

# Aid

## What is aid?

Aid is the money given mainly by wealthy governments to help poorer countries. It is given in times of emergency, such as after earthquakes or floods, and to help with long-term development projects, such as child immunisation.



Mulima Kufekisa Akapelwa, from the Catholic Commission for Justice, Development and Peace, Zambia, a CAFOD partner.

## Different types of aid

**Humanitarian aid:** for emergencies, such as the Pakistan floods in 2010. The money is spent on the things people need to survive in the short term, such as food, shelter and medicines.



**Development aid:** for longer term development problems such as poverty, the spread of HIV and AIDS, and women dying during childbirth. The money is spent on a wide range of projects, from teaching people about nutrition, to building schools.

## Who gives the aid?

**Governments** - most aid is given by governments. They agree to give a proportion of their national income either directly to the governments of the countries in need or to international development organisations which fund projects in the countries needing support.

**Charities** - a smaller proportion of aid is given by charities such as CAFOD and Oxfam. CAFOD raises most of its funds from Catholic individuals, schools and parishes. The money is generally used to fund projects that have long-term impacts. We work with local 'partners' - organisations in the area of need with local staff and expertise.

During a major emergency, the Disasters Emergency Committee (DEC) coordinates public appeals for money. You might see an appeal on TV or on websites. Larger development agencies, including CAFOD, are members of the DEC. The money raised is shared between the agencies, then distributed by them.

**TRY THIS** Find out how much government aid was given last year and how it was spent - [dfid.gov.uk](http://dfid.gov.uk)

Find out how much money CAFOD raised last year and how it was spent - look for the latest trustees report on our website.

## Why aid is important

Aid makes a real difference to millions of people:

**Health** - Aid has funded mass immunisation campaigns in developing countries, wiping out smallpox and hugely reducing deaths from measles.

**Education** - Education is a key route out of poverty. Thanks to international aid 41 million more children received primary education in 2005 than in 1999.

(UNESCO Education for All Global Monitoring Report 2008)

**Emergencies** - In 2009, the World Food Programme provided life-saving food and nutrition for over 100 million people affected by emergencies.

## FACT

**In sub-Saharan Africa**, aid money makes up on average 44% of total government budgets (in other words, the money the government has to spend on the country).

(Human Development Report 2010)

**British aid** pays for five million children in developing countries to go to primary school - roughly the same number of children as go to primary school in Britain - and it does so at just 2.5 per cent of the cost. (Speech by UK Secretary of State 2010)

**Without aid**, the number of children surviving until the age of five would be halved.

## Aid arguments

There are criticisms of aid. These include:

- People become dependent on aid, and this traps them in poverty.
- Rich countries give more aid to countries they want to get on their side for political reasons.
- It is used by corrupt foreign governments, organisations and individuals to buy weapons or luxuries for themselves.
- At a time of economic hardship, we need the money for our own country.

### In response to such criticisms, organisations like CAFOD argue:

- Although people can become dependent on aid, responsible aid goes to schemes that help people find a way out of poverty – for example giving education and training so that people can earn their own money.
- Rich donor countries have used aid for their own political benefit. For example, government aid has often been conditional upon African countries buying goods from Western suppliers. Organisations like CAFOD lobby our government to give aid where it is most needed, not just where it benefits them politically.
- Waste of aid money due to corruption is a risk that can never be completely eliminated, although tight monitoring procedures have worked to minimise the risk. The proportion of aid that is eaten up by corruption is very small compared with the proportion spent on those in real need.
- Currently, only around one per cent of our taxes are spent on international aid (the UK aid budget for 2010/11 is £9.1 billion). As a comparison, every year tax avoidance costs the UK government an estimated £42 billion – more than four and a half times our aid budget.

“ *Direct aid is an appropriate response to immediate extraordinary needs... It is also necessary to reform international economic and financial institutions so that they will better promote equitable relationships with less advanced countries* ”

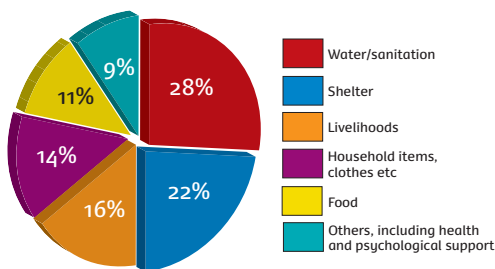
Catechism of the Catholic Church No 2440

TRY THIS

Discuss examples and impacts of 'good' aid and 'bad' aid.

### Humanitarian aid to Haiti

A massive earthquake in Haiti in 2010 killed nearly quarter of a million people and left many more homeless. The DEC launched an appeal and raised £103 million. In the first 6 months after the earthquake, money was spent on:



(DEC report 2009/10)

“ *Official development assistance stands at 0.31 per cent of the combined national income of developed countries, still far short of the 0.7 per cent UN target.* ” (Millennium Development Report 2010)

### Does the UK give enough aid?

Wealthy countries have signed an international agreement to give 0.7 per cent of their income in aid (that's seven pence in every £10). Few countries have achieved this. The economic downturn has also meant that some wealthier countries are less willing to donate the amounts they promised. In 2009, the only countries to give 0.7 per cent or more were Denmark, Luxembourg, the Netherlands, Norway and Sweden. The UK is on track to reach 0.7 per cent by 2013.

The UK has been acknowledged as a global leader in aid – not only giving generously but also helping to prompt important improvements to the system which include careful monitoring of how aid is spent, so that money has even more impact.

Photograph: Ben Stansall Illustration: Dylan Gibson Registered charity no. 285776

### The future

The goal of aid is to bring about a situation where support from foreign countries is no longer necessary – but in the meantime efforts must be made to keep aid at levels that will continue to make a difference. Governments in developing countries should be able to decide how aid should be spent. This is an important step on the path to development.

#### FACT

It is estimated that Africa will receive only about \$11 billion out of the \$25 billion increase in aid pledged by wealthy countries in 2005.

(UN Millennium Development Report 2010)

TRY THIS

**Group activity** – How do you think people in this country should respond to the following situations in poorer countries?



- A community has been uprooted by severe fighting and has had to leave homes and possessions to live in a neighbouring poor country.
- A fishing community has been put out of business by a huge fleet of foreign ships. They know no other way of surviving.



### Useful websites

[www.oecd.org/dac](http://www.oecd.org/dac)

Organisation for Economic Co-operation and Development

[undp.org](http://undp.org)

United Nations Development Programme

[millenniumcampaign.org](http://millenniumcampaign.org)

UN site which includes information on aid

[www.dfid.gov.uk](http://www.dfid.gov.uk)

UK government site with details of UK aid and how it is spent

All facts correct May 2011