

IDC Submission: Philosophy and Culture of Aid

About Us

This submission is written by STOPAIDS and co-signed by the Salamander Trust and Youth Stop AIDS:

- STOPAIDS is a network of 70 UK agencies fighting to secure an effective response to HIV and AIDS since 1986.
- Salamander Trust aims to protect, promote and enhance the health and rights of people marginalised by societies worldwide as a result of their gender, HIV status or sexual and reproductive health issues.
- Youth Stop AIDS is a youth-led movement campaigning for a world without AIDS

Introduction

STOPAIDS welcomes the opportunity to submit evidence to help shape this inquiry into the culture and philosophy of aid. In light of the 'build back better' initiative and the growing momentum of the anti-racism movement, which has particular relevance for the aid and development sector with its roots in the colonial era, we feel this inquiry is timely and urgent. At this critical juncture STOPAIDS also finds itself at a point of organisational self-reflection as we undergo our strategy development process and we are keen to share the discussions and learnings we've had with partners in the global health sector about this necessary reorientation and reframing of international development assistance. Our submission suggests a series of questions which we feel offer important points of reflection on the colonial histories and contemporalities of aid and international development as well as the opportunities we have to learn from the past and reframe international development, in recognition of our collective responsibilities, as international cooperation and solidarity.

Suggested Questions

Suggested question 1:

How has the UK Government's colonial history shaped their historical and contemporary conceptualisation of international development and the role of aid and what are the impacts of this in global health and beyond?

Rationale:

The UK Government has a global reputation as a generous and expert development partner and is one of the few donor countries to have enshrined in law a legal obligation to spend 0.7% of GNI on ODA. It is important to recognise however that this financial contribution does not necessarily translate into a conceptualisation of international development and the role of aid as a tool to catalyse equity and empowerment in the countries the UK support. International Development and aid will always be a continuation of the colonial legacy to some extent, however it is not a prerequisite that international development always reproduces the power dynamics that so deeply entrenched themselves during the British empire. It is possible that we can use the brutality of the colonial era as a point of learning. If there is an acknowledgment and an apology for the colossal suffering, underdevelopment and inequality

that it created then it could be possible for it to serve as a point of departure from which reparations and re-framing could create a new culture of international solidarity. Having said that, in recent years and over the last 12 months in particular, it has become clear that the UK Government's motivations for giving aid are not moving in this positive direction but are, in fact, increasingly echoing the values and agenda at the centre of the colonial project.

The British colonial empire was foremost an endeavor to boost the economy of the United Kingdom through the exploitation of resources in colonized territories and the enslavement of people. Boris Johnson's decision to merge the DFID and the FCO is evidently based on similar aims of advancing British diplomatic and commercial interests.¹ This is most recently evident in the Integrated Review, entitled 'Global Britain in a Competitive Age' which clearly indicates that the foremost priority for the UK Government through the FCDO strategy is not about global common goods but about competitive markets. There are many concerns within the strategy including the priorities relating to the influencing of the 'rules, regulations and standards of our trading partners' which insinuates a race to the bottom when it comes to regulation that would have a vastly negative impact on public services (especially health) and access to affordable medicines through the extension of patent terms and data exclusivity.² International development is mentioned only 4 times throughout the 114 page document and against the backdrop of significant aid cuts which are set to increase, it is deeply worrying that the UK's humanitarian agenda is being drastically deprioritised.

Even prior to the merger, aid that was spent through other Departments, including the FCO, was rated as having far lower levels of transparency and accountability than aid that was delivered via DFID, according to the Aid Transparency Index.³ It's also clear that aid spent through other departments fulfills a more neoliberal agenda. For example, UK aid is being channeled to multilateral agencies like the International Finance Corporation, World Bank and regional development banks to support the building of private healthcare facilities and the expansion of multinational healthcare companies. These international financial institutions (IFIs) are putting pressure on low-income countries to privatize or facilitate access to private actors in their health systems. FCDO is also heavily investing in private, fee-paying hospitals through its Development Finance Institute CDC Group.

