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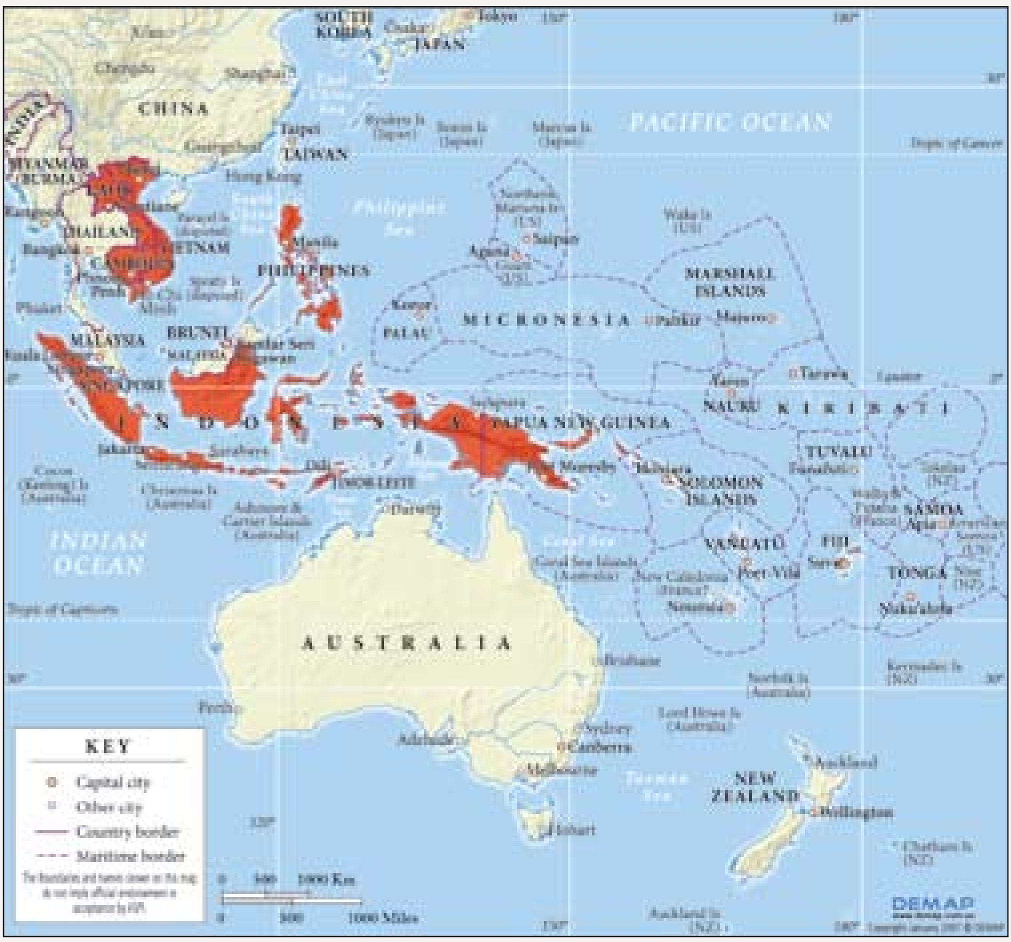
Hercules or Sisyphus?
Building capacity in the Asia–Pacific

by Roland Rich

A crisis of confidence in development assistance

Australia's security and prosperity is linked to the security and prosperity of its neighbours. It is therefore in Australia's interests to do what it can to contribute to the wellbeing of countries in our region. There are a number of tools available in this regard including private investment, trade, diplomacy, migration and military cooperation but the purpose specific tool is Australia's aid program which forms



January 07

part of the global Official Development Assistance (ODA) process. That process has now been in existence for over half a century in which time, as noted by William Easterly in his most recent book *White Man's Burden*, US$2.3 **trillion** of taxpayer funds has been spent. Tens of thousands of dedicated people have devoted their careers to the process. Many important results have been achieved in poverty alleviation, education and particularly in the medical field. Yet it is not an exaggeration to state that international aid is in a state of crisis.

