

Where is decent work in DfID policy? Marketisation and securitisation of UK international aid

by Phoebe V. Moore

Nothing is spared. Even international development policy is marketised and securitised in the United Kingdom (UK). Outreach to areas of the world suffering from tsunami-related devastation has not disappeared, but recent government decisions reveal significant shifts for aid spending to prioritise future conflict prevention in areas facing high levels of unemployment and lacking welfare protection, and to manage future financial impacts of terrorist attacks. Controversially, UK aid spending is increasing in areas where crisis-driven unemployment can be linked to rising social unrest, even as cuts are made to the organisation most dedicated to advocating workers' rights, the International Labour Organisation (ILO).

DfID securitises, marketises international aid

In March 2011 the Department for International Development (DfID) published the 'Multilateral Aid Review: Ensuring maximum value for money for UK aid through multilateral organisations' (DfID, 2011). The UK's newly-elected coalition government in 2010 decided to increase development aid to 0.7% of gross national income (GNI) by 2013, which is, in cash terms, an increase from £7.8 billion in 2010–2011 to £11 billion in 2014–15. In that context, DfID, in cooperation with then Secretary of State for International Development Anthony Mitchell reviewed 43 multilateral aid organisations previously used to channel funding using a specific methodology designed to measure organisations' aims and objectives, *value for money* and *cost effectiveness*. UN-HABITAT, UNIDO, UNISDR¹, and the ILO, did not meet these marketised development objectives, so DfID decided to withdraw core funding to established partners. Market-oriented judgements such as these are part of the wider strategy of securing the dominant status of neoliberalism as an expansive global framework for economic and social policy.

The 2010 Strategic Defence and Security Review ("the Review") made the commitment to deliver 30% of overseas UK development spending specifically to fragile and conflict-affected states. The prioritisation of aid for fragile areas, the Review makes clear, is explicitly intended to manage the threat of terrorism and reduce future costs of intervention. In that context, in order to reach the 0.7% target for aid, the UK coalition government ring-fenced aid spending from cuts to other public spending, which is an interesting choice when put into perspective: if the (DfID) had frozen funds at the same level they were in 2010–2011, this capital could have been used to minimise real cuts to expenditure into the De-

partment for Education by a third. Indeed, while the percentage of GNI used for overseas aid in conflict-driven areas will increase, aid spending will be focused on fewer countries and fewer issues, and will be channelled predominantly through the World Bank and the European Commission.

The ILO, one of the agencies cut from DfID's roster, wrote an official response (ILO, 2011) the day after the Multilateral Review was published querying its methodology and noting that it was based on very limited research from only 33 projects in four countries. The Review cannot be generalised, and further, the ILO was shocked by these conclusions as they differed from the external evaluation issued by DfID itself only months previously, which looked favourably upon DfID's partnership with the ILO over the Partnership Framework Agreement (PFA) period 2006 to 2009. The PFA concluded that partnership with the ILO should go on, and DfID should "consider funding support to the ILO in the post-PFA period", and that in particular, the "ILO's role and core mandate of promoting Decent Work is increasingly important" (ibid.).

One commentator believes that this clash is "evidence that under the Conservatives, DfID is being transformed from a development body committed to lasting change in the global south into a sticking-plaster aid charity dispensing services to the poor to salve the conscience of the rich – as well as minimising the risk that the poor will rise up and demand change more violently than we would like" (Tudor 2011). The "Conservatives are [not] interested in the way the ILO combats poverty, which is to promote workers' rights – to join trade unions, to [promote] social security, and to [promote] decent work" (ibid.).

DfID overlooks social protection

Consciously applying a similar methodology to DfID's Review, the Trades Union Congress (TUC) launched a critique of DfID on the World Day for Decent Work, 7th October 2012, entitled 'A decent job? DfID and Decent Work'. The report notes that DfID does not do enough to promote social dialogue, social protection, enable job creation and it has a low commitment to promotion of rights. TUC researchers read up-to-date annual reports and country implementation plans published in June

2012, and interviewed DfID staff to gather data about DfID's main bilateral projects. This was explicitly to identify whether DfID would fare well if held to account for a range of criteria in promoting decent work in the areas it invests.

The TUC gives DfID a score of 6 out of 12 in its ability to promote "full and productive employment for all". DfID, the TUC notes, has not made an explicit, public commitment to decent job creation nor any other indicator in the Decent Work Millennium Development Goal. Instead, DfID believes that "promoting global prosperity is both a moral duty and in the UK's national interest. Aid is only ever a means to an end, never an end in itself. It is wealth creation and sustainable growth that will help people to lift themselves out of poverty" (DfID, 2012: 1). It does so by promoting a free trade area in Africa and a good climate for investment in businesses, as well as promotion of property rights and land. So DfID's commitment to decent work MDG targets is rated 1 out of 4, and the ideological divide could not be more overt. The TUC points out that there is little evidence that the activities around promoting financial opportunities for people in developing countries help to create decent jobs, nor to help people escape from poverty. Indeed, it is not clear that the micro-credit and other financial programmes supported by DfID will work at all. Research supported by DfID itself oddly includes the comment that "no clear evidence yet exists that microfinance programmes have positive impacts" (Duvendack 2011, in TUC 2012). Further, despite the fact that DfID prioritises the private sector as a tool and driver for growth, it rarely reports on the effectiveness of its projects. Given its own scathing report of the ILO's failure to report on progress, it is an odd oversight. Even on its own terms, TUC declares, DfID is weak, as it is not able to ensure a *responsible* private sector despite its support for the Fairtrade Foundation and the UN Global Compact, and it is given a 2 out of 4 rating. DfID also fails to require companies to adhere to environmental or social standards. Nonetheless, while increasing the percentage of GNI for international development aid, DfID intends to support and fund projects in the private sector in developing states from 4.1% to 8% by 2014/15.

DfID is happy to invest in strengthening government capacity toward business incentives and the private sector in developing areas, but it does not build scaffolding around labour standards. DfID aided Rwanda in reducing the registration process in setting up a business from nine days to two. However, in Bangladesh, workers who intend to claim unfair dismissal or other violations of rights wait for many years. The other misdemeanours include the failure to tackle workplace discrimination and child and forced labour. The question is, if DfID does not advocate social protection in conflict areas but promotes development aid through relations with

the private sector; and if the ILO is not supported for advocacy projects, who will defend the employed and unemployed citizens in these areas?

TUC recommends promotion of decent work

TUC provides a set of clear recommendations that will help DfID promote decent work, and given the rise in social unrest in many of the areas DfID supports, it seems an obvious aim. As has been shown, international aid is now more than ever directly linked to security and cost cutting goals. Nonetheless, aid in conflict-affected areas continues to be exposed to risks of corruption and cannot ensure value for money, which is a paradox given the recent Multilateral Aid Review and the links between rising unemployment and rising social unrest and conflict in the Social Unrest Index (ILO, 2012). Given the link between unemployment and conflict, it is not clear why DfID would delegitimise organisations whose core focus is redressing unemployment issues, such as the ILO, and support the private sector almost exclusively in conflict riven areas without a clear agenda on social protection.

¹ UN-HABITAT = United Nations Human Settlements Programme; UNIDO = United Nations Industrial Development Organisation; UNISDR = United Nations International Strategy for Disaster Reduction

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