

More effective aid policy?

AusAID and the global development agenda

Elizabeth A. Cassity
University of Sydney
e.cassity@edfac.usyd.edu.au

A first glance at almost any policy document generated by a bilateral or multilateral donor agency reveals a familiar rhetoric of participation, partnership, community, good governance, growth and strong democracy as key ingredients for a successful development program. While some critics of this rhetoric argue that this is merely a recasting of old aid agendas, others confirm that recent rethinking of aid policies and agendas are sincere efforts to address poverty reduction and ensure aid effectiveness. Education has been proposed as an indispensable element to achieving the aforementioned goals of development policy rhetoric, not least in the Eight UN Millennium Development Goals. This paper examines the role of the Australian Agency for International Development (AusAID) in the current global development environment, with particular focus on education policy in the Asia Pacific region. How does AusAID's education policy align with international goals for poverty reduction and sustainable development? How does AusAID coordinate its education policy priorities with other development agencies and recipient governments? To enable an exploration of these questions, this paper provides a comparative analysis of AusAID's approach to its educational development programs in Papua New Guinea and Cambodia.

[Keywords: bilateral aid, educational development, aid effectiveness]

INTRODUCTION

Glancing at almost any policy document generated by a bilateral or multilateral donor agency reveals a familiar rhetoric of participation, partnership, community, good governance, growth and strong democracy as key ingredients for a successful development program. While some critics of this rhetoric argue that this is merely a recasting of old aid agendas, others confirm that recent rethinking of aid policies and agendas are sincere efforts to address poverty reduction and ensure aid effectiveness. Education has been proposed as an indispensable element to achieving the aforementioned goals of development policy rhetoric, not least in the Eight United Nation (UN) Millennium Development Goals.

This paper has been conceived from an initial literature review and policy evidence collected for an Australian Research Council Linkage Project grant between the University of Sydney and the Australian Agency for International Development (AusAID). The research examines the design, delivery and impact of Australian aid in the Asia Pacific region and is premised on recent responses to poverty reduction, economic growth and regional stability as critical issues in the construction of aid programs. How education contributes to these responses is important. Aid effectiveness and getting better results from educational systems in low-income countries are two important policy issues.

Many academics, researchers and practitioners have heralded good policies as indispensable elements in making donor countries' aid dollars more effective. Although development has been a central realm for a number of researchers and practitioners in international and comparative education, there has been little discussion as to how this new aid rhetoric is applied in a bilateral donor-recipient context. Many studies underscore the fact that bilateral relations tend to develop in a more pragmatic manner that focuses on negotiations between nation-states. Certainly, recent international focus on the issues of security, terrorism, and international crime, has influenced the focus of many bilateral programs' agendas. Alongside this argument has been recent discourse about partnership and donor harmonisation, as well as the impact of global agendas generated by the international community, notably the Millennium Development Goals (MDGs), Education For All (EFA), and the World Bank's Poverty Reduction Strategy Paper (PRSP) process. International declarations such as the *Rome Declaration on Harmonization* (2003) and the *Paris Declaration on Aid Effectiveness* (2005) have also given shape to current donor agendas.

Education is central to many bilateral policies. Aid to education has contributed to raising literacy rates, increasing school enrolments, and has improved girls' participation in schools. While this paper does not focus explicitly on these indicators, an examination of data sets from UNICEF and the World Bank provides evidence of improvements in the educational outcomes of many developing countries in the past three decades. There have been numerous shifts in the rationale for funding aid programs to education since World War II (WWII) and the advent of international thinking about development. The current rhetoric has placed many aid agencies — both bilateral and multilateral — backing 'sector-wide approaches'. This has had the most explicit realisation in the World Bank's PRSP process, and has been embraced by government and non-government organisations alike with the new commitment to donor harmonisation and coordination, emphasised in the Eighth MDG, 'Develop a Global Partnership for Development'.

For AusAID, coordination and partnership means focusing on 'whole of government' and sector-wide approaches, as well as participating in donor coordination committees at the country level. The coordination approach also firmly places AusAID as a lead donor in some countries, like Papua New Guinea, from one that has seen it recently withdraw its aid to education programs in countries like Cambodia. AusAID is reconsidering the process of educational planning and policy development, as evidenced by major expansion and reorganisation within the agency itself. However, with the lessons learned from so many aid agendas in the past, experience suggests that local context and variations in the design and delivery of country aid programs are seemingly having increased impact on the conceptualisation of aid.

The project has only recently commenced and the intent of this paper is to review and examine donor trends internationally and in Australia. This paper reviews debates about foreign aid, and specifically, bilateral aid. Focus on the effectiveness of aid is prominent in both AusAID and international agencies. Education has been an element of international development plans since the post-WWII era, but ideas on what education is and how it contributes to growth have shifted to the centre of many current policy debates. AusAID's policy has shifted conceptually, and policy discourse over the last 10 years is convincingly coupled with international rhetoric. This paper examines some of those recent shifts in AusAID's education policy then explores its approach to two country programs: Papua New Guinea and Cambodia. This paper concludes by reconnecting fundamental debates on global aid policy to AusAID's education development agenda.

CURRENT DEBATES ABOUT THE GLOBAL DEVELOPMENT AGENDA

Debates about donor aid and its ability to impact educational development have intensified in recent decades. Concepts and rhetoric carry considerable power in shaping the way that aid policies are designed and implemented. Cornwall and Brock ask if particular keywords carry cultural and political values of the time, and what these keywords do for development policy (Cornwall and Brock, 2006, p.44). For example, the mission statement 'For a World Free of Poverty' is shared by the World Bank, ActionAid, and War on Want — three organisations with radically different views on development policy (Cornwall and Brock, p.47). How does international rhetoric about participation, donor coordination and partnership, aid effectiveness, and good governance translate to policy? This section gives an in depth examination of research and rhetoric — often conflicting — that frames the current development paradigm.

