

**Some reflections on AusAID's operations in small island states  
with considerable subsistence production**

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In my observation these are the societies with which AusAID has the greatest difficulty, and yet they are of key importance to Australia, being as we are, surrounded by Melanesia, Polynesia, Micronesia and Timor-Leste. Several aspects of AusAID's philosophy and practice inevitably seem to make projects in these countries less than successful even though in the larger scheme of things they are a small percentage of aid (with the possible exception of PNG).

1. **Aid projects are inevitably too large**, for example the projected English language institute in Timor-Leste, the ill-fated Pilot Agricultural Service Centres Project, even Water supply and sanitation all suffer from being too big, with too many Australian staff. In the case of the English language institute, which I watched over a number of years, the National University was crying out for native speakers of English in the English Department, who, had they been provided, could have helped produce a good curriculum which would have influenced English teaching throughout the high schools in the country, yet, because AusAID could not get what it wanted, namely a big centre contracted out to a private company to run, it would not provide something simpler, more flexible and usable by the Timorese educators, the absence of something like the 'staffing assistance scheme' which existed when I worked in AIDAB (in 1984) as opposed to the insertion of highly paid consultants in in-line positions in public service departments, is a great loss.
  
2. **Aid projects are often not properly problematized**, therefore often come up with the wrong solution. This goes particularly for those projects working in the fields of agriculture and rural livelihoods. More attention needs to be paid to the relationship between subsistence agriculture and cash crops. Market agriculture must not undermine subsistence cultivation, particularly in countries where it is still the major food producer. Vanuatu seems to be almost the only country to have a clear idea of what they are doing here. Clearly agriculture must improve in productivity and build markets both internal and export, but not at the expense of feeding people. In Timor-Leste the poorest people are in the coffee growing areas, which is counter-intuitive as they are the ones supposedly making money, but they don't make enough of it pay for the food they are not able to grow. Terms like 'poverty reduction' don't help people understand what equitable development is about. A very important report was written in 2008 called 'Agriculture at a Crossroads', the International Assessment of Agricultural Knowledge, Science and Technology for Development (IAASTD), Australia has turned its back on this report at its peril. The word 'food security' is used with vague and contradictory meanings and food as a commodity has become confused with food as a basic need. The work of the Special Rapporteur on the Right to Food also needs to be much better understood by AusAID officers.
  
3. **Aid projects are often not properly contextualized**, something that worked somewhere else may work in the required country but it may not, the only people

who can tell are those with contextual knowledge of both countries, their similarities and difference, this sort of knowledge can rarely be got from documents but needs lived experience. Unfortunately many AusAID officers do not have experience working on aid projects, living in the relevant countries or studying or teaching in them until they get a posting to an AusAID post and then it is usually too late to pick up the required knowledge. The selection criteria for AusAID officers to work in Canberra needs to include extensive overseas experience **before** they become AusAID officers.

4. **Program Aid is a lot better value for money than project aid.** AusAID has some good programs, some of which I have utilized e.g. Australian Leadership Awards (Fellowships), Public Sector Linkage program, Seminar Support Scheme etc. These are relatively low cost and while the partner organization has to put in a lot of work to make them a success they are very good value for money and often create significant opportunities for citizens of our partner countries to engage with Australians.
  
5. **Large bilateral projects set up an impossibly difficult power relationship** between the highly paid Australian staff and the low paid local staff. This is not a new issue, it hit the headlines in Timor-Leste last year when it was revealed that Timorese who were able to claim a citizenship other than Timorese were able to reap a huge salary, commensurate with that paid to Australian consultants. These high salaries then became the subject of media discussion creating a huge amount of social jealousy, compounded when it was revealed that the company making the most money out of the Australia aid program is owned by Australia's richest man. I understand historically why this system has grown up, in fact I watched it when I was working in Parliament House in the late 1980s, but it has now turned into something very counterproductive to the sorts of attitudes needed for equitable development and will hopefully be able to be addressed by the committee.
  
6. **Development assistance must help countries strengthen their own institutions more.** The way to do this is not by putting Australians into them, but by ensuring that they can recruit the best of their own citizens by not taking them off to work in donor organizations. This is of course, easier said than done, but needs to be an objective.
  
7. **Secondary and tertiary education are suffering due to the Millennium development goals.** Just because the MDGs include only Basic Education does not mean that donors should not fund senior secondary or tertiary education. In many fields it will make a good contribution to other MDGs. The public secondary schooling system in Timor-Leste is a disgrace and has led to huge inequity in entry in university and many students wasting years repeating subjects in an attempt to get basic skills they should have gained in senior secondary school.