Briefing for the Public Petitions Committee

Petition Number: PE1406

Main Petitioner: Ronald Hunter

Subject: Suspension of overseas aid and donations until the economy fully recovers.

Calls on the Parliament to immediately suspend foreign aid until the economy recovers and poverty, unemployment and hardship in Scotland is eliminated to much lower levels.

Background

The then Scottish Executive published its first International Development Policy in March 2005. The Scottish Executive pledged to spend £3 million on international development during financial year 2005-06. This figure was then increased to £4.5 million for the following two years (2006-07 and 2007-08). In August 2007, the then External Affairs Minister, Linda Fabiani, announced the budget would be doubled to £9 million by 2010-11. The budget for 2011-12 saw the International Development Fund frozen at £9 million. The Scottish Government’s draft budget for 2012-13 proposes continuing to freeze the budget at £9 million. The Cabinet Secretary for Culture and External Affairs, Fiona Hyslop is responsible for the Scottish Government's international development policy.

Scottish Government Action

According to the Scottish Government website, the Scottish Government's International Development Policy articulates the vision of Scotland's place in the world as a responsible nation, committed to playing its role in addressing the challenges faced by our world.

The Policy outlines the Scottish Government's intention to continue to actively engage with this global agenda, and defines Scotland's distinctive contribution and approach to international development. With a focus on working in partnership and achieving real and tangible outcomes on the ground, the Policy seeks to build upon both the historical and contemporary relationships that exist between Scotland and the developing world.
The International Development Fund (IDF) is currently supporting:

- a range of projects in Malawi;
- work in Rwanda, Sudan, Tanzania and Zambia through the Sub Saharan Africa Development Programme;
- humanitarian assistance;
- the campaign to make Scotland one of the world's first Fair Trade Nations as well as Scotland's contribution to Fair Trade with the developing world;
- work with the NGO sector in Scotland to build the capacity of the sector and to review and implement best practise;
- the South Asia Development Programme

A significant proportion of the International Development Fund (more than £3 million) is spent supporting a range of projects through the Malawi Development Programme, which are delivering on the four policy strands of the Scotland – Malawi Co-operation Agreement: civic governance and society, sustainable economic development, health and education. The Malawi Development Programme currently supports over 40 projects in Malawi. Money goes direct to projects on the ground in Malawi, not to the Malawian Government

The United Kingdom Context

The Department for International Development (DFID) is the office of the UK Government that manages Britain's aid to developing countries and works to get rid of extreme poverty. DFID is headed by Andrew Mitchell MP who as Secretary of State for International Development is a member of the UK Government Cabinet.

DFID has offices in around 40 developing countries and provides aid to around 90 countries. DFID’s international development work is designed to achieve the targets set by the Millennium Development Goals by 2015.

The UK’s Gross Public Expenditure on Development (GPEX) amounted to £9,007m in 2010/11. The DFID aid programme accounted for £7,689m (85%) of this expenditure. In the calendar year 2010, the UK reported £8,452m as Official Development Assistance (ODA).

Last year the UK Government announced that international development spending will rise to £11.5 billion over the next four years meaning that by 2013 the United Kingdom will reach the UN target of spending 0.7% of national income on international development. The UK’s ratio for 2010 was 0.57 per cent. 

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1 http://www.scotland.gov.uk/Topics/International/int-dev
2 http://www.hm-treasury.gov.uk/spend_sr2010_speech.htm
Foreign Aid or Increased Domestic Spending

The announcement by the United Kingdom Government of increased international development spending led to some debate about whether, given the current economic circumstances, the United Kingdom should continue to increase international development spending. Quoted in the Daily Mail, Sam Bowman, head of research at the Adam Smith Institute, said the increase in aid spending beggared belief at a time when police, universities and the armed forces were being cut back.

He said: ‘Overseas aid is a waste of taxpayers’ money that props up dictatorships in sub-Saharan Africa and funds fast-growing countries like India, whose economy has grown by nearly 8.8 per cent in 2010 and which has its own space and nuclear weapons programmes.”

In contrast, most charities expressed support for the Government’s commitment to meet the 0.7% UN target. For instance, a representative of Oxfam was quoted welcoming the news; “The coalition has taken the tough choice to prioritise the poorest people on the planet during the bad times as well as good.”

Scottish Parliament Action

The petitioner previously submitted a petition “calling on the Parliament to urge the Scottish Government to immediately cease overseas aid and donations and apply these funds to the more pressing demands of Scotland” (PE1282) in September 2009. On 9 February 2010 the Public Petitions Committee agreed to close the petition “on the grounds that it agrees with the Scottish Government that the withdrawal of funding would have a devastating effect on some of the poorest people in the world who are living in extreme poverty, that figures provided by the Network of International Development Organisations in Scotland show that Scotland sets aside 0.009% of its GDP for international development while most nations aspire to set aside 0.7% and that the Scottish Government has a rigorous assessment process in place for consideration of applications for grant funding.”

The Scottish Parliament’s European and External Relations Committee undertook an International Development policy inquiry between October 2007 and June 2008.

The inquiry’s remit was to take a strategic overview of international development issues within Scotland and to consider and report on the role of a Scottish Government international development policy and how value could be added to the international development work that is already on-going in Scotland.

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5 http://archive.scottish.parliament.uk/business/petitions/docs/PE1282.htm
As part of the inquiry a conference for young people was held focussing on EU development issues to mark Europe Day on Friday 9 May 2008. The conference focussed on themes from the inquiry and the report of the conference was used as written evidence to the Committee.

The Committee’s final report expressed support for the Government’s international development policy and its aim to assist in achieving the Millennium Development Goals.

During Session 2 and 3 the Parliament held two debates specifically focussed on international development. The first, on 29 June 2006 was on International Development and Cooperation with Malawi whilst the second one on 17 September 2008 was on International Development.

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8 November 2011

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