Participation is a key operational term in the idea of development partnerships. A sense of action or demand remains implicit in ideas about participation. In current usage, participation can mean simply recognising and acting on one's interconnection with a larger society through a set of philosophical ideals (Patton, 2005, p.252). Participation can also be an ambiguous term used as a means to gain political agency, maintain rule, neutralise political opposition, and tax the poorest, in other words engaging communities in sharing the costs (Cornwall and Brock, 2006). Importantly, lack of participation can imply the lack of resources to participate in a global society, where social exclusion is based on the inability to participate in the economy and democratic processes (Patton, 2005, pp.253–254). Thinking about participation in this way has important implications for poverty. In terms of policy rhetoric, 'participation' is a key working term in the World Bank's Poverty Reduction Strategy Papers (PRSPs) — plans for assistance to low-income countries. Guiding principles for PRSPs are that they are country-driven, long-term, sectoral, and are a partnership involving civil society, the private sector and donor agencies.

Participation is integral to partnership. The notion of partnership is a transformation that has dominated the literature on aid in the past 10 years. The important question to ask is, have a wide range of stakeholders and participants been able to contribute to aid programming and delivery? PRSPs were developed with the idea to include a wider range of stakeholders, and particularly the voices of the poor (Narayan, 2000). Policymakers and researchers consistently attempt to identify 'best practice' models, yet these models emerge from the 'particular' and are unquestionably adapted to the 'universal'. Freeman and Faure (2003) found that relevance of external support to local needs should be emphasised and tailored, while sector-wide approaches do not improve partnerships if they are implemented as a blueprint. Aid effectiveness is contingent upon policy regimes of recipient countries (McGillivray, 2005; Rose and Greeley, 2006). Nearly all of the foreign aid literature of the last 10 years across disciplines mentions that context and complexity are important; a purpose of the World Bank's PRSPs is an attempt to take context and local conditions into consideration when forming policy. However, recent qualitative research on the effects of PRSPs suggests that they are creating different forms of power structures, and voices of the poor are still not being considered in any process other than rhetoric (Chambers and Pettit, 2004; Higgins and Rwanyange, 2005; Kakande, 2004). In this debate, Stromquist (2007, p.273) recognises the positive legacy of engaging civil society in education through global initiatives like EFA, but crucially recognises the continued lack of leverage that NGOs and civic organisations have on education policy.

King (2006) writes that for all the rhetoric about country ownership and autonomy, aid dependency may actually have increased. There is also scepticism about foreign aid in the new cooperative context (Knack, 2004). On the one hand, PRSPs are perceived as an enabling factor

that includes voices of the poor and civil society in order to frame effective development agendas. On the other hand, PRSPs have been criticised as yet another exogenous tool to shape national policies that are tightly coupled with donor countries' aid agendas. Added to this is critique that PRSPs have, in fact, continued to marginalise the poor and local civil society organisations because of an administrative structure that does not encompass these sections of society.

Recent literature on donor coordination represents a range of perspectives. As much as donor coordination has been hailed by some scholars as a solution to solving aid flow volatility and resolving equity issues (McGillivray, 2005), it has been vehemently described by other scholars as being another 'aid cartel' by promoting Northern-developed policy frameworks (Guttal, 2006). Numerous authors suggest the power of the international community has the potential to displace fundamental recipient issues (Hinton, 2004; Kakande, 2004), while other contingents suggest that aid gets into the hands of corrupt officials, benefiting neither poor recipients nor donor taxpayers (Easterly, 2006; Hughes, 2004, 2003).

Good governance is also a concept central to donor agendas. What do aid agencies mean by 'good governance'? How is it measured? How can it encourage participation? Foucault's (1991) concept of 'governmentality' sought to capture the complexities of multiple sites of government. Governance has most recently characterised the range of political actors involved in a structure, the state being only one of these actors. Governance refers to the outcome of these interactions and dependencies — politics increasingly involves exchanges and relations among a range of public, private and voluntary organisations, without clear sovereign authority (Rose in Bennett, 2005, p.153). Good governance, while including the state, also takes into account various organisations that contribute to global policy development, most notably multilateral, bilateral, and non-government organisations (Chabbott, 2003; Jones, 2006, 2005; Mundy, 2007).

Research emerging on so-called 'fragile states' highlights intersections between aid effectiveness, good governance, and developing education policies. The complex relationships between education, equality and state fragility need to be examined in context and especially in relation to bilateral and multilateral interventions (Kirk, 2007, p.196). These approaches require addressing governance issues for education policy and planning. Fragile states are those unable or unwilling to provide basic services, including education, to the majority of their citizens (Rose and Greeley, 2006, p.4). They also lack the capacity to implement pro-poor policies, and are prone to violent conflict. Insecurity and poor governance characterise fragile states, and focus on aid interventions is through good governance — strengthening the willingness and capacity of elected officials, state institutions, and employees to improve size and distribution of social welfare (Rose and Greeley, 2006, p.28). Good governance, then, is an important element in developing effective education systems through the policy of capacity building.

An issue that is often presented in the literature is the idea of power, specifically how it affects decision-making between donor and recipient. Robb (2004) makes the general observation that aid agency patterns of behaviour are changing with aid becoming untied, country offices being decentralised, and aid agencies becoming more critical of their programs. Alesina and Dollar (2000) suggest bilateral aid is given for political and strategic reasons of the donors — as much as for economic and policy reasons of the recipients. Chauvet and Collier (2005b), on the other hand, suggest that aid can expose governments to new ideas, and that reform should not be the only means of influencing policy and institutions. In fact, increasing the resource base of reform-minded governments can assist with good governance (Tavares, 2003). This lack of operationalisation and limited planning are considerable when reflecting on earlier studies by

economists Knack (2004) and Chauvet and Collier (2006, 2005a) who found that donor aid did not have a causal connection to democracy and good governance.