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The crisis has been festering away for at least a decade and can be discerned in the increasingly self-critical pronouncements of the leading organisations in the field—the World Bank and the Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD). They speak politely in terms of lack of 'coherence' in aid and its questionable 'effectiveness'. The economic commentators are more direct. E F Schumacher once described the aid concept as taking money from poor people in rich countries and giving it to rich people in poor countries. William Easterly argues that the entire development assistance phenomenon was based on a discredited theory about financing the investment gap which has repeatedly been shown to be merely one of the many pieces in the development puzzle. Joseph Stiglitz points out that stimulating private investment, not providing development assistance, is the key to understanding recent successes in the development process.

The fuel for this crisis is the unbending reality that the countries into which most of the world's aid has been poured have not achieved economic development. The companion argument is perhaps even more telling—the countries which have achieved sufficient development to lift people out of poverty owe their success to factors other than development assistance. The success of East Asia in the 80s and 90s and the success of China today cannot be attributed to aid. The continent which has seen by far the most development assistance, Africa, has made the least progress. This is the subject of a number of recent studies highly critical of foreign aid, accusing it of fostering corruption, creating aid dependency and unintentionally inflating exchange rates that have the consequence of reducing partner countries' international competitiveness. My point in referring to this literature is not to discuss Africa but to discuss Africa's effect on the development assistance phenomenon. It has shaken the confidence of the practitioners and the political decision makers and it has fed the lurking cynicism of the taxpayer.

Australia does not provide very much aid to Africa. We focus on the Asia–Pacific region, comprising for this purpose the five aid-receiving countries of ASEAN and the four Melanesian states with East Timor sitting geographically in the middle but fitting more logically in the Melanesian camp in terms of size and challenges. Among the aid-receiving ASEAN states, Indonesia and the Philippines are transition democracies, Vietnam and Laos are one-party states, with Cambodia sitting in the middle though, with Hun Sen in power, closer to the one-party model. Burma's pariah status has disqualified it from receiving aid. The Melanesian states are Papua New Guinea (PNG), Solomon Islands, Vanuatu and Fiji. Australia's regional challenge therefore boils down to assisting these ten countries to achieve prosperity and security. Yet in relation to the Melanesians and East Timor, Australian aid faces dilemmas of African proportions. A recent Treasury paper makes the point that the historical level of aid to PNG ($US40 per person) is higher than aid to Africa($US31), while average incomes in PNG and the Solomon Islands are only marginally above sub-Saharan levels, and that PNG, Fiji and Nauru have squandered US$75 billion since independence because of poor governance.[1] Australian aid planners and deliverers are therefore understandably as deeply affected by the crisis of confidence as are their American and European counterparts.

Hercules originally had ten labours to complete to redeem himself (two more were added along the way). Sisyphus was condemned to push a boulder up a hill for eternity. So the question posed in the title is whether Australia will successfully assist its ten Asia–Pacific partner countries (two more in the form of Samoa and Tonga may also be considered on the list) to achieve economic development. Or is Australia destined to work tirelessly at this task for the foreseeable future without achieving the sought-after result.

What has been the response?

Over the past decade we have seen a number of important recalibrations in development assistance thinking. The importance of governance has been highlighted by the now famous 2000 World Bank report *Governance Matters*. The corrosive effect of corruption on economic development has been recognised and many projects developed in response. The importance of simplifying aid procedures, coordinating donor activities, giving aid in grant form and untying it, have all been accepted though not effectively acted on.

Even though there is a crisis of confidence concerning aid, the major response to the problem has been the pledge to increase the amounts of aid funding. Ever since the Brandt Commission proposed in the early 80s that donors should aim to give 0.7% of GNP as development assistance, this target has become a key measure of donor generosity and is used by critics as if it were a legal obligation. Total flows of ODA in 2004 came to US$80b and by 2010 are expected to reach US$130b.[2] Australia's AU$2 billion aid program is projected to double by 2010.[3] The problem with this as a measure of effectiveness is that judging something by its cost may not tell you very much about its quality or true worth; it's like judging a movie by how much it costs to make, not by how many bums it puts on seats. If development assistance is not demonstrating its effectiveness, why should increasing the amounts change that dynamic?

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The concept used to justify increasing aid is the new strategy of giving more ownership of the process to partner countries. The DAC's Paris Declaration on Aid Effectiveness commits donors to 'respect partner country leadership' over development policies and strategies. The idea is to prevent the de facto practice of donors setting policies in partner countries through the design of their aid programs which, in many countries, represent the largest source of expenditure in the health and education sectors. The idea is that if developing countries own their policies and strategies, then not only will these be more in keeping with local needs, but local leaders will also show the sort of commitment to implementation that is often lacking with donor driven policies.