¹ *They are one and the same endeavour, and they're designed to achieve the same goals, which are right in themselves and serve our national interest* , Boris Johnson, 16/6/2020; Available at <https://www.gov.uk/government/speeches/prime-ministers-statement-to-the-house-of-commons-16-june-2020>

² <https://stopaids.org.uk/wp/wp-content/uploads/2018/10/report.pdf>

³ <https://www.bond.org.uk/news/2018/06/dfid-rated-very-good-fco-poor-in-aid-transparency-index>

Civil society and UN organisations have identified several risks and challenges associated with this agenda including: the lack of safeguards on the use of public resources and the diversion of public resources; insufficient focus, results and outcomes for the most marginalised; insufficient focus on human rights and the right to health; increased health inequalities; lack of evidence base; poor transparency; and limited accountability. As a result, there is a growing body of evidence to suggest that the increased engagement of the private sector in global health is leading to actions that do much more harm than good, including undermining public health systems and negatively impacting the most marginalised and vulnerable populations. The push for increased investment into private healthcare has also undermined the ability of countries to prepare for and respond to pandemics like Covid-19. Many private providers failed to participate in the COVID-19 response and this has demonstrated how an excessive privatisation of healthcare can undermine the responsiveness of healthcare systems to health crises.

Civil society in the UK are tirelessly campaigning to keep the NHS public and there is substantial parliamentary support to keep private companies out of the NHS so that it remains a public good. UK aid should be contributing to this same protection and strengthening of public health systems in the countries it holds aid relationships with. In efforts to advance Universal Health Coverage, it should look to be funding civil society in those countries who are campaigning for better public health services. This inquiry could look to conduct its own cost/benefit analysis of the role of the private sector in global health especially as the amount of aid invested into private health facilities by donors like the UK is escalating rapidly.

Suggested question 2:

What are the benefits and challenges of UK aid directly funding community responses in-country?

Rationale:

In the 2016 United Nations Political Declaration on Ending AIDS, Member States affirmed the critical role of communities in advocacy, participation in the coordination of AIDS responses and service delivery. Evidence shows that the community HIV response has been effective at increasing knowledge of HIV, promoting social empowerment, increasing access to and use of HIV services, and even decreasing HIV incidence, all through the effective mobilization of limited resources. It is now widely agreed that to end the AIDS epidemic, community responses to HIV must be integrated into national HIV & AIDS plans, from the planning and budgeting phases, to the implementation, monitoring and evaluation phases.

However, the community response has been continuously underfunded. An ODI study into the barriers to community organisation receiving funding shows that UN agencies and a number of larger INGOs dominate the humanitarian landscape, as they have (or are perceived to have) the systems and capacity to absorb fluctuating funds and risks.⁴ A number of respondents to ODI's study suggested that the business model of the larger international agencies themselves is the major hindrance to local/national NGOs receiving a greater share of resources – crowding the space for local actors.

⁴ <https://www.odi.org/sites/odi.org.uk/files/resource-documents/12468.pdf>

This inquiry could investigate the extent to which international development funding (and UK aid in particular) is concentrated in or channeled through organisations based in high income countries and investigate alternative models for delivering finance directly to community groups. This might profile models such as the approach taken by the organisation Thousand Currents.⁵ Through their grantmaking program, Thousand Currents partners with grassroots groups and movements — led by women, youth, and Indigenous Peoples in the Global South — to create lasting solutions to our shared global challenges. They build long-term, trusting relationships with their grantees but with minimal strings attached - an approach that has delivered impressive outcomes. The inquiry could also consider existing FCDO funded mechanisms to support civil society organisations such as the Robert Carr Fund (RCF). The RCF for civil society networks is the first international pooled funding mechanism that aims to strengthen global and regional HIV civil society and community networks. One of their strategic focuses is on movement leadership which looks to assure a stronger, continuous, community-led and rights-based response to HIV

Suggested question 3:

Should aid be considered as a global public good? What are the shifts needed to facilitate a change in how the UK, in tandem with other donors, should re-conceptualise the role of aid and how it should be delivered?

Rationale:

The conventional logic of “aid” sees countries eventually “graduate” from ODA as other types of finance become available to fill spending gaps. Looking at aid through a global public good lens reframes it as an international public financing mechanism that doesn’t just fill gaps but can overcome global challenges and promotes universal benefits. The proposed alternative development framework of ‘Global Public Investment’ (GPI), argues that the shifting geopolitical environment requires us to challenge traditional beliefs regarding ODA.⁶

Discussions within our civil society and community networks fed into the development of Jonathan Glennie’s initial paper on this subject: *Global Public Investment: Five paradigm shifts for a new era of aid*. In the paper Glennie explains how the geographies of wealth, poverty and knowledge continue to change considerably but multilateral and bilateral mechanisms are not responding to these changes and are therefore leaving increasing numbers of the poorest and most marginalised behind. It proposes five paradigm shifts for the future of international public finance, which moves us away from an outdated and insufficient “aid” mentality to a new shared framework that can help us finance social, economic and environmental challenges in all countries. The five paradigm shifts are:

- **AMBITION:** From a narrow focus on reducing poverty to meeting broader challenges of inequality and sustainability.
- **FUNCTION:** From seeing international public money as a temporary last resort, to valuing it as a permanent force for good.

