

Monday, January 31, 2011

### **A submission to the Independent Review of Aid Effectiveness**

This is a private submission drawing upon more than twenty years of research and observation involving the dire circumstances in the southern Philippines, along with Australia's unhelpful role in that story. These views are the author's alone, though I have received a great deal of help and hospitality throughout the island of Mindanao. Whether my comments are presumptuous must be left for others to judge. Much depends on particular perspectives, but so far as the infamous "poorest of the poor" are concerned, it might be better if there was no Australian intervention at all, especially in western Mindanao. Certainly our part in the militarization of the island, most recently with the provision of a large number of patrol boats to drive the Moros [Muslims] from the Liguasan Marsh and other oil rich areas, and our promotion of commercial interests and mining companies to open tribal lands to rapacious development, lead to valid questions about what AusAID is doing – and for whom!

The very notion of aid effectiveness itself raises serious concerns about what is happening on the ground in Mindanao. Poverty is excruciating throughout the island. By every accepted measure, this is one of the poorest places on earth. Eight of the most impoverished provinces in the Philippines are located here. AusAID boasts about the success of many of its flagship projects, Basic Education Assistance for Mindanao (BEAM) among them, yet all the indicators prove that the socio-economic nightmare is worsening exponentially. Perhaps things might be even worse without Australian ODA, but this would be difficult to prove. All economic indicators suggest that aid inputs are missing their mark spectacularly in this peripheral part of the shattered country, suggesting that something is dysfunctional about the way in which AusAID presently assesses its own performance.

My submission is intended to make only two points about the current aid program in relation to the southern Philippines. There is much that is wrong and more that is wrong-headed, but two developments are appalling. Both clearly intend to save money, streamline the processes of aid distribution, and recruit local expertise. These are worthy enough goals, but they are leading to dreadful consequences. First, much of our aid package is in danger of drifting into the ambit of the counter-insurgency [COIN] theorists with their tired programs aimed at winning-the-hearts-&-minds [WHAMO] of whomsoever while ignoring the real causes of insurgency in the countryside. Second, Australian diplomats are currently exploring ways to incorporate inputs from agribusiness interests and mining corporations into the AusAID program. This will inevitably lead to a form of aid-giving already condemned by many NGOs working in the area as nothing more than developmental aggression.

Every aspect of the Australian aid package has become tainted by the process of tendering, consultancies, and contractorships until basic principles are lost to sight and a

corporate preoccupation with quality outcomes, asset management systems, and the like establish a boardroom culture totally unsuited to the challenge on the ground. Indeed, the aid sector seems especially prone to creating unnecessary levels of management between the altruistic intentions of donor nations like Australia and those people in places like Mindanao who are most in need of assistance.

It became American policy after the overthrow of the Marcos dictatorship to deal directly with local warlords and military commanders. The first Aquino regime was judged too weak and coup-prone to offer much in regard to maintaining law and order throughout the archipelago. Australia fell in line with this policy. It has been maintained ever since in the face of weak governance and a Philippine state which Australian officialdom deems to be a “basket case” [WikiLeaks]! An unfortunate upshot of Australian contact with Mindanao warlords is that we seem to endorse this feudal society and inevitably deliver a fillip to the COIN mission. Quite wrong messages are conveyed to local power-brokers whenever the Australian ambassador visits human rights abusers like Mayor Celso Lobregat of Zamboanga and Governor Douglas Cargas of Davao del Sur [Cargas actually helped design the system of right-wing death squads which began in the post-Marcos period and continue to this day]. Such gestures make us complicit in a system of favoritism and brutality which most recently led to the ghastly Maguindanao Massacre (November 23, 2009), wherein 59 people were slaughtered by agents of the military and the provincial government.

The civil and military components of Australian aid come together in Mindanao, an island the size of Tasmania with a population of over 25 million. Most of the poorest provinces are here, along with the large Moro minority in this very Catholic country. Imperial Manila’s war on the *bangsamoro* (or Moro homeland) has left at least 300,000 people dead since 1978 and today thousands of evacuees remain homeless. According to the International Red Cross, Mindanao is a disaster area. While AusAID boasts its education programs like BEAM, much of the assistance goes to the children of already well-to-do and influential families. Such aid is thereby vulnerable to corrupt practices. Where the need is greatest, among the poorest of the poor, less is achieved. Disgraceful as it seems, in many parts of the island a third of schools have been commandeered as barracks.

Half of the AFP maneuver battalions and all the Special Forces units are assigned in the south, making Mindanao one of the most highly militarized places in the world. Last year AusAID gave money for the publication of a book about the psychological effects of ceaseless fighting on soldiers of the 10<sup>th</sup> [Eagle] Division based in Davao. Was any thought given to the idea of having the soldiery removed, if just for their own mental health? There is an urgent need to persuade Manila to scale down the military presence in the south and Australia could make a significant contribution by breaking the comfortable and largely unquestioned nexus between the militaries of the two countries.