The companion donor commitment articulated in the Paris Declaration alongside the need to respect partner country leadership is to 'help strengthen capacity to exercise it.' Clearly there is a deep contradiction in the one sentence. Partner countries should own their policies even though they do not have the capacities to manage them. The simple answer is to build up these capacities. Capacity building has thus become the lynch pin of the aid process. It has taken on something of the aura of a panacea. Any problem, macro or micro, is open to a diagnosis of lack of capacity, and in virtually every case such a diagnosis would have considerable plausibility. So a solution framed in terms of strengthening capacity invariably has some merit. Because capacity building now has such a central place in aid, it is worth unpacking this concept.

What is capacity building?

United Nations Development Programme (UNDP) defines capacity building as 'the process by which individuals, organisations, institutions and societies develop abilities (individually and collectively) to perform functions, solve problems and set and achieve objectives.' The World Bank has similarly defined 'capacity' (as opposed to the activity of capacity *building*) as 'the combination of people, institutions, and practices that permits countries to achieve their development goals.' The concept is so broad that it would appear to encompass virtually all aspects of development assistance except perhaps infrastructure development and emergency assistance. The great breadth of the concept is one of its weaknesses. Simply by labelling a project as capacity building, the development assistance mindset is allowed to continue unchanged, in effect serving the same wine in new bottles.

Capacity building is therefore about people, whether as individuals or as members of institutions. It is not about bricks and mortar.

Capacity building is therefore about people, whether as individuals or as members of institutions. It is not about bricks and mortar. One of the complications in delivering capacity building projects is that the individuals who are the subjects of the projects are adults and the methodologies that work in adult education are different from those used in the more familiar pedagogical processes. Drawing on the insights provided by Malcolm Knowles, adults need to be self-directed; adults need to build on their own experience; adults have a readiness to learn in areas where they confront problems; and, as

New Zealand MP Ron Mark leads a workshop session with Solomon Islands MPs at the June 2006 Solomon Islands Parliamentary Induction Program, conducted by the UNDP Solomon Islands Parliamentary Strengthening Project, with support and funding from the Centre for Democratic Institutions (CDI); The Commonwealth Parliamentary Association (CPA); The New Zealand House of Representatives; and the RAMSI Machinery of Government Programme. Photo courtesy Centre for Democratic Institutions a corollary, adults tend to learn from a problem-centred orientation rather than the more subject-centred format of pedagogy and tertiary education. From a development assistance perspective, Knowles' insights should translate into project designs that cater to enthusiastic volunteers who understand the issues they confront and are keen to find solutions to them.

There are accordingly some important lessons in designing capacity building projects. The balance between lecturing and discussion should lean towards the latter. The same is true of the balance between classroom and field. This leads to project designs that focus on the hands-on and the practical more than the theoretical and the historical. This does not imply that there is no room for classroom lectures about theory or history as there may be many cases where exactly such lectures will contextualise a problem and point to its solution, but it does imply that these forms of scholarly education must be linked as directly as possible to the problem-solving issues that the adult learner is most interested in.

If capacity building is to draw on adult education insights, there are also conclusions to be drawn about the capacity builders, that is, the deliverers of the capacity building projects. It follows that university lecturers may have a key role to play but that the product this group normally delivers may not be appropriate for all aspects of the capacity building project. It also follows that a large part of the development assistance industry that once focused its efforts on infrastructure or water or health projects, may not have the skills necessary for capacity building projects. Another conundrum is that those with the capacities that are intended to be conveyed under the project are usually serving practitioners. Adult learners enjoy learning from peers, but peers may not necessarily be good 'teachers'. Capacity building projects need to navigate through these conundrums with the right mix of personnel and methodologies.

In relation to Australian practice, two suggestions present themselves:

The trend in recent years has been towards the growing use of Australian public servants as trainers, mentors and managers in the fragile states of our region. If Australian public servants are to undertake these tasks for years to come, they should be trained specifically for it. AusAID should commission a process designed to train public servants who are to work in aid programs abroad. The training would cover adult education methodologies, development assistance principles, and cross cultural awareness. The training would include case studies and lessons learned. Individual country studies would also be included. Among the trainers would be both academics and practitioners, particularly those who have served in the field. The trainers would be both Australians and nationals of the countries being studied. AusAID officials would be closely involved. Completion of the 4–6 week course could be rewarded with a certificate or diploma. Australian education institutions should be invited to bid to host and deliver the course and no Australian public servant should be sent overseas as a capacity builder without undertaking it. While such a course would represent a significant investment, it is a necessary step to achieve the intended results by complementing the mentors' technical skills with the understandings and attitudes required to work successfully in a foreign culture.