Several scholars have suggested that aid effectiveness in promoting growth is contingent on policy regimes in recipient countries (Burnside and Dollar, 2001; McGillivray, 2005). King (2006) and King and McGrath (2004) have produced important recent work on knowledge for development and the role of power in knowledge dissemination. Political influence, accountability, and donor decisions similarly impact policy formation (Chauvet and Collier, 2005b; Hinton and Groves, 2006; Makuwira, 2006). Many scholars have noted the increased policy focus on education as a result of recent compacts to harmonise donor initiatives. Mundy (2007, p.16) suggests that the involvement and coordination of the international community has had the effect on bilateral donors of moving towards collective action through experimenting with pooled funding, direct budgetary support, and funding of recurrent costs of primary levels of education. Mundy (2007, p.25) found that the focus on long-term funding and donor coordination was a positive move to promote the funding of education as a basic social right. Global agendas like EFA have organised the global public around the right to education as a commitment to redistributive justice (Mundy, 2007, p.25).

However, a key tension exists in conceptualising and operationalising global education policies. For example, while the Papua New Guinea Department of Education *National Plan, 2005–2014*, outlined a comprehensive and theoretically equitable plan to improve quality of and increase access to education, it also recognised the Department’s challenges of harnessing the organisational capacity to implement education reforms (Papua New Guinea Department of Education, 2004, p.26). These policy challenges are not exclusive to Papua New Guinea and this tension outlines the complexities of providing education that is both a human right and an end in itself, as well as a means to achieving economic sustainability. Herein lies the gap between policy rhetoric and implementation. Planning, resource allocation and absorptive capacity of recipients are issues that should be considered in a donor agenda. The following section examines some recent shifts in AusAID’s education policy and its focus on aid effectiveness.

AUSAID, EDUCATION AND AID EFFECTIVENESS

Global agendas about development and the keywords that convey ideas are central to many policy documents. Australian aid priorities have ranged from the explicitly political and security-focused, to those of education and basic needs. How does AusAID’s education policy align with international goals for poverty reduction and sustainable development? In addressing this question, current AusAID policy indicates a general preference for a sector-wide approach in education. Sector-wide approaches, particularly in health and education, are “...better aligned with partner government systems, and adopt more responsive and flexible approaches” (AusAID, 2006, p.4). Similarly, AusAID has developed “new and sensible sectoral approaches to education” in the Pacific, also to be adapted in the Philippines, Indonesia, and PNG (AusAID, 2006, p.52). Furthermore, AusAID’s two education policies published over the past 11 years indicate a priority of funding education that leads to economic growth and sustainable development. This section examines these issues as they apply to AusAID between 1996 and 2007.

The *Simons Report* (1997) was a review of Australia’s overseas aid priorities, objectives and focus for its bilateral aid program. The report reiterated that the aid program was sound and that the program should remain geographically focused in East Asia and the Pacific (AusAID, 1997). The Report emphasised that, overall, policy imperatives should be a combination of humanitarian, foreign policy focused, and commercial outcomes (AusAID, 1997). For the agency itself, skills

development and decentralisation of AusAID management was a key recommendation of the Simons Committee (Cassity, 2008, p.10). The title itself — *One Clear Objective. Poverty Reduction through Sustainable Development* — signifies a shift in aid donor philosophy exemplified in numerous UN conferences in the 1990s. These include the World Conference on Education for All in 1990, the UN Conference on the Environment and Development in 1992 (also known as the Earth Summit) which established the UN Commission on Sustainable Development, and the Fourth World Conference on Women in 1995 leading to action plans focusing on the social, economic and political empowerment of women. Poverty reduction, sustainable development, good governance, economic growth and participation are guiding principles in the *Simons Report*, and suggest a new direction in aid strategy.

Sustainable development and economic growth as a means to reduce poverty, underpinned AusAID's first education policy statement released in August 1996. By assessing individual countries' needs, a comprehensive education sector plan was designed as a pathway to assisting with a country's human resource development. This, among other things, emphasises the policy rationale that education is a basic building block in alleviating poverty *through* impact of economic growth and the development of quality human capital (AusAID, 1996). AusAID's funding priorities to achieve these policy goals included basic education, vocational and technical education, higher education (Overseas Development Scholarships), institutional strengthening, and distance education (AusAID, 1996). AusAID notes that assessment of the global situation influenced its approach in funding education programs that recognise the gender gap, rural inequalities, high dropout rates, the need for relevance of curriculum content, and inefficiencies of school systems (AusAID, 1996, pp.5–6). Finally, the policy affirms its commitment to basic education as a direct result of increased bilateral and multilateral funding of basic education following imperatives from the World Conference on Education for All in 1990 (AusAID, 1996, p.7).

In a 19 June 1998 Speech to Parliament, The Hon Kathy Sullivan MP, Parliamentary Secretary to the Minister for Foreign Affairs, outlined five sectoral priorities vital to Australia's aid program in reducing poverty and encouraging sustainable development: health, education, agriculture and rural development, infrastructure and good governance (Sullivan, 1998). She also signalled countries overcoming poverty as the key reason for giving aid. This point is again taken up in the policy paper *Reducing poverty: The central integrating factor of Australia's aid program* (AusAID, 2001). Education is again recognised as one of five priority sectors. It is important from a perspective of building human capital, encouraging gender equity, and contributing to economic growth for the poor (AusAID, 2001). While the paper does not specify how education will reduce poverty (addressed in the 1996 education policy statement), it emphasises the integral nature of the education sector for Australia's aid program in reducing poverty.