In the event, ADF advisers have argued for years that the best way to help abusive military regimes was to continue working with them, promoting human rights programs and the like. This is a sinister and complicit line of action from which even hardliners were

publicly forced to retreat. But WikiLeaks (again) has revealed that the policy remains in place; Australian officials are still dealing with Indonesia's Kopassus and Detachment 88. This is simply not good enough and may indeed hide worse. Australian strategists insist that the program which brings Philippine military officers to Australia should be maintained. Too many of the visitors coming to Australia are not attending hastily-cobbled human rights courses, as alleged; they are visiting this country in order to lecture into counter-insurgency courses about intelligence gathering, which may or may not involve tactical interrogation (torture) and the like. The nefarious spy chief General Roberto Delfin was such an officer. More recently, the dreaded General Jovito Palparan, dubbed the *Berdugo* [Butcher] of Mindoro by the Filipinos who suffered under his tyranny, was in Australia during the mid-1990s.

Official Australian collaboration with the AFP makes dismal reading. Much of it is shameful. As with our coddling of the Indonesian TNI, nothing seems to deter Canberra's inept and short-sighted willingness to deal with the repressive armies of our near neighbors. In October 2010 Ambassador Rod Smith was in Mindoro cooperating in a military hearts-&-minds project involving repair of school buildings. The operation was overseen by notorious human rights abuser Major-General Juancho Sabban. HMAS *Broome* was also in port for "MTA Lumbas 2010", a regular seaborne exercise between Australian and Philippine forces. Publicity photos of RAN sailors painting walls and fences in these frightful circumstances are demeaning and counter-productive.

At the same time, there is considerable evidence to suggest that AusAID is anxious to outsource some of its work to Australian companies operating in Mindanao. Indeed, the relationship between embassy officials and corporate representatives needs to be more carefully delineated. The British group CAFOD, in its report "Kept in the Dark: Why it's time for BHP Billiton to let communities in the Philippines have their say" (2008), noted: "While mining companies and investors profit like never before, mining can have devastating and long-lasting consequences for communities, it can bring social division; displace people from their homes and lands; pollute rivers and seas with waste and cause irreversible loss of biodiversity". This plaint is common and numerous NGOs continue to provide information exposing the inadequacies of the economic model favoured by AusAID, USAID, JICA, and the like. Somehow their expertise needs to be employed as a counterweight to the self-serving agents of unbridled corporatism.

Desperate regimes will do anything to garner foreign funding and to curry favour with overseas business interests. Former President Gloria Macapagal Arroyo even set up the Investment Defence Force (IDF) within the AFP to provide military protection for unpopular foreign companies. Western Mining Corporation (WMC), Sagittarius Mining, and BHP Billiton were but three beneficiaries of her foresight. The new regime in Manila is also committed to suppressing tribal resistance to large-scale enterprise. Thus is perpetuated a undemocratic culture of graft, corruption, and brute force within which AusAID must operate. It must meet that challenge by helping only the most vulnerable communities and by providing evidence of its initiatives in open and timely reportage.

Mindanao has received a bad rap. It has been slandered and libelled by terrorologists and parachute journalists throughout the entire post-9/11 period. Washington even dubbed it the Second Front in the war on terror. It deserves better. For now, its populace is in desperate need of help. But this should be provided in transparent fashion without any counter-insurgency overlay. Corporate involvement in the story should likewise be addressed as a problem and a threat to our reputation rather than as a quick-fix tool in the distribution of aid. And the use of self-serving terminology like the national interest in our promotional literature should be anathema. On the other hand, Australia will reap much benefit from a thoughtful aid program directly concerned with poverty alleviation, provision of health and educational services, gender equity and special assistance to rural women, and sustainable development.

Working out the effectiveness of Australian ODA raises many difficult issues. A long time ago, AusAID was seen as an entirely altruistic enterprise. Although times now conspire against such generosity and circumstances are much less forgiving, we should not lose sight of the value of the international goodwill we can gain from a generous aid program. Meanwhile, the situation in the southern Philippines brings us little credit. “The Ugly American” is rapidly being supplemented by “The Ugly Australian”. As a fortunate people with genuine concern for our neighbourhood, we need to resist official efforts to outsource our foreign aid to counter-insurgency programs and to the self-serving representatives of large corporations. At the very least, a public debate should be initiated to expose developments in places like Mindanao and to ascertain whether Australian voters and/or taxpayers actually approve of such diversionary policies in the disbursement of their funds. This writer certainly hopes great misgiving and disapproval would be expressed by a better informed Australian public about the use of their aid dollars to benefit the brutal activities of the AFP and to prosper mining giants like BHP Billiton.

*Maraming salamat po!*

Dr Peter M. Sales