A second suggestion open to us from the analysis above:

Capacity building projects by definition do not lend themselves to negative conditionality (which I define as the threat to discontinue or to refuse to implement a project unless the partner country or institution meets conditions laid down by the donor). There are various types of conditionalities some of which are embedded in virtually all development assistance projects.[4] The character of adult education, however, does not lend itself to any form of coercion. Capacities cannot be forced on individuals, institutions or nations; they have to be enthusiastically sought and embraced. The perceived need to resort to negative conditionality can be seen as an early indication of serious risk.

Even when capacity building projects are well designed and enthusiastically embraced, we should avoid any implication that they amount to a panacea. To do so would end our search for better aid policies and practices. If every problem can be solved by 'training' then there is no need to look for other solutions or uncomfortable causes of the problem. In this context, I put forward two further thoughts on improving the aid process. One involves the rhetoric we use and the other concerns the key missing element in aid, strengthening the private sector.

Scale down the rhetoric

One of the original problems with the aid process was the unrealistic results expected to flow from the enterprise. Rhetoric about eliminating poverty, eradicating preventable diseases and achieving high levels of education was simply a recipe for failure. More recent rhetoric focuses on establishing democracy, achieving gender equity and realising all civil and economic rights. Once again, the rhetoric establishes goals that are unobtainable from the development assistance process, and certainly not achievable in the short to medium term.

The problem of unrealistic expectations has a twofold negative impact. The first is clearly observable in the crisis of confidence among donors. The other impact, however, is even more harmful in that it affects the decision makers and opinion leaders in partner countries. By placing the responsibility for achieving such important results concerning income, health and education on the shoulders of the development assistance process, the heroic aid rhetoric subtly disempowers the local elites. It shifts responsibility for development from the locals to the foreigners. It infantilises the locals who become dependent on aid budgets, aid advisers and the foreign know-how they bring with them. When things go wrong, as they so often have, local leaders can very easily absolve themselves of the blame and place it on the donors who are caught by their own impossible rhetoric. The unrealistic rhetoric simply feeds criticisms about neo-imperialism, recolonisation and other conspiracy theories in developing countries and stokes scepticism among the taxpayers of donor countries.

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The donor community has begun to accept the need to scale down the rhetoric of what aid is supposed to achieve. The Millennium Development Goals are phrased in more modest language. It is not the elimination of poverty but of extreme poverty that is now the target. It is only primary education that is cast as a universal goal. Child mortality is simply 'to be reduced' and gender equity 'promoted'. To achieve the eight Millennium Development Goals will require a tremendous effort, but the rhetoric of aid must place the responsibility for that result firmly on the people and governments of developing countries.

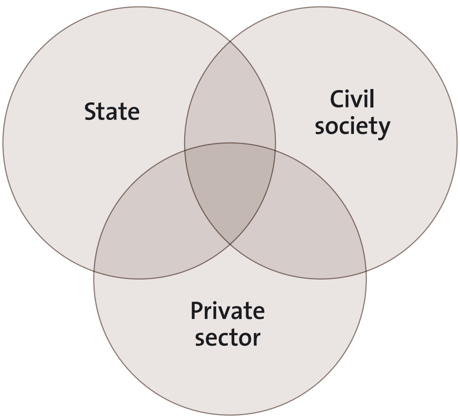
A few years ago, I consulted the leaders of a European aid project working on decentralisation in Indonesia. They had worked on decentralisation issues for many years in a number of countries and had built up considerable expertise. It would have been standard practice for this donor to 'take over' the process; moving into the premises of the responsible Ministry, designing a plan of action and setting measurable milestones, then cajoling the locals to meet the output requirements (on the achievement of which, incidentally, the consultants are to be paid) and, at the end of the project, declaring it a success and going home. But instead, they told their local counterparts that they had come to assist, that they had access to aid funds, that they refused to take the lead, and the aid project team should be approached when local authorities had identified useful things that the project could assist with. This attitude strikes me as modest but useful assistance rather than the takeover process so common in aid projects.

