

## **Rising Militarism: Implications for Development Aid and Cooperation in Asia Pacific**

Reality of Aid - Asia Pacific

### **Introduction**

As one of the key mechanisms of global development cooperation, foreign assistance has long been captured by the security agendas of donor countries, which since the 9/11 terror attacks on the United States has become especially pronounced. For the US and other top donors, aid has become not just a simple act of altruism, but also an essential instrument of foreign policy. Development aid is strategically used to contribute to the global war on terror and counterinsurgency interventions. “Smart power” – the combination of “soft” (e.g. development aid) and “hard” (e.g. military) power – has become a foreign policy buzzword. As the foreign policy priorities of the major donors have shifted to the security agenda, the implications have been significant in terms of aid flows, and global attempts to reduce poverty and the promotion of development.

This trend has not slowed down. In fact, recent political and economic developments are driving even greater militarization of foreign assistance despite the fact that the global economy remains in the grip of a prolonged crisis. Conditions for higher levels of instability and militarism have been created as the US, Japan, and the European Union (EU) —traditional centers of the world economy and donor community — are feeling threatened by the rise of China as a major global and regional power. After almost two decades of a sustained and costly war on terror (both in financial and social terms), supposed new and worse terror threats have emerged. The most notable of these is the rise of the Islamic State of Iraq and Syria (ISIS), which is reportedly expanding into Southeast Asia.

All these developments feed into the intensifying of militarism and war, which has serious implications for global aid and the campaign against poverty. The United Nations (UN) is embarking on an ambitious Sustainable Development Goals (SDGs) campaign that promises to be inclusive and to maximize development finance including aid.

The continued and perhaps even heightened prominence of donors’ security interests is a legitimate concern for development advocates and the world’s impoverished communities. It also poses a challenge to the longstanding issue of inadequate Official Development Assistance (ODA) to sustainably address worldwide poverty and its various dimensions. The drive, for instance, of the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD) to supposedly modernize ODA and allow for the inclusion of increased military and police-related spending presents the potential risk of diverting already insufficient ODA resources from poverty reduction.

While it is true that development is not possible without peace and security it is important to ask how the peace and security agenda is defined. Whose interests are prioritized and served so that development aid can (or cannot) help to establish peaceful and prosperous societies? Without clarity on this fundamental issue, the heightened emphasis on peace and security by DAC donors and the general international community (i.e. UN SDGs) will only further undermine the effectiveness of ODA and development cooperation at the expense of responding to the needs of the world's most vulnerable people.

### **Aid Trends in Asia Pacific in the context of Militarism and War**

A longstanding issue for advocates of effective development cooperation is that donors have consistently failed to deliver sufficient levels of ODA necessary for reducing poverty in developing countries. Donors have often fallen short of stated commitments, most notably the 0.7% ODA/GNI (Gross National Income) target that was first agreed in 1970 and has been repeatedly re-endorsed at the highest levels at international aid and development conferences.

When the UN adopted the 2030 Agenda for Sustainable Development with its 17 SDGs and 169 targets for “people, planet, prosperity, peace and partnership” in September 2015, the international community committed to mobilize the required resources to achieve these goals and targets over the next 15 years. Estimates vary but analysts say that the SDGs would need as much as US\$2.5 trillion to US\$4.5 trillion annually in state spending, private sector investment and aid. (Reuters, Jul. 2015).

Despite this enormous financial requirement, aid donors have not made any new pledges to increase development assistance aside from the same, and still unfulfilled, commitment of 0.7% ODA/GNI. As the *Reality of Aid* (RoA) has noted this is important because ODA continues to be a relevant and essential resource even though the SDGs will need to rely on a variety of sources, including from the private sector and domestic tax resources. (See Box 1) ODA can play a key role in realizing the SDGs because of its uniqueness as a dedicated resource for development shaped by public policy choices. “Unfortunately, signs indicate a continued pattern of levelling off of ODA and an increasing diversion of this ODA to provider self-interests.” (Tomlinson, 2016) Among the most prominent of these self-interests by donors is the security agenda.

These trends are worrisome for all developing countries that require much needed development finance, but more especially for regions where people living in extreme poverty are found. Based on World Bank estimates, there are 768.5 million people globally who subsist on less than US\$1.90 a day as of 2017. More than half (50.7% or 390.2 million) of them are in Sub-Saharan Africa while 32.4% (249.1 million) are in South Asia and 9.6% (73.9 million) are in East Asia and the Pacific. (Ferreira, Oct. 2017)

## Overview of rising militarism in Asia/Pacific

Global instability and the prospects of war, an ever-present threat in a global regime of competing interests amid periodic and worsening economic crises, have intensified in the 21<sup>st</sup> century. The most visible expression of global instability is the worldwide increase in militarism. Militarism refers to a state's predominant use of military approaches in its domestic and foreign policies. It is often linked to aggression and intervention by one state over another.