The 2006 *White Paper* reaffirmed sustainable development and economic growth as central policy objectives, and embraced some new terms. Indeed, more considered text is devoted to elaborating upon how participation will happen, why it is important to encourage good governance, why poverty is a challenge in the region, and how local AusAID offices need to have authority devolved to them. This is a shift, and a substantial one at that. The focus is on promoting growth and stability, so the ever-present words of economists are brought to the fore. Growth is important for poverty reduction; stability is important for effective aid.

This recent review of Australia's aid program recommends more aid to Asia and the Pacific, Australia's traditional areas of focus, but with increased attention paid to the efficacy of aid. In fact, the report recommends the establishment of an Office of Development Effectiveness to

evaluate quality of aid projects (AusAID, 2006). Regional security and Australia's political role in the region continue to be central themes, and the unifying objective of the program remains the same: "To advance Australia's national interest by assisting developing countries to reduce poverty and achieve sustainable development" (AusAID, 2006, p.8). Arguably, the goals designed in the Colombo Plan over 50 years ago — that technological, economic and cultural advancement through donor aid was an antidote to the instability in the Asia Pacific region — remain important in current AusAID rhetoric (Cassidy, In Press, p.10).

AusAID notes it has long pursued key interests in cooperation with the World Bank and Asian Development Bank, and that these donor partnerships should continue (AusAID, 2006, p.xiv). Excessive fragmentation of donor effort reduces aid effectiveness (AusAID, 2006, p.66). Furthermore, 20 per cent of Australia's aid goes to multilateral partners, notably the World Bank and Asian Development Bank because of "their financial weight, policy dialogue role and convening power" (AusAID, 2006, p.67).

AusAID's most recent education policy statement was released in May 2007 and is fundamentally linked to the 2006 *White Paper* through the theme, 'Investing in People'. At the outset it highlights two priorities: the first, "to improve functioning of national education systems to enable more girls and boys to complete primary school and progress to higher levels of education"; and the second, "to improve relevance and quality, including vocational and technical education, for students to acquire knowledge and skills necessary for life and productive employment" (AusAID, 2007a, pp.1–2). Although AusAID does not wholeheartedly embrace all the MDGs, ensuring universal primary education (MDG 2) and working towards gender parity (MDG 3) are mentioned as international benchmarks (AusAID, 2007a, p.7). This education policy statement is by far the most detailed published by AusAID. Education continues to be framed as a foundation for economic growth and self-reliance. Themes expanded upon in previous statements, such as improving access and equality, as well as supporting education that develops skills for productive employment, continue as central concepts. Added to these is security, with the recognition that lack of education may contribute to instability and violence.

As with past statements, the framework of the policy is to reduce poverty and achieve sustainable development. AusAID states it will do the aforementioned by improving education systems' governance, strengthening service delivery, improving vocational and technical education, supporting Islamic education, and improving English language skills (AusAID, 2007a, p.3). This statement also makes explicit links to global discourse about aid effectiveness. For education, this means strengthening performance (sector analysis, reporting, sector programs, and policy coherence), combating corruption, enhancing regional engagement and strengthening partnerships (dialogue, harmonisation, and whole-of-government approaches) (AusAID, 2007a, pp.32–34) — all concepts linked to statements of multilateral and bilateral development agencies. The statement also makes implicit connections to international dialogue surrounding education in fragile states and in emergencies, as well as recognising the importance of NGOs and community organisations in development. In the following section, this paper explores this shift to strengthening performance through sector analysis and strengthening partnerships through dialogue and donor harmonisation.

PAPUA NEW GUINEA AND CAMBODIA IN COMPARATIVE CONTEXT

Donor harmonisation and coordination are concepts that are emphasised, at least on paper, in the policy documents of AusAID and other international organisations in managing aid activities in country programs. Space does not allow for an exhaustive analysis of international organisations' policy, so the World Bank and UNESCO are used for comparison with AusAID. As mentioned

previously, AusAID's involvement in education is different in each country. This section examines AusAID's education approaches through the concept of donor harmonisation in Papua New Guinea and Cambodia.

An important consideration is how AusAID coordinates its education policy priorities with other development agencies and recipient governments. In Papua New Guinea, donor coordination has experienced challenges, to date, even though it is one of the largest recipients of Australian aid. In Cambodia, on the other hand, AusAID has withdrawn its support in education (other than Overseas Development Scholarships) and health under a coordinated donor strategy. AusAID writes that its contribution is most efficient in rural development and governance in Cambodia (AusAID, 2003a). AusAID's withdrawal from educational development in Cambodia highlights an agency perception that aid is most effective in agriculture and governance. Cambodia receives education aid from no less than 14 large multilateral and bilateral agencies (not including NGOs and community organisations). The rationale follows that Australian aid focused in other sectors is more effective.

Papua New Guinea

Since independence in 1975, Papua New Guinea has consistently been one of the largest recipients of Australian aid. As an extraordinarily diverse and politically decentralised country, Papua New Guinea has presented numerous challenges to donor agendas. Until 1982, Australia accounted for 95 per cent of foreign grants, however, 80 per cent of Papua New Guinea's donor aid still came from Australia in 1987–88. The Government of Papua New Guinea invited the World Bank to establish a Consultative Group in May 1988 and this stimulated expansion of Papua New Guinea's aid sources. In spite of this aid expansion, Australia accounts for 72 per cent of Papua New Guinea's bilateral aid in 2003 (AusAID, 2003b, p.30). AusAID continues to be the largest donor followed by the Japan International Cooperation Agency (JICA), the European Union (EU), and New Zealand (NZAID); the Asian Development Bank, World Bank, and UN are key multilateral agencies.

The general background of economic and social development in PNG from independence in 1975 through the 1990s included several issues considered by bilateral and multilateral aid agencies. Papua New Guinea was perceived to have a weak institutional environment with poor control of government spending and a serious law and order problem (AusAID, 2003b, p.viii). There was a dual economy (formal mining sector and large informal sector) combined with a series of external shocks, mineral boom, and structural adjustment in the 1990s that made for uncertain economic growth (World Bank, 2000). Social indicators were reported to be either low (World Bank, 2000) or improving marginally (AusAID, 2003b).