It is difficult envisioning AusAID adopting such a laid back approach. AusAID would consider its responsibility for the management of public money to require its traditional outputs, milestones and man-month measures. Herein is one of the dilemmas of development assistance. The logic of spending donor taxpayer money in a responsible and accountable manner requires the sort of planning and accountability disciplines that all too often have the effect of assuming responsibility for achieving the required goals and demoting locals to playing less responsible roles. It is because ODA tends to have this effect that donors have had to adopt solemn statements like the Paris Declaration pledging to let partner countries retain leadership. Politicians should scale down the rhetoric of what aid is supposed to achieve.

Strengthen the private sector

If the broad aim of development assistance is to help developing countries replicate the economic success of the donor countries, then it stands to reason that a preliminary question to ask is how this success was achieved. The answer famously given by Fukuyama is that Western societies arrived at the end of history by working out the right mix of having an open society in which private enterprise could thrive and democratically elected governments could effectively regulate. This was sometimes referred to as the 'Washington consensus' and it was seen as a model for all modern societies. A dozen years after writing *The End of History*, Fukuyama sticks to his guns in his recent book *State Building* and argues that the Washington consensus remains the valid model but that in working towards it, donors tried to move developing country governments out of the areas that could best be managed by the private sector but at the same time did not sufficiently strengthen the regulatory capacities of these governments. There is certainly truth to the proposition that many developing country governments have weak leadership and regulatory capacity but, notwithstanding all the capacity building rhetoric, it is not clear that donors have it within their powers to 'strengthen' those governments. Maybe the problem should be attacked by strengthening the private sectors of developing countries.

The international aid community has accepted the UNDP formulation that 'Governance includes the state, but transcends it by taking in the private sector and civil society. All three are critical for sustaining human development. The state creates a conducive political and legal environment. The private sector generates jobs and income. And civil society facilitates political and social interaction—mobilising groups to participate in economic, social and political activities. Because each has weaknesses and strengths, a major objective of our support for good governance is to promote constructive interaction among all three.' The accompanying UNDP diagram illustrates the point:



Fukuyama's criticism of aid's failure in strengthening governments is particularly damning because for fifty years the development assistance process has focused by far the major part of its effort and money on exactly that goal. ODA is very much a public sector phenomenon. This is understandable and perhaps even inevitable because the decision makers and implementers of development assistance in both donor and partner governments are public sector leaders. The main exception to this rule is the small but significant (and indeed growing) part of aid budgets flowing to civil society. In many developing countries, and particularly in Melanesia, local NGOs are dependent for funding on aid budgets. Very few could be described as self-sufficient, thus creating a rather artificial version of civil society. One of the reasons for this is that the private sector in these countries is so small that it does not generate sufficient corporate or individual philanthropy to sustain an independently viable and vibrant civil society.

The circle that has benefited the least from development assistance is the private sector. When ODA does engage with the issue of how to assist the private sector, it usually does so by strengthening the capacities of government regulatory bodies. Helping the private sector through the aid program invariably involves striding down a well trodden path of strengthening government institutions like the central bank or the competition watchdog. Sometimes it amounts to projects to assist the drafting of laws for bankruptcy or dispute settlement. Occasionally, it will drill down to micro enterprises and perhaps provide seed money for micro-finance projects. AusAID follows this conventional donor path by avoiding any strategy of 'picking winners' among commercial enterprises and instead focusing on 'helping partner governments provide an enabling, "*market-friendly*" environment for private sector development.'

The time has surely come to try some new ideas.

This approach flows from the reality that ODA is public money. The accountability and transparency logic of public money is that it should not benefit private persons or corporations. That would be unfairly 'picking winners' and it would be an invitation to corruption if a politician or a bureaucrat's discretion were to lead to private profits. The logic of public money is that the bulk of it will go towards building the public sector of partner countries even when it is intended to benefit its private sector. The effect of this mindset is that the private sector must fend for itself. This is not an unreasonable proposition in a wealthy country with a large private sector enjoying bountiful opportunities. But that is hardly the description of the private sectors in the fragile states of the region. In these countries, and particularly in Melanesia, the private sector tends to be small, often dominated by minority groups, and at times dependent on government concessions or protection. The private sectors of fragile states do not generate the jobs or taxes necessary to make these states more viable. Well functioning central banks, courts and corporate affairs commissions are positive improvements, but they will not in themselves generate a large and robust private sector. So how can donors assist?