⁵ <https://thousandcurrents.org/what-we-do/>

⁶ <https://www.globalpublicinvestment.org/>

- GEOGRAPHY: From one-directional North-South transfers to a universal effort, with all paying in and all benefitting.
- GOVERNANCE: From outdated post-colonial institutions to representative decision-making.
- NARRATIVE: From the patronising language of “foreign aid”, to the empowering multilateralism of a common fiscal endeavor.⁷

While some of these paradigm shifts are already underway, others need a stronger effort to move international cooperation in the right direction. With positive engagement and growing momentum around these ideas among key donor governments (including the UK government) and key global international development actors such as the OECD, it would be timely for this inquiry to begin to reflect on how these development paradigm shifts could be built into the philosophy and strategies of the FCDO.

Suggested question 4: Aid is only one tool in the toolbox, what structural shifts to global systems could the UK Government support to help achieve the SDG agenda?

Rationale: While we make the case for the re-framing of aid as a global public good and for it to not be time-limited we would also strongly argue that without transforming global structures that perpetuate inequality, we will continue to undermine the potential benefits of aid.

Financial extraction

In 2017, Health Poverty Action’s research showed that while over \$161 billion was going into Sub-Saharan Africa through ODA, loans and other flows, \$203 billion flowed out again in 2015.⁸ For example African countries receive around \$19 billion in ODA in the form of grants but over three times that much (\$68 billion) leaves through capital flight. This is mainly as a result of multinational companies purposely misreporting the value of their imports or exports to reduce tax in a process known as misinvoicing or mispricing; the repatriation of profits from multinational companies engaged in business on the continent to the sum of \$32 billion a year (overseas remittances paid in were just under this at \$31 billion for the year); illegal logging, fishing and the trade in wildlife and plants that accounts for a loss of around \$29 billion a year; and lastly through debt repayments and covering interest which amounted to \$18 billion in 2015 (incoming loans totaled \$32.8 billion). Even with the debt standstill that G20 countries agreed to for the 2020/2021 period, due to the Covid-19 pandemic, it has been implied that debt service not paid in 2020 will need to be paid in full between 2022-2024 with additional interests to compensate for delay, which could put many countries even more on the backfoot with repayments.⁹

We can’t fund the SDGs without fair taxation.¹⁰ The UK Government must make much stronger strides towards addressing tax evasion by multinational companies. For example, Stock Exchanges, such as that in London, should

⁷ Ibid

⁸ Health Poverty Action et al, *Honest Accounts: The True Story of Africa’s Billion Dollar Losses*, 2017; Available at <https://www.healthpovertyaction.org/wp-content/uploads/2018/12/Honest-Accounts-2017-1.pdf>

⁹ <https://www.oecd.org/coronavirus/policy-responses/a-debt-standstill-for-the-poorest-countries-how-much-is-at-stake-462eabd8/>

not permit companies to be listed unless they can show that their structures do not use tax havens and are fairly paying taxes in all locations. Lastly, no country should tolerate companies with subsidiaries based in tax havens operating in their country.¹¹

Unfair Intellectual Property Regimes

Globally, every year 100 million people are being pushed into poverty because of out-of-pocket healthcare expenses.¹² Whilst gains have been made in reducing the price of some HIV treatments, new therapies for HIV, tuberculosis, hepatitis C, diabetes and cancer remain prohibitively expensive.

Under the current development framework, donors, including the UK Government, spend a substantial amount of ODA to support low- & middle-income countries to procure essential medicines, therapeutics and vaccines. For example, this includes the UK Government supported Global Fund's Pooled Procurement Mechanism for HIV, TB and Malaria medicines; and the COVAX Facility's Advanced Market Commitment.

However, the need for such mechanisms, which look to expand access and address market failures in the profit-driven pharmaceutical sector, would be less pronounced if there were fairer intellectual property regimes in place. Intellectual property regimes have been shown to lead to price gouging, limited collaboration in biomedical research and artificially create barriers for LMICs to expand their pharmaceutical production. For example, rather than relying on donations through the COVAX Facility AMC, 100 countries have been asking the World Trade Organisation to suspend intellectual property protection on COVID-19 health technologies so that they can produce, and access cheaper versions, of health products themselves. Higher income countries, including the UK, are attempting to block this measure from being adopted.