UNESCO's EFA 2000 Assessment of Papua New Guinea focused on the country's progress towards EFA goals in the 1990s. In 1995, the Ministry of Education included four national EFA objectives in its education policy: the education system should meet the needs of Papua New Guinea people; to provide basic schooling for all; to help people understand changes in society through non-formal education and literacy campaigns; and, to identify manpower development needs in public and private sectors (UNESCO, 2000). UNESCO recommended that the achievement of these goals meant that donor and Government attention needed to focus on policies and effective legislation, capacity building, coordinated planning and implementation, efficient staff deployment and community involvement (UNESCO, 2000). Education access has improved but quality and equity are concerns: education status of workforce and general population is low; there are low gross enrolments, especially female enrolments; there are high

attrition rates; and, 40 per cent of PNG's population over 14 years old (including 49% women) have never attended school (World Bank, 2005a, pp.10–11).

A 2003 report on the contribution of Australian aid to Papua New Guinea's development between 1975 and 2000 is framed as part of AusAID's focus on improved learning and accountability, and a general strengthening of AusAID's policy research and analysis capacity. Education has consistently accounted for at least 25 per cent of the Australian aid budget, and the report notes a number of achievements in the sector (AusAID, 2003b, pp.34–35), although there are ongoing issues with quality, equity, and retention and progression rates, as well as lack of access to secondary school. Governance became a priority in 1997 following the recommendations of the *Simons Review*; and, education's links to promoting good governance and poverty reduction were emphasised in subsequent policy papers (AusAID, 2000; AusAID, 2001). Since the early 1990s, there have been a number of shifts in AusAID's funding strategy to Papua New Guinea.

AusAID works with the World Bank and the Asian Development Bank in Papua New Guinea through donor coordination. The World Bank's lending policies in Papua New Guinea were not always well received. The World Bank funded education projects starting in the early 1980s (Bray, 1984). An evaluation by the World Bank in 2000 was a frank assessment of how its intervention in Papua New Guinea had gone wrong, though it asserted it had productively contributed to the education sector. The relationship between the Papua New Guinea Government and the World Bank became strained due to disagreement about loan conditions. Analysis was that there has been lack of consistent commitment to reform, lack of consensus, and reversal or partial implementation of reforms on parts of both donors and recipients (World Bank, 2000). The report suggested donor coordination was a feature to be improved upon.

An Interim Note in place of a formal Country Assistance Strategy was published by the World Bank in 2005, and conveyed that relations between the Bank and the Papua New Guinea Government had gone from bad to worse. Political instability was interfering with sustained dialogue for reform. The World Bank suspended disbursements in 2003 on a project for legal non-compliance from the Government. The Asian Development Bank deferred release of loan because of governance concerns. The World Bank recommended a reconsideration of its business model in light of these complexities (World Bank, 2005a). As a result, a formal joint cooperation strategy between AusAID, the World Bank, and Asian Development Bank was initiated for the agencies to work with Government on economic and public sector performance, human development and infrastructure.

Through an Enhanced Cooperation Program (ECP) with the Government of Papua New Guinea, Australia has altered the aid paradigm to a 'whole-of-government' approach with a key objective of capacity building and strengthening institutions (AusAID, 2007c; World Bank, 2005a). The ECP is aligned with both AusAID's 2006 *White Paper* and its 2007 *Education Policy*. The *PNG–Australia Development Cooperation Strategy 2006–2010* (2007c) recommends improved donor coordination to reduce the administrative burdens on the Papua New Guinea Government. It is also suggested that improved donor coordination will improve aid efficiency (AusAID, 2006, p.30). Despite rhetoric emphasising the need for better donor coordination in earlier policy documents from the World Bank, AusAID, and UNESCO, it is apparent that this has yet to meet with success in Papua New Guinea.

Margaret Thomas (2006), the Minister Counsellor for AusAID at the Australian High Commission in Port Moresby, recently outlined the role of donors in Papua New Guinea's development. Again, key words commonly used in describing elements of a global development agenda are used to frame Thomas' discussion. She emphasises the importance of partnership,

especially in terms of donors assisting with capacity building to strengthen institutions and organisations (Thomas, 2006, p.4). Thomas' discussion of engaging civil society notes global donor commitment to participation, as well as good governance through policy dialogue that also links up with international discourse. She also signals AusAID's intent to engage in donor harmonisation as a means to reduce transaction costs and management demands on Papua New Guinea (Thomas, 2006, p.6). While Thomas' paper does not explicitly address the education sector, overall donor policy is made clear from an AusAID perspective. In qualifying these statements, it must be emphasised that rhetoric may or may not be removed from the reality of aid in Papua New Guinea.

Cambodia

Cambodia is a decade-old post-conflict country that experienced a transition to multi-party democracy in 1993–94. Cambodia is also classified as a Least Developed Country (LDC), and is one of the poorest countries in the world. Given this background, the Government of Cambodia has localised and created its own version of the Millennium Development Goals called the Cambodian Millennium Development Goals (CMDGs). In addition to the Eight MDGs that have been ratified by the international community, Cambodia has added a Ninth Goal: De-mining, UXO and Victim Assistance. Unexploded ordinance (UXO) and mine contamination continues to constrain Cambodia's development process.

Given Cambodia's background as a country that, after decades of conflict, has achieved a level of stability and peace, numerous aid donors have contributed to the country's development. However, recent evaluations have suggested that uncoordinated and donor-led aid has slowed or even undermined the evolution of good governance. Since the last Country Assistance Strategy was written in 2000, three lessons have been learned: first, the need to focus on governance throughout the country program; second, to improve donor coordination and partnerships; and third, to focus on the relationships between inputs, activities, progress indicators, and outcomes (World Bank, 2005b).

