

Irish Trade and Aid, Poverty Alleviation, Interpretation and Suggestions

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In the last four years I have read a considerable amount on poverty in Africa. It is with this particular knowledge, I am sending on some ideas which I hope may be of some small benefit.

The focus of my study was to gain a clear understanding of the reasons for persistent poverty in African countries, and then to assess if democratic institutions are enabling the goal of eradicating poverty in these underdeveloped states. Political scientists' differ in their view, as to whether or not, democracy leads to economic development, or economic development brings about more democratic societies. Those views however, are dealing with the bigger picture, and are for another day. The purposes of the ideas below are to answer the questions put by Irish Aid; that may help in part, identify a mechanism that could help Irish Aid in the future.

Progress Made

Has the government been successful in implementing the commitments contained in the White Paper on Irish aid?

Having read the progress of Irish Aid to date there is significant evidence that progress is being made across many areas in the African countries that Irish Aid sponsor. Yet there is still much to be done. In my particular case studies, Tanzania, which Irish Aid have sponsored since 1975, and Uganda where Irish Aid has been involved since 1994, problems which are the manifestation of chronic poverty, still persist; such as lack of education, health problems, inadequate infrastructure, security issues, underfunded local governments and weak civil societies, all of which, if effectively targeted would help alleviate poverty significantly. Irish Aid, along with other development partners, such as USAID, the EU and the World Bank, has made real progress. In Tanzania, by supporting the Agricultural Sector Development Plan, increasing irrigation systems, has helped increase productivity. Farming activities have also increased through technical assistance. By supporting the private sector; enabling the farmer business group to trade internationally, and increase product prices; and also, by improving agricultural inputs at community level. Human rights have also been improved by supporting GBV (Gender Based Violence) along with targeting vulnerable groups (youths and women, 15-49) who have been particularly affected by HIV and AIDS. In Uganda, Irish Aids focus has been on education, governance HIV and AIDS. Security has also been a priority, and Irish Aid has been supporting the justice sector in relation to dealing with a backlog of court cases, also by helping to facilitate the first regional justice sector meeting that took place in 2010 and supporting Uganda's GBV through funding of the Gender and Equity Budgeting Programme. All of the above initiatives are continuing to alleviate poverty.

Changing Context

What are the implications of the changes in the global and domestic context for the Government's aid programme in the future and how will these affect current priorities?

Irish Aid, from my understanding is concerned with how to bring about immediate benefits on its reduced budget from 722.20m in 2009, to 675.84m in 2010 to a budget of \$639 million in 2012. Given that Ireland is experiencing economic difficulties and Irish Aid to overseas countries has been criticized in the media of late, it is essential that the initiatives that Irish Aid invest; Irish taxpayers money in, bear fruit. Changing the name and including trade, in my opinion has very positive implications, as it points to a development in trade between Ireland and sponsored countries, which can be of great benefit to both parties, especially given that to date, 'Ireland gives seventy euro per capita but only purchases fifty cent worth of goods per capita from these countries' (Irish Aid White Paper). Emphasis on establishing the right institutions that will enable such trading should be a priority in the future.

Key Issues

How should the government respond to the key issues of hunger, fragility, climate change, basic needs, governance and human rights, and gender inequality/ Are there other issues?

Given the limited resources and the need to focus these, which issues should the government prioritise in its future aid programming?

Given the nature of my studies, my suggestion is possibly different from other suggestions; in that, I would focus on the incentive structures that are already in place in these poor countries. Where poverty is more prevalent, is in peasant societies. The peasant livelihood is immersed in subsistence farming, which benefits a minor group, at the expense of the wider society. Incentive patterns for peasants is the concern for their immediate needs, yet political scientists, in particular, Schultz, and Bates argue that peasants will respond to increased incentives, by way of gaining more for their produce. Such incentives have to be facilitated by strong institutions, whether government institutions at the macro and meso level, financial institutions at the meso and micro level, or civil society organisations at the micro level. Incentives create behaviour patterns. At present particular behavioural patterns, have particular outcomes; that have adverse effects on poverty alleviation. Changing these incentives, will change behaviour, and consequently, change outcomes, and

lead to better results and value for aid being spent. The mechanism to achieve this is through better governance, as this is the variable that can effectively deal with the other outstanding issues raised in the above question.

Ways of Working

How can the government further strengthen its ways of working in delivering an effective aid programme, with a view to delivering real results in poverty reduction?

While reading through the Irish Aid consultation paper, I came across an initiative (AADF) Irish Aid Agriculture and Food, in Tanzania, which also includes Kenya. This two year pilot project, 2012 to 2013, has great potential. From what I can gather, two million has been put aside to support smallholder farmers, to help them increase productivity. This in my opinion incorporates the idea of an incentive based endeavour; that should encourage peasant farmers to increase production. Having read about certain Millennium Village Projects, that are being run by the United Nation in both my case studies, to help certain selected poorer areas to reach the Millennium Development Goals, I think that the smallholder farmers, identified for support by Irish Aid, should be supported, not only through farming incentives, but also incorporate incentives, in areas of education, health, better infrastructure, etc, to ensure the on-going commitment and cooperation of participants, by incrementally increasing incentives on performance based outcomes, and tracking such initiatives over time. While I have no practical experience on the ground of how programmes are structured, I think that this particular initiative could be supported with already exists at present.

Outlined above is my contribution to the questions put forward by Irish Aid. As I have already stated, I have no practical experience, as to how things work day to day in these African countries, but I do have a strong theoretical understanding and hope that I have contributed in some small part. Irish Aid has achieved a substantial amount, given its size in relation to other donors. However, I feel that given the fact that Irish Aid's power in monetary terms is diminishing, because of Ireland's own economic downturn, Irish Aid has to refocus in a way that will maximize outcomes in future policy. I hope the ideas put forward above helps in some small part.