Mr Sharma:** Hi. It is nice to see you again, Themrise. What is the significance of international aid for low and middle-income countries in comparison with other income streams, such as foreign direct investment and remittances?

Themrise Khan: That depends a lot on country context. I do not think it is as simple as ODA versus FDI and trade. A lot of countries probably may require more ODA than FDI and trade, depending on how strong or how independent their current Governments are, or how long they have been independent, for that matter. Other countries may not require as much ODA and may be better suited to FDI and trade. It is not a black-and-white situation of whether ODA is better for low and middle-income countries or FDI and trade is.

Personally, I also move towards the FDI and trade sectors, as opposed to aid, because aid is an artificially created phenomenon, whereas FDI and trade is a more global reality of our lives. It is not that easy. It depends

on the country context and some countries may need more ODA, depending on where they are, and some may need more FDI and trade.

Dr Onyekwena: If you look at the global flows of international aid, as compared to FDI and remittances, you will notice that international aid, from about 2007 or 2008, stalled, in a sense—it stopped growing rapidly—while FDI and remittances have maintained an upward trajectory. In essence, aid is becoming less significant as an income stream.

There are several reasons for that. There are the rising competing needs with limited taxpayers' resources from the developed countries' side, given that they have the responsibility to set out 0.7% of GNI. There are now competing needs that bring into question whether they should go ahead and be doing that. There has also been slow economic growth on the developed countries' side for the past two decades. Then, essentially and importantly, there are the ongoing debates about what the significance, as well as the effectiveness, of this aid is in improving the development outcomes of the recipient countries. There is a lot of reluctance in terms of, "What has the effect of this aid been on developing countries?"

International aid is quite different from FDI and remittances because it is development focused, institutionalised and there to solve a lot of development challenges. In situations like where we are now with the Covid-19 pandemic, we will likely see international aid rising in the next few years because of the growing need to support the devastation being suffered by many countries, particularly in low and middle-income countries in Africa and Asia. We might see international aid rise just to solve these economic and social costs of the pandemic.

Q207 **Mr Sharma:** Themrise, how does international aid affect the power relationships between donors and recipient countries?

Themrise Khan: A lot of people have spoken about that. I know Sam and Heba in the previous panel discussed that at length. I agree with them to a large extent. It is about power relations. It is about who has more money and we know money makes the world go round. Whoever has control over the money is the one who has the power. In aid, it is obviously the donor who has the money and the recipient receives it, so that power imbalance is there from the get-go.

That power relationship plays into the ongoing relationship between the two throughout the course of that aid. In most countries, that has been going on for decades now. The issue is that there is no course correction in that power imbalance: the power imbalance remains imbalanced. That is where the crux lies. If you want to meet, if you want to resist these power imbalances, we have to talk about how much the provider or the receiver is willing to give up control, who is willing to take more control and who is willing to give up control. As long as we do not have those

discussions, the power imbalances will remain. Aid continues to perpetuate that, as long as it exists.

Dr Onyekwena: There is a link between power relationships and aid. In the previous panel, you talked about aid being used as a foreign policy tool. I believe that happens. It seems to be this kind of competition among aid-giving countries, using aid as a tool for gaining hegemonic powers in the globe. That has really affected the power relationship between countries.

To give an example, China has increased its aid, among other income streams, to Africa. That has really changed the power relationship between China and Africa, and other developed countries as well.

Q208 **Chair:** Chukwuka, are you seeing conditions attached to aid?

Dr Onyekwena: In some senses, yes, conditions are attached to aid, depending on where the aid is coming from. Aid seems to have some conditions. Some of them are spelt out and some of them are latent, in a sense. Aid coming from the UK seems to be more transparent. China packages aid, trade policy and investment all in one complex strategy and there are some conditions attached to that that are sometimes not even very visible.

Q209 **Kate Osamor:** I have a question for Themrise. How does aid interplay with other sources of income, such as trade and foreign direct investment?

Themrise Khan: I do not think it does interplay enough or as much as it should. My perception and understanding over the years has developed into thinking more about aid being integrated into the overall global realities. For instance, if we are talking about things such as FDI and trade, I do not think it is a matter of giving ODA separately to those. ODA should be inherently part of those two existing structures.