From an international perspective, Cambodia has been the focus of numerous donor coordination efforts. The World Bank, Asian Development Bank, DFID (UK), and UN worked together to follow a joint country strategy formulation process leading to less duplication and fewer gaps, reduced transaction costs for Government partners, and coherence of message from four main donors (and donor community) to Government (World Bank, 2005b) as specified in the *Rome Declaration on Harmonization*.

In 2002, the World Bank prepared a short review of educational progress and challenges in Cambodia. It noted that enrolments were growing, administration was improving, and schools had been rehabilitated, but there were also substantial challenges in the financing and management of education for free, universal access (World Bank, 2002). The World Bank concluded that the Cambodian Government continued to under-spend in education and there was a heavy burden on families and communities for financing education, as well as a lack of meaningful civil service reform (World Bank, 2002).

In 2005, the World Bank followed up its work with a review on Cambodia's progress towards reaching quality basic education for all. Enrolments in primary schools had increased, but significant gender inequalities remain. There were ongoing education reform issues including a bottleneck at the upper primary level, direct and indirect household costs presenting barriers to families, and late school entry that negatively impacts primary school completion (World Bank,

2005d). As a strategy to focus aid on improving educational outcomes, the Bank is supporting an education sector wide approach with UNESCO as the lead donor facilitator (World Bank, 2005b).

In 2006, the donor group in Cambodia formally endorsed the country's Education Strategic Plan 2006–2010. This included an enormous number of donors. Those countries and agencies endorsing and contributing to the development of Cambodia's education sector plan include Belgium, the European Commission, Japan (JICA), Education Partnership (NGO), Sweden (SIDA), the United Kingdom (DFID), UNICEF, UNESCO, UNFPA, the World Bank, the World Food Program, Asian Development Bank, France, and USAID. Despite the large numbers of donors in Cambodia, and the fact that Cambodia is located in one of Australia's primary aid-giving regions, AusAID is no longer a donor partner in educational development in Cambodia.

AusAID's current education commitment to Cambodia is providing Australian Development Scholarships for students intending to study in Australia. Only 25 education projects have been funded in Cambodia since 1992, and the last bilateral education development project in the country was completed in 2005 (AusAID, 2006). AusAID funded various projects towards education in Cambodia from the early 1990s until 2005. These include the University of Phnom Penh English and Education Project to support the teaching and administration of a four-year Bachelor of Education in Teaching English as a Foreign Language (1993–1997); the Cambodia–Australia National Examinations Project; and, an adult literacy and vocational education project (1996) administered by CARE International.

The specific rationale for AusAID's withdrawal of support from education development in Cambodia is stated in its *Australia–Cambodia Development Cooperation Strategy 2003–2006*, “The aim is for Australian aid to be targeted where it can make a difference. Assistance to health and education will be phased out” (AusAID, 2003a, p.1). AusAID writes that other donors are providing considerable support in the sectors of education and health with the argument that Australia's “limited aid resources” (AusAID, 2003a, p.1) will have better impact in other sectors. In this sense, the extent of donor coordination in Cambodia has served to make AusAID highly selective in its donor strategies. Its in-country focus is currently on increasing productivity and incomes of the rural poor, reducing vulnerability of the poor, and strengthening the rule of law (AusAID, 2007a; 2003a), signifying a shift from its post-conflict humanitarian assistance and reconstruction support in the 1990s. Whether or not funding education in Cambodia is indeed an issue of “limited aid resources” with potential for better impact in other sectors, the point is that donor coordination could well play a role in sector selectivity.

CONCLUSIONS

This paper has provided a literature review of global donor trends and the development agenda, and an initial policy analysis of AusAID's education program. It has reviewed important policy papers from AusAID, the World Bank, and UNESCO, in order to examine the meta-narrative of shifts in global aid policy. This was done specifically to examine the extent to which AusAID has aligned itself with international aid trends. Exploring policy debates at an international level enables an examination of the level of diffusion of rhetoric and ideals in donor agendas. Viewed in this way, AusAID's policy prerogatives that focus on donor coordination and harmonisation, good governance, capacity building, participation, partnerships and educational reform are substantially influenced by global dialogue.

In the spirit of donor harmonisation and increased aid effectiveness, AusAID has designed different educational interventions in Papua New Guinea and Cambodia. Given its colonial and donor linkages with Papua New Guinea, AusAID has remained the primary donor in the country,

and because of its extensive knowledge, is recognised as a lead donor in coordination of aid activities. AusAID has withdrawn support from education development in Cambodia in order to focus more efficiently on other sectors in the country.

A difficult aspect of measuring policy impacts on aid effectiveness seems to be entrenched in the very complexity of the aid process itself. In this sense, identifying the exact input(s) that can contribute to improved educational outcomes is difficult because the very nature of context and community make reliable conclusions challenging. Over two decades ago, Bray (1984) studied decentralisation in Papua New Guinea's education system. Noting the various shifts in philosophy on the rationale for decentralisation in development settings, Bray suggested it was difficult to trace the causality of decentralisation on improved outcomes in education systems. Improved outcomes could be the result of numerous other factors, decentralisation being only one of these factors.

Education arguably contributes to the implied benefits of enabling communities, encouraging good governance, and developing civil society. Some scholars are now making explicit ties to the expansion of secondary education and the development of good governance (Chauvet and Collier, 2005a), while others emphasise that secondary education can provide capabilities for students hoping to achieve personal and social freedom (Sen, 1999; Walker, 2006). Presumably, if secondary education systems are well planned citizens are endowed with critical thinking skills and schooling literacy that result from quality education beyond the primary years. This statement alone implies the need to engage seriously in planning about educational expansion and aid efficiency.