Involve the private sectors of donor countries

The time has surely come to try some new ideas. This is not to say that traditional development assistance projects should be abandoned. But their acknowledged lack of effectiveness points us to the need to try other methods as well to see if they might have greater impact. Of the three circles in the Washington consensus, the key to success is surely the private sector. This was the key to economic success in the Western world and yet our development assistance process does not seem able to draw on this obvious premise in the design and distribution of aid. As noted above, the reason is that governments are not well placed to strengthen the private sector. The logic of public money funnels it inexorably to the public sector.

The solution to this conundrum is to involve the private sectors of donor countries to strengthen the private sectors of partner countries. Some might argue that this is already happening in the form of the consultancy industry that has mushroomed to service the needs of donor programs. These private companies are well versed in the procedures and discourses of aid and they snap up the contracts tendered out by donors to deliver projects in the field. But I count this group as part of the public sector. They follow the policies of donors and are fully accountable to their public sector paymasters. It is simply that the delivery of aid has been privatised; its direction and logic remains resolutely part of the public sector. And as already noted, public money, even when delivered by private contractors, retains its character and cannot directly strengthen the private sectors of partner countries.

What we need to achieve is a process where the private sectors of donor countries follow their own philanthropic direction and commercial logic in building the capacities of the private sectors of partner countries without specific authorisation or guidance from governments. This requires the design of a process where the funding for such a venture does not flow from public money. Once money is collected as taxes, it is incapable of being redirected to the private sector without all sorts of government strings attached. The design I am advocating is to induce the private sector to enter the capacity building field through the taxation system.

I use the term ‘induce’ because there is already a propensity within the private sector to act philanthropically. Corporations want to be seen as good corporate citizens and in the global village in which we live, they need to be active beyond the borders of their own countries. Company proprietors and stockholders are becoming increasingly comfortable with the idea that good corporate citizenship involves an element of philanthropy. But from the development assistance perspective, it is not their money we should be after. Let’s not forget, we have already spent US$2.3 trillion! We need their active involvement, their enthusiasm, their know-how, and their can-do attitude. We need them to identify like-minded companies in fragile states, to form personal relationships with their counterparts, to follow their commercial instincts unconstrained by bureaucratic cultures and thus to help build the capacities of private sectors of fragile states. But to achieve this result, they need to be induced to be directly involved through the tax system.

Use the tax system …

The Australian Government should amend the tax rules to encourage companies to become directly involved in building private sector capacities in developing countries by allowing them to deduct from their taxable income the costs incurred in providing such assistance.

A straight deduction of expenses will not provide sufficient encouragement for this purpose. The expenses incurred should include all costs including the salary costs of those directly involved in the planning and delivery phases.

Even this broad definition of expenses would not amount to a sufficient inducement given the novelty and therefore difficulty of the venture. The tax system should allow inflated deductibility of 150% of the total costs involved. This is the system the government uses to encourage corporate research and development and it should be the same system to encourage another of the government's high priorities—the economic development of the fragile nations of our region.

What are the risks?

A new idea necessarily carries risks. The most obvious risk is that the private sector, in spite of the tax inducement, will not be interested. After all, the tax inducement will limit the cost of entering into a development assistance venture but will not eliminate it. This is not a handout to companies but a means to share the costs of their hands-on philanthropy through the tax system. Companies might feel the easiest course remains to write a cheque to charity. But at least this risk is minimal; we would be in no worse a position than when we started and no harm would be done.

A more serious risk is that the wrong sort of people will be attracted to take advantage of the idea. This should not be a means for mom and pop from the corner store to have a tax deductible holiday in Vanuatu. Nor should this be allowed to be twisted by the con artists that prey on fragile states as an invitation to rip-off local businesses. These sorts of risks can be mitigated through appropriate design of the tax rules. For example, there may have to be a size threshold before a company can qualify for deductibility. Ultimately, the best form of safeguard is through self regulation by the private sector through its chambers of commerce and business councils in the same manner as Australian development NGOs have devised.[5]

The government may see a risk of the inevitable failures and disputes that arise in any human activity reflecting badly on it. This risk can be effectively mitigated by the simple means of not badging these ventures as official development assistance activities in the partner country. The idea is for the governments of both countries to keep away from the proposed private sector cooperation. Tax deductibility is a matter dealt with through the donor country's confidential tax system and need not concern the partner government. The corollary of this hands-off approach is that private sector individuals involved will not benefit from privileges and immunities or other official benefits, though there may need to be some form of accommodation in the receiving country's visa rules.