This inquiry could provide for a timely analysis that explores to what extent UK ODA, being spent on health system strengthening and pharmaceutical procurement, is attempting to offset the failures of the profit-driven intellectual property system that HICs are driven to protect. It could explore whether as much ODA spent on health would be needed if HICS, including the UK Government, took measures to champion fairer intellectual property regimes.

Suggested question 5:

How can the UK Government champion an anti-oppression agenda?

Rationale:

The UK Government, as a previous colonial power, must recognise the national and global expression of pain provoked, most recently, by the police killing of George Floyd in the US. The increase in momentum of the anti-racism movement over the last year should be seized upon by the UK Government and used as an opportunity to

¹⁰ <https://www.sustainablegoals.org.uk/fair-tax-for-development/>

¹¹ Health Poverty Action et al, Honest Accounts: The True Story of Africa's Billion Dollar Losses, 2017; Available at <https://www.healthpovertyaction.org/wp-content/uploads/2018/12/Honest-Accounts-2017-1.pdf>

¹² <https://blogs.worldbank.org/opendata/chart-100-million-people-pushed-poverty-health-costs-2010>

take a critical self-reflexive view of their role in perpetuating racism and other forms of oppression and how they can champion an anti-oppression agenda.

There is an urgent need for more conversations, debates and actions to acknowledge and rectify the injustices of racism, a product of the violent histories of colonialism and slavery across the globe. The pan-African social movement *Africans Rising for Justice, Peace and Dignity*, appeal for the following actions, in the hope of seeking acknowledgement, justice, healing and reconciliation for both the former colonised and the former colonisers: an honest acknowledgement of the harm and human cost of slavery and colonialism; A Truth and Healing Commission and Reparations - that could take the form of debt cancellation.¹³

STOPAIDS' ANTI-OPPRESSION FRAMEWORK

STOPAIDS, as a network operating in the global health field, are also undertaking a similar analysis of our work and position in terms of the power and privilege we hold and are currently developing an anti-oppression framework. The aim of the anti-oppression framework is to give us a set of principles and practices to be applied across the organisation to ensure that within (1) the areas that we work on (2) what we are advocating for within those areas and (3) how we do that work, we are actively challenging structures and practices that cause and maintain oppression and, working in coalition with actors from low- and middle-income countries, aim to push for transformational alternatives.

The framework will be based on a critical theory perspective to encourage continuous self-reflective assessment of our work and organisational identity in order to reveal structures and practices of power, name them and dismantle them. We hope that this will help us to build from a clear historical analysis of oppression and mainstream lenses of race, gender identity, sexual identity, class, religion, physical and mental ability and intersectionality throughout our work and how we go about that work. From this starting point we then want to build coalitions with allies in low-and-middle income countries to then collectively push for alternative approaches and models of power, finance and the management of knowledge.

The proposed IDC inquiry could investigate how the development of a similar anti-oppression framework could benefit the FCDO's ability to meet the commitment to the SDGs and begin to heal internal Departmental racism which has recently been reported as a significant problem.¹⁴

STOPAIDS work on the Meaningful Involvement of People Affected by HIV and other health issues

People living with HIV and other health issues are the experts on their own lives and so their meaningful involvement in the development, research, implementation, monitoring and evaluation of policies, programmes and advocacy is essential to working effectively and having the maximum impact. This means that the meaningful involvement of

¹³ <https://3qpiog23oeyf1dntrg2quzc9-wpengine.netdna-ssl.com/wp-content/uploads/2020/08/Your-Majesty-Queen-Elizabeth-II-please-join-us-in-taking-a-stand-for-justice.pdf>

¹⁴ <https://www.theguardian.com/world/2020/aug/26/racism-endemic-at-dfid-staff-claim>

people living with HIV and other health issues (MIPA) should be a fundamental approach to the work of any organisation in the global HIV response. In 2018 STOPAIDS established a MIPA review process working closely with our MIPA Advisory Group to review how we currently incorporate the MIPA principle into our work to identify areas where we can improve our practice and develop key principles of meaningful engagement to guide our work. Principles of meaningful engagement are important to ensure our work acknowledges and upholds the right of people living with HIV and other health issues to self-determination and to participate in decisions that affect their lives in a meaningful way, to ensure STOPAIDS work and positions are systematically informed, and strengthened by the expertise of people living with HIV and other health issues and to facilitate the exchange of best practice across the STOPAIDS network.

STOPAIDS recommends that connected to the anti-oppression framework the IDC inquiry could also look at the merits of and the process in which FCDO policy (health and other) could more meaningfully engage people affected by the issues they are addressing and in the research, development, implementation, monitoring and evaluation of its strategic direction.