In 2001, Anthony Siaguru published a collection of his *In-House* columns written for Papua New Guinea's *Post-Courier* daily newspaper. His commentary includes observations on how to make institutions work in Papua New Guinea. He has been remembered as a keen observer of Papua New Guinea society and politics. A few of his columns address educational issues in Papua New Guinea. One column critiques the national government's lack of empathy for the work of teachers by not increasing salaries (Siaguru, 2000, October 6). The other considers the kind of curriculum and values that could contribute to helping students become good citizens (Siaguru, 2000, December 15). The point of mentioning Siaguru's commentary on education in Papua New Guinea is to highlight context. Both the work of teachers and relevant curriculum can be viewed as recipient prerogatives, but how these values align with donor policies could present a point of contention.

While this may lend a spurious sense to the work of development agencies in their attempts to encourage sustainable, long-term development, it also gives credence to the fact that context may be one of the key indicators for aid success. In all of this, local actors continue to be crucial in any aid project or program implementation and success. Notably, states are not passive actors. Interpretation of aid policies is no doubt affected by local conditions and the ability or inability of local and civic institutions to enact those policies. Resources and political will are common factors in lack of policy collusion, while good governance and levels of community participation may be exogenously determined factors based on pragmatic outcomes of bilateral aid programs.

REFERENCES

- Alesina, A. & Dollar, D. (2000). Who gives foreign aid to whom and why? *Journal of Economic Growth*, 5(1), pp.33–63.

- AusAID (1996, 20 August) *Education and Training in Australia's Aid Program*. Policy Statement announced by The Hon Alexander Downer MP, Minister for Foreign Affairs. Canberra: AusAID.
- AusAID (1997). *One Clear Objective. Poverty Reduction Through Sustainable Development: Overview and Recommendations*. Canberra: AusAID.
- AusAID (2000). *Good Governance: Guiding Principles for Implementation*. Canberra: AusAID.
- AusAID (2001). *Reducing Poverty: The Central Integrating Factor of Australia's Aid Program*. Canberra: AusAID.
- AusAID (2003a). *Australia–Cambodia Development Cooperation Strategy, 2003–2006*. Canberra: AusAID.
- AusAID (2003b). *The Contribution of Australian Aid to Papua New Guinea's Development 1975–2000: Provisional Conclusions from a Rapid Assessment*. Evaluation and Review Series, No. 34, June 2003. Canberra: AusAID.
- AusAID (2006). *Australian Aid: Promoting Growth and Stability. White Paper on the Australian Government's Overseas Aid Program*. Canberra: AusAID.
- AusAID (2007a). *Better Education. A Policy for Australian Development Assistance in Education*. Canberra: AusAID.
- AusAID (2007b). *AusAID 2010. Director General's blueprint*. Canberra: AusAID.
- AusAID (2007c). *PNG–Australia Development Cooperation Strategy 2006–2010*. Canberra: AusAID.
- Bray, M. (1984). *Educational planning in a decentralised system. The Papua New Guinean experience*. Sydney: Sydney University Press.
- Burnside, C. & Dollar, D. (2001). Aid, Policies and Growth. *American Economic Review* 90, 847–868.
- Cassity, E.A. (2008). Cast the Net a Little Wider: Australian Aid in the South Pacific. *International Journal of Educational Development*.
- Chabbott, C. (2003). *Constructing education for development. International organizations and Education for All*. New York and London: Routledge Falmer.
- Chambers, R. & Pettit, J. (2004). Shifting power to make a difference. In L. Groves & R. Hinton (Eds.). *Inclusive aid. Changing power and relationships in international development* (pp.137–162). London: Earthscan.
- Chauvet, L. & Collier, D. (2006). Helping hand? Aid to Failing States. *EconPapers*, pp.1–26. Paris: DIAL.
- Chauvet, L. & Collier, D. (2005a). *Alternatives to Godot: Inducing turnarounds in failing states*. Paper presented at the Conference on Badly Governed and Collapsed States, Yale Center for the Study of Globalization, Yale University, Yale, USA, May 13–14, 2005.
- Chauvet, L. & Collier, D. (2005b). *Development effectiveness in fragile states: Spillovers and turnarounds*. Background paper for the Senior Level Forum on Development Effectiveness in Fragile States, Lancaster House, London, England, January 13–14, 2005.