The Hon Bruce Billson MP gives a public meeting at Brisbane Town Hall to discuss Australian Government aid to developing countries. Photo courtesy AusAID

What are the benefits?

It is not possible to quantify the possible benefits. An important psychological benefit flows from simply experimenting with new ideas in a field that is crying out for new ideas. Nothing ventured, nothing gained.

A possible benefit to governments committed to the development assistance process whose performance is measured by the aid to GDP ratio, is to count the tax foregone because of the new deductibility rule as a contribution to ODA. This is a matter that would need to be debated at the World Bank in Washington and at the DAC in Paris. It raises tricky political issues which I believe could be resolved by allowing the foregone tax to be counted only if it is additional to existing levels of ODA.

Taxpayers in donor countries will not have to pay for this initiative. It is not to be funded from public money. Nor does it require additional bureaucratic machinery for implementation. Its major strength is that it is not a public sector initiative.

Hopefully, the major beneficiaries would be the businesses in the fragile nations of our region. Involving the private sector of donor countries to strengthen the capacities of private sectors of partner countries will create a form of assistance that governments are incapable of providing. Tapping into international business networks, acquiring commercial savvy, learning manufacturing techniques and devising marketing strategies are not capacities and skills that can be provided to developing countries through official technical assistance. Only the private sector acting on its own initiative and unsupervised by governments can successfully deal with these issues.

Continuing to strengthen governments and civil societies in developing countries that have a weak private sector is not a recipe that can lead to national success. It ignores the critical necessity for a viable private sector. It focuses on two of the circles at the expense of the third. Yet it is the profitability of the private sector that provides the taxes and jobs that are essential to the effectiveness of government and the vibrancy of civil society. An initiative that increases that profitability will make a huge impact on development.

Hercules or Sisyphus?

Simply continuing to offer the same development assistance projects as in the past will lead to similar results as in the past. This Sisyphean option is particularly daunting. Turning fragile and failing states into thriving economic and political entities is a task of Herculean proportions. Yet ODA alone cannot be Hercules. But perhaps with the enthusiastic ownership of the local people and assistance in the form of private sector involvement we can create an alliance that is up to the Herculean challenge.

Endnotes

1 Rob Stewart, 'An economic survey of developing countries in the Pacific region' in The Treasury, *Economic Roundup Spring 2006*, 21 November 2006.

2 OECD, 2005 *Development Co-operation Report*, Volume 7, No. 1, p. 15.

3 AusAID, *Australian Aid—Promoting Growth and Stability (A White Paper on the Australian Government's Overseas Aid Program)*, Canberra 2006, p. 1.

4 Roland Rich, Applying Conditionality to Development Assistance, *Agenda*, Volume 11, Number 4, 2004, pp. 321–334.

5 See the code of conduct of the Australian Council for International Development at http://www.acfid.asn.au/code/code.htm

About the Author

Roland Rich left the Sydney law firm Clayton Utz to join the Department of Foreign Affairs in 1975. In the course of several postings to Southeast Asia he was closely involved in the design and delivery of aid projects in Burma, the Philippines and Laos where he was Ambassador from 1994-97. In 1998 he was appointed Foundation Director of the Centre for Democratic Institutions at the Australian National University where he served until 2005. AT CDI, Roland Rich conducted capacity building projects for regional parliaments and judiciaries while delivering similar governance projects for various aid organisations including AusAID, UNDP, Danida and the Commonwealth Secretariat. Project partners came from Cambodia, Indonesia, Laos, the Philippines, Thailand, Vietnam, East Timor, PNG, Solomon Islands, Vanuatu, Fiji and Samoa. In 2005 he took up a Reagan-Fascell Fellowship offered by the National Endowment for Democracy in Washington DC. Since 2006 he has been a member of the Directing Staff of the Centre for Defence and Strategic Studies of the Australian Defence College. He has published several books and articles on issues of democratisation, human rights, press freedom and development assistance. His latest book, *Pacific Asia in Quest of Democracy*, will be published by Lynne Rienner later this year.

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Z00 27724

RRP $5.00 ISSN 1449-3993