We give ODA for cultural activities and for health, education and basic services. We even give ODA for massive infrastructure projects, as we see a lot of the multilaterals do, as well as some of the bilaterals. That is where the intersection does not happen, because those programmes and projects actually should be part of the overall FDI and trade scenario, but they are not. They are seen as separate. Infrastructure, as an example, should ideally be funded by foreign direct investment coming in from all over the world.

Trade should actually be bringing in a lot more energy, a lot more information, a lot more resources than aid does. That interplay is not happening because we have separated aid from FDI and trade. There is no question of an intersection. I would say that you actually need to not have aid at all but to integrate components of aid into your existing FDI and trade priorities. The time has come for that and no one is talking about it, nor are we talking about the hard aid that we get from

organisations like the IFIs and the IMF. That aid is the real aid that is holding us ransom in most developing countries.

ODA, to a large extent, does not really hold us to ransom. That is not just because it does not have conditionalities, but because it pursues a different soft path altogether, which is very easily manipulated according to a situation at hand. What is really holding us at ransom is the overall global fiscal environment. FDI and trade are part of that global fiscal environment and that is where we need to focus our energies. ODA really does not need to intersect in any of those two areas.

Q210 **Kate Osamor:** Chukwuka, how can the UK ensure that its trading relationships with low and middle-income countries support the economic growth strategies of those countries and do not harm their economies?

Dr Onyekwena: Trade is an important stimulant for economic growth. What trade does between two countries is that, particularly for the recipient country, it can be a source of technological and knowledge spillovers for low and middle-income countries. However, low and middle-income countries have for a long time been on the disadvantaged side of trade, exporting only primary products and importing mostly finished goods. This is due to lack of technological know-how as well as low productive capacities. That has made them unable to trade in a preferable way with developed countries like the UK. The UK can also support trading partners in low and middle-income countries to develop productive capacities to enable them to trade more on intermediate and finished goods, through technical co-operation and also foreign direct investment.

Foreign direct investment can also trigger trade. The more the UK invests in these low and middle-income countries, it ensures some form of knowledge transfer. There should be a clear knowledge-transfer strategy and backward and forward linkages. Also, recently, in regions like Africa, with the implementation of the African Continental Free Trade Area agreement, which will boost inter-regional trade, the UK can also key into this, because there will be a heavy, huge boost in trade. The UK could key into the regional value chains within the region, to make trade more supportive for development than harmful.

Q211 **Kate Osamor:** Chukwuka, how can the UK help low and middle-income countries to attract more foreign direct investment?

Dr Onyekwena: Foreign direct investment is attracted to countries that have political and macroeconomic stability, as well as low cost of doing business—that means they have the proper legal and regulatory environment to support businesses—and the proper human capital to harness the investments properly.

The problem that low and middle-income countries usually have is what they call absorptive capacities. Absorptive capacities mean that they are able to absorb the benefits of foreign direct investment and utilise it to be

more productive and also absorb the knowledge transfer and the technological transfer that comes with this investment. The UK can help to build these absorptive capacities, particularly human-capital development. In terms of educating the labour force, the UK has very strong education institutions and training institutions. They can provide that to the recipient countries for investment in order to boost their capacity to absorb the benefits of foreign direct investment. The key is training and educating the labour force.

Q212 **Kate Osamor:** Chukwuka, to what extent should the UK support the private sector in low and middle-income countries to create jobs and lift people out of poverty?

Dr Onyekwena: The private sector is the key to unlocking the potentials of low and middle-income countries, especially in creating jobs and lifting people out of poverty. In terms of the strategy for doing that, there would not be much there from international aid but rather through foreign direct investment.

Q213 **Kate Osamor:** Have you observed the impact of the UK development finance institution, CDC Group, investment in jobs and economic growth?

Dr Onyekwena: I have observed it to the extent of research, looking at their website. They have identified that they have created jobs in different sectors. I have looked at CDC as an institution—as a global financial institution. Their target areas are quite relevant in terms of areas that can support economic transition and industrialisation in low and middle-income countries. They need to expand operations to have more impact, but my observation is that yes, there has been some progress but there is a need to strengthen, boost and expand their activities in order to have more visible impact.