To grasp militaristic trends in Asia Pacific and the implications on development cooperation it is important to understand the agenda and actions of the US, and by extension, its long time "junior partner" Japan. Both are leading powers in Asia/Pacific and are top sources of foreign assistance that shape aid flows and trends.

Recent developments point to Asia Pacific – where "the future of politics will be decided" – as a major theater of conflict and militaristic competition. Under the Trump administration, the US has aggressively pursued the so-called "pivot to Asia", first announced by the Obama presidency in 2011. The goal of the pivot is to contain the rise of China, which together with Russia, is deemed as the biggest threat and challenge to US interests.

This focus represents a departure from a focus on terrorism, which occupied the United States for the most part of the past two decades. The US now sees "great power competition" as the primary focus for its national security. (Reuters, Jan. 2018) In its latest National Security Strategy (NSS/Dec. 2017), Washington declared that "China and Russia challenge American power, influence, and interests, attempting to erode American security and prosperity". The same theme is echoed in the National Defence Strategy (NDS/Jan. 2018), which followed the release of the NSS, and which stated that "the central challenge to U.S. prosperity and security is the re-emergence of long-term, strategic competition" from "revisionist powers" China and Russia. Both the NSS and NDS have identified North Korea and Iran as "rogue regimes".

Although the stated primary focus of its defence and security strategy is global power competition, the US has not dropped its anti-terror campaign. The latter used to provide a needed legitimacy for what some describe as US military intervention in the Middle East as well as South and Central Asia, where it intends to maintain its presence. It also gives justification for its continued and expanded military role in Southeast Asia. The Trump administration, for instance, launched Pacific Eagle – Philippines to fight extremist groups, including those reportedly affiliated with ISIS. This mission is an Overseas Contingency Operation (OCO), making the Philippines eligible for the same funding used to finance the long-running

wars in Afghanistan and Iraq. (Donati and Lubold, Jan. 2018) It is important to note that the Philippines has become a strategic area of US-China rivalry when the incumbent Duterte government strengthened ties with China.

At the same time Japan's own (and first) National Security Strategy (NSS/Dec. 2013) has acknowledged a challenge to its national interests in the "unprecedented scale" of the changing balance of power in the international community, with China (as well as India) being identified as primary drivers. In particular, Japan noted China's "rapidly advancing military capabilities" and its "attempts to change the status quo by coercion based on their own assertions, which are incompatible with the existing order of international law, in the maritime and aerial domains, including the East China Sea and the South China Sea."<sup>1</sup>

In what could be one of the first concrete steps to implement its new defence and security strategy, the Pentagon plans to reposition its forces from the Middle East to East Asia. This shift includes the Marine Corps Expeditionary Units (MEUs) that have been involved in US wars in Afghanistan, Iraq and Syria. MEUs are composed of some 2,200 marines in amphibious assault ships and typically are equipped with aircraft, helicopters, tanks as well as other weapons and combat-support resources. (WSJ, Feb. 2018)

Even before the pivot and planned increases in US military presence in Asia came about under Trump, the US had already implemented a significant "boot print" in the region. According to one estimate, nearly 200,000 American troops have been deployed in approximately 800 US military bases in 177 countries worldwide. Of this figure, 39,345 are based in Japan and 24,468 in South Korea on top of so-called rotational deployment of several hundreds to thousands of US troops in the Philippines, Thailand, Singapore, Australia, etc. (Desjardins, Mar. 2017)

In addition to the deployment of troops, the US also installed its THAAD (Terminal High Altitude Area Defence) anti-missile defence system in South Korea in 2017. The intent was supposedly to counter North Korea's nuclear threat. This deployment has worried Russia and China, which believe that the THAAD could monitor its missile capabilities and undermine its nuclear deterrent. (Connor, Apr. 2017)

Reversing decades of state pacifism, Japan has begun to establish military ties with Southeast Asian countries to "build their security capabilities to deal with unilateral, dangerous and coercive actions in the South China Sea". These measures involve the provision of direct military aid as well as the conduct of joint military exercises. (Reuters, Jun. 2016) In June 2017, Japan lifted its ban on giving away surplus military kit to other countries, paving the way for deals that will allow it to provide second-hand patrol aircraft, ships and other military equipment to allies. (Kelly and Kubo, Aug. 2017) In South Asia, Japan has recently forged a deal with India, which has its own territorial dispute with China, to develop their armed forces through robotics and AI. (RT, Jan. 2018)