- Cornwall, A. & Brock, K. (2006). The new buzzwords. In P. Utting (Ed.), *Reclaiming development agendas. Knowledge, power and international policy making* (pp.43–72). New York: Palgrave Macmillan.
- Easterly, W. (2006). *The White Man's Burden. Why the West's efforts to aid the rest have done so much ill and so little good*. New York: The Penguin Press.
- Foucault, M. (1991). Governmentality. In G. Burchell, C. Gordon, and P. Miller (Eds.), *The Foucault effect: Studies in governmentality*. Chicago: University of Chicago Press.
- Guttal, S. (2006). Challenging the knowledge business. In P. Utting (Ed.) *Reclaiming development agendas. Knowledge, power and international policy making* (pp.25–42). New York: Palgrave Macmillan.
- Higgins, L. & Rwanyange, R. (2005). Ownership in the education reform process in Uganda. *Compare*, 35(1), 7–26.
- Hinton, R. (2004). Enabling Inclusive Aid: Changing Power and Relationships in International Development. In L. Groves & R. Hinton (Eds.) *Inclusive aid. Changing power and relationships in international development* (pp.210–220). London: Earthscan.
- Hughes, H. (2004, December 15). Australian Pacific aid supports bankrupt regimes. *On Line Opinion*. From <http://www.onlineopinion.com.au/view.asp?article=2842>, retrieved February 20, 2006.
- Hughes, H. (2003, May 7). Aid Has Failed the Pacific. *Issue Analysis, No. 33*, pp.1–32. From <http://www.cis.org.au/IssueAnalysis/ia33/ia33.pdf>, retrieved May 15, 2003.
- Jones, P.W. (2006). Elusive mandate: UNICEF and educational development. *International Journal of Educational Development*, 26(6), 591–604.
- Jones, P.W. (2005). *The United Nations and education. Multilateralism, development and globalisation*. London and New York: Routledge Falmer.
- Kakande, M. (2004). The donor-government-citizen frame as seen by a government participant. In L. Groves & R. Hinton (Eds.) *Inclusive aid. Changing power and relationships in international development* (pp.87–96). London: Earthscan.
- King, K. (2006). Knowledge management and the global agenda for education. In P. Utting (Ed.) *Reclaiming development agendas. Knowledge, power and international policy making* (pp.108–127). New York: Palgrave Macmillan.
- King, K. & McGrath, S. (2004). *Knowledge for development? Comparing British, Japanese, Swedish and World Bank Aid*. London & New York: Zed Books.
- Kirk, J. (2007). Education and fragile states. *Globalisation, Societies and Education* 5(2), 181–200.
- Knack, S. (2004). Does foreign aid promote democracy? *International Studies Quarterly*, 48(1), 251–266.
- Makuwira, J. (2006). Aid partnership in the Bougainville conflict: the case of a local women's NGO and its donors. *Development in Practice*, 16 (3&4), 322–333.
- McGillivray, M. (2005). *Aid allocation and fragile states*. Background Paper for the Senior Level Forum on Development Effectiveness in Fragile States, 13–14 January 2005, Lancaster House, London, England, January 13–14, 2005.

- Mundy, K. (2007). Education for all: Global promises, national challenges. In D.P. Baker & A. W. Wiseman (Eds.) *International perspectives on education and society*. Oxford: JAI Press.
- Narayan, D. (2000). *Can anyone hear us?* New York: Oxford University Press.
- Papua New Guinea Department of Education (2004). *Achieving a better future: A national plan for education, 2005–2014*. Papua New Guinea: Department of Education
- Patton, C. (2005). Participation. In T. Bennett, L. Grossberg, & M. Morris (Eds.) *New Keywords: A revised vocabulary of culture and society* (pp.252–254). Oxford: Blackwell Publishing.
- Robb, C. (2004). Changing power relations in the history of aid. In L. Groves & R. Hinton (Eds.) *Inclusive aid. Changing power and relationships in international development* (pp.21–41). London: Earthscan.
- Rose, N. (2005). Government. In T. Bennett, L. Grossberg, & M. Morris (Eds.) *New Keywords: A revised vocabulary of culture and society* (pp.151–153). Oxford: Blackwell Publishing.
- Rose, P. & Greeley, M. (2006). *Education in fragile states: Capturing lessons and identifying good practice*. Paper prepared for the DAC Fragile States Working Groups, Service Delivery Workstream, Sub-team for Education Services. Sussex: Institute of Development Studies and Centre for International Education, University of Sussex.
- Sen, A.K. (1999). *Development as freedom*. New York & Oxford: Oxford University Press.
- Siaguru, A. (2000, October 6). Our teachers – our treasures. In A. Siaguru (Ed.) *In-House in Papua New Guinea with Anthony Siaguru. 'The Great Game in PNG'* (pp.217–219). Canberra: Asia Pacific Press.
- Siaguru, A. (2000, December 15). Education for society's needs. In A. Siaguru (Ed.), *In-House in Papua New Guinea with Anthony Siaguru. 'The Great Game in PNG'* (pp.219–220). Canberra: Asia Pacific Press.
- Stromquist, N. (2007). State and civil society response to education for all: Linking global dreams to national realities in Peru. In D.P. Baker & A.W. Wiseman (Eds.) *International perspectives on education and society*. Oxford: JAI Press.
- Sullivan, K. (1998, June 19). *Better aid for a better future*. Speech to Parliament, The Hon Kathy Sullivan MP, Parliamentary Secretary to the Minister for Foreign Affairs. Canberra: Author.
- Tavares, J. (2003). Does foreign aid corrupt? *Economics Letters*, 79(1), 99–106.
- Thomas, M. (2006). The role of donors in Papua New Guinea's development. *State, Society and Governance in Melanesia, Discussion Paper, 6*, pp.1–7. Canberra: Research School of Pacific and Asian Studies, Australian National University.
- UNESCO (2000). *Education for All Assessment 2000. PNG Country Report*. From http://www.unesco.org/education/wef/countryreports/papua_new_guinea, retrieved 21 June 2007.
- Walker, M. (2006). Towards a capability-based theory of social justice for education policy making. *Journal of Educational Policy*, 21(2), 163–185.
- World Bank (2000) *PNG Country Assistance Evaluation*. Operations Evaluation Department, Report No. 20183. World Bank.
- World Bank (2002). *Education notes. Achieving education for all in post-conflict Cambodia*. East Asia and Pacific, Human Development Network: World Bank.

- World Bank (2004). *World Development Report 2004: Making services work for poor people*. Report No. 26895. New York: Oxford University Press.
- World Bank (2005a). *International Bank for Reconstruction and Development International Development Association Interim Strategy Note for PNG*. Pacific and Timor-Leste Country Unit, East Asia and Pacific Region: World Bank.
- World Bank (2005b). *International Bank for Reconstruction and Development International Development Association Interim Strategy Note for the Kingdom of Cambodia*. Southeast Asia Country Group, East Asia and Pacific Region: World Bank.
- World Bank (2005c). *Improving the World Bank's development effectiveness. What does evaluation show?* The World Bank: Washington, DC. From <http://www.worldbank.org>, retrieved 24 August 2007.
- World Bank (2005d). *Cambodia. Quality basic education for all*. East Asia and Pacific Region, Human Development Sector Unit: World Bank.