Q214 **Mrs Latham:** My first question is to Themrise Khan. What do you think are the advantages and disadvantages of donor countries channelling funding for low and middle-income countries through international financial institutions such as the African Development Bank?

Themrise Khan: As I said earlier, the IFIs are the real issues here, because, first, they are the ones who really have the biggest pots of money and, secondly, they are the ones who are really holding developing countries to ransom in terms of the loans that they provide. They are a negative model. How they perpetuated after World War II is a different story altogether. Personally speaking, that is not the right way to promote aid if you are looking at aid in the very conventional ODA sense.

What does a bank do? These are all banks. The job of a bank is not to give anyone aid: it is to provide loans and it is to earn interest on those loans. That is exactly what all these banks are doing, from the IMF to the World Bank to the ADB to the AfDB. There is more harm in that if you are equating institutions like IFIs to the aid sector.

If you talk about IFIs in a more global FDI sense—I do not know much about FDI and trade because I am a sociologist; that is not exactly my area of expertise or knowledge—there is more of a negative impact if you talk about channelling massive amounts of funds through organisations as loans, which eventually have to be paid back by countries that are still not making enough returns on interest on those loans. That is a business model and aid is not a business model. It is actually technically not supposed to be. There is more harm than good.

That is why we need to look more into the workings of IFIs and multilateral institutions than we do of those who provide ODA, because that is the real crux of where we stand right now, between the power imbalances between aid receivers and aid providers. It is not a particularly good model. It could be a good model if you are not associating it with aid or soft aid, but then it is also a matter of fact that there are only certain countries in the world that control IFIs. It is not a global control. Unless you have all countries of the world at the table to decide who gets what, at what rate of interest and what the repayment strategy for that will be, if you want to operate it as an actual bank, you are still going to create a lot of negativity with that particular money.

We have seen a lot of loans from the World Bank actually go absolutely to waste, and they have not just gone to waste. In Pakistan, for instance, we are seeing a movement where a lot of urban squatter settlements, which run into millions of people, are being bulldozed off their lands because the Government are saying, "This is an illegal encroachment and we need this land for infrastructure—roads." Who is paying for all this infrastructure and roads? The IFIs. You are talking about human rights, helping people and providing people with support and infrastructure on the one hand; on the other hand, your IFIs are actually privy and party to your complete lack of attention to human rights in many of these countries, simply because they are dictating where these loans are going and they really do not care how they are implemented.

There is a lot of negativity involved in channelling large amounts of money through IFIs. I would not just use the African Development Bank as an example. That would be the wrong example, because Africa is on a different trajectory and a different power imbalance altogether. It is more the World Bank, the IMF, the Asian Development Bank and the northern IFIs that we need to be talking about. There is more negativity than positivity there, given past history.

Dr Onyekwena: Just to add to that, I can mention one advantage and one disadvantage. The IFIs like the African Development Bank have, over the years, gathered technical experience in implementing development projects. In addition to providing financial support, they also give technical advice, which is needed for the recipients of these projects and funds. They are fairly transparent, because they are always rated by credit rating agencies, so they are quite transparent in disbursing these funds.

However, in terms of disadvantage, some of these IFIs have risen to become bureaucratic organisations with lengthy procurement processes. Also, sometimes their priorities do not seem to really align with the priorities of the recipient countries.

Q215 **Mrs Latham:** Back to Themrise, it looks as though the United Kingdom has an increasing preference for using ODA for capital spend, such as on infrastructure, rather than programme spend. Do you think this is a positive or a negative for recipient countries, and why?

Themrise Khan: At this point in time, it is hard to give an answer to a question like that, because programme spend has been such a large part of the history of ODA from the UK, not just to Pakistan but to a lot of other countries around the world. Suddenly moving from programme spend into massive capital spend has its own downsides. What happens to all those programmes that you have been spending on all these years? Do they just end, or do you hand that over to somebody else?

Capital spend, like I said, also has its disadvantages, because it is ideally the responsibility of the Government at hand to decide where that capital comes from. Ideally, most of it should be coming from ourselves, but it does not, which is why we go and search outside.

It depends, again, on context. It depends on which country you are talking about, because another issue that we do not discuss enough is that aid and recipient countries of aid are not a monolith. We are all extremely different. Our histories, our cultures and our economies are all different. You should not lump us even into a region—even all the seven countries of south Asia, for instance, are on very different trajectories right now.

Whether capital spend overall is a better idea than programme spend will depend on who you are talking about. That needs to be done on a case-by-case basis. It is very difficult. It is not black and white such that I can say it will be more of a positive than a negative at this point in time. It also depends on where that capital spend is going, because a lot of infrastructure projects that are managed by developing countries are not actually managed legally or in the right way. What do you do about that if you are investing massively in a country's national infrastructure?

It is a hard question to answer, but we need to do it on a country-by-country basis, or at least start region by region and then drill down into the countries, because you will see a lot of differences that will make you think about that decision a second time before going into it at an overall level.

Dr Onyekwena: I have a strong view on this. The switch towards focusing on infrastructure is more beneficial to countries in Africa. It is actually adopting more of the Chinese model—China has been focusing on infrastructure in Africa, rather than on programmes on education and health. That has increasingly been well received in Africa. I will tell you

why: we know in Africa that the key binding constraints on us and our potentials in investments and trade are due to the huge infrastructure deficits that we have in Africa as a continent. Investments or funds that are channelled towards infrastructure can unlock those potentials quite well.

It is a welcome development that the UK is focusing on infrastructure, because that can easily unlock the potentials within a shorter time than other strategies that focus on education or health, without discounting the need to focus on education or health. The key problem for some regions like Africa is infrastructure deficits, and focusing on that area is a work under development.

Themrise Khan: May I just say something to follow up on that? This goes back to my point about ODA versus other forms of assistance. Looking at infrastructure development as a form of more integrated partnership with a lot of other countries is a more beneficial approach, if that is the approach you wish to take. You are then not talking about aid. You are talking about working with the existing infrastructure and existing capacities of a particular country. You could say, "I am coming to build roads," or "I am coming to build an airport," or "I am coming to build a massive energy plant." What you are doing is working with the existing infrastructure of the country, as opposed to saying, "I am coming to work with human rights," "I am coming to work in gender," or "I am coming to work in helping the education department design its curriculum."

I agree with Chukwuka on that point. It may not just be for Africa; it may be for other countries as well. It is the perspective of looking at capital spend. You are looking at capital spend as an actual partnership with another country—a diplomatic, trade and FDI partnership—as opposed to an aid partnership, which falls off the tracks, is out there and is not really part of the overall Government of a country as such.

Q216 **Chair:** There are two final questions from me. First, it has been argued that western and northern aid is a continuation of a colonial attitude. I wonder if either of you think that is correct.

Dr Onyekwena: I do not think so. There is need for international aid, especially for countries that are vulnerable—fragile states, countries that need that support to overcome shocks like the Covid-19 pandemic or pandemics like HIV, AIDS and malaria. Aid has been quite effective, in a sense, in tackling those shocks and devastation. I actually see aid as an instrument for returning countries to the status quo after being devastated, rather than as a source of long-term sustainable economic development. I would rather advocate for more foreign direct investment and trade for long-term economic and sustainable development.

I see aid as a tool to support disasters and devastations. That does not mean that aid cannot be used as colonialism, but it is more useful in

overcoming those challenges than other issues that are accompanied with aid.

Q217 **Chair:** Thank you. I like your vision, Chukwuka. Themrise, do you share that vision?

Themrise Khan: Yes, I do, although I have spoken and discussed this whole aspect of colonialism, de-colonialism and aid so much over the last year or so that it is ingrained in my mind. Yes, absolutely aid comes from colonial constructs. It comes from the guilt of former colonial powers about having to let go of their former colonies and finding a way of keeping and maintaining some sort of power relationship with them. That has affected the entire ethos, vision and culture of aid. It starts with an imbalance of power. It starts with the idea that, "They are no longer our colonies but we still need to maintain some sort of control over them." That is the ethos of aid, whether we agree with it or not; that is where it came from. The whole idea of rebuilding post-war economies is an idea of, "Let us rebuild them in a vision we can manage and control." That colonial element is still there and always will be there.

However, my divergence from that point is that this was also a really long time ago. We are all, as recipient countries, extremely independent now. Define independence as you may; we are not in that legal and moral control anymore that we were before World War II. We have the ability to say no if we want to. The fact that we do not is where we need to have the discussion. Why do we not say no to aid?

We need to move beyond colonialism and colonial control as an issue. We need to look at where each country is, both in the north and in the south, why it is there and take it from there. Colonialism cannot be used as an excuse and a ruse forever. We need to move beyond that, which is why trade relationships and investment relationships are more equitable, because they give something back to the person who is investing, not just in terms of interest on loans but also resources, skills and a barter system, which ODA does not. ODA is very one-sided. You give the money, you do not get anything back, but that money gives you the leverage and the power, whereas other forms of assistance provide at least a platform for more equitable control. That countries are still not able to find that equilibrium is what we should be discussing right now, but we need to move beyond the whole colonial discussion at this point in time.

Q218 **Chair:** Can I take your lead and ask you this? The FCDO is currently designing and writing its new development strategy. In terms of the relationship that you were talking about that we wanted to see—one between equal partners to help provide sustainable growth and reduce poverty in low and middle-income countries; one that is a proper partnership—what would that actually look like? What would you want to see in the Government's development strategy?

Themrise Khan: I do not really have an answer for that.

Chair: That's no good!

Themrise Khan: I'm done—no more answers! Really, though, the idea of economic growth and reduction of poverty has become a mainstay of any development strategy. I am not denying that there is poverty and that we need economic growth across the board in all countries of the world, but if you frame a development strategy in that way, you are getting off on the wrong foot all over again.

What we need to talk about is what other countries want. We know what we have to give and these are our limits of giving, whether it is a capital programme or whatever. What does the other country want? I do not think that question has ever been asked. If it has been asked, the answer has never really been taken into account. That is where this whole barter relationship needs to come in.

A development strategy cannot be developed across the board for all the countries you want to work with. Again, I know I keep saying that it needs to be done country by country but context is extremely important. You will not have that equitable partnership with all countries of the world. That is not humanly possible. There will be a lot of give and take, but at this point it is just that it is all take and it is not give, only from your side. There has to be some take and some give from the other side. That is what I do not see happening.

If you want a real strategy about what the best way for us to spend our money is, you need to decide, "This is how much we have. This is where we want to spend it. What are the countries that match this requirement?" Another thing with an international development strategy is you want to spend it everywhere and you cannot do that. Again, I cannot really answer your question directly, but there needs to be a lot more discussion across the board back and forth before a strategy can be developed.

Q219 **Chair:** Does that mean that the UK should only be working with countries that want a partnership relationship? Does that mean that, where those countries do not want that, even if there are real development needs, we should step away?

Themrise Khan: Again, there is not a black-and-white answer to that. Please do not take this the wrong way or be offended, but the UK is not the only donor on the table. There are a lot of other donors. Just because a country says to the UK, "No, we do not want your aid because it is not on our terms and conditions," that does not mean that they may not go elsewhere or that there is not another donor there that is probably more aligned to those terms and conditions.

That is another thing donors also need to keep in mind: you are not the only player in the field. In a lot of cases, what I have seen working for donors is a myopic vision: "We are the only ones. We are the biggest. There is a competition. How can we get our foot in the door more than

USAID or the EU?" That is the thing to keep in mind: you are not the only player in the world. If one country says, "No, we are not happy with your terms and conditions," leave it to them to move on with that.

Q220 **Chair:** Chukwaka, what should a 21st-century, grown-up UK development strategy look like?

Dr Onyekwena: I already answered that question quite directly. In the context of Africa, a development strategy by the UK should have some target areas and target sectors that have the capacity to engender the much-needed economic and structural transformation, create jobs and reduce poverty, particularly in this period of the pandemic. Those sectors are infrastructure, digital technologies, renewable energy and agro-processing. These are the sectors that we have identified in our research on Africa as the key sectors that can unlock the potentials in a short time. The strategy for the UK should focus on those sectors.

Chair: Panellists, thank you so much for your time. We are trying to wrestle with the philosophy of aid and you have really helped us with that. If you do have any more thoughts or if you could encourage others to feed into our inquiry, please let us know. We want to be as broad-minded as possible to try to encompass every possible range of thought on this topic, so that hopefully we can suggest to our Government what our future development strategy should be, to get the best value for everybody involved with it. Thank you so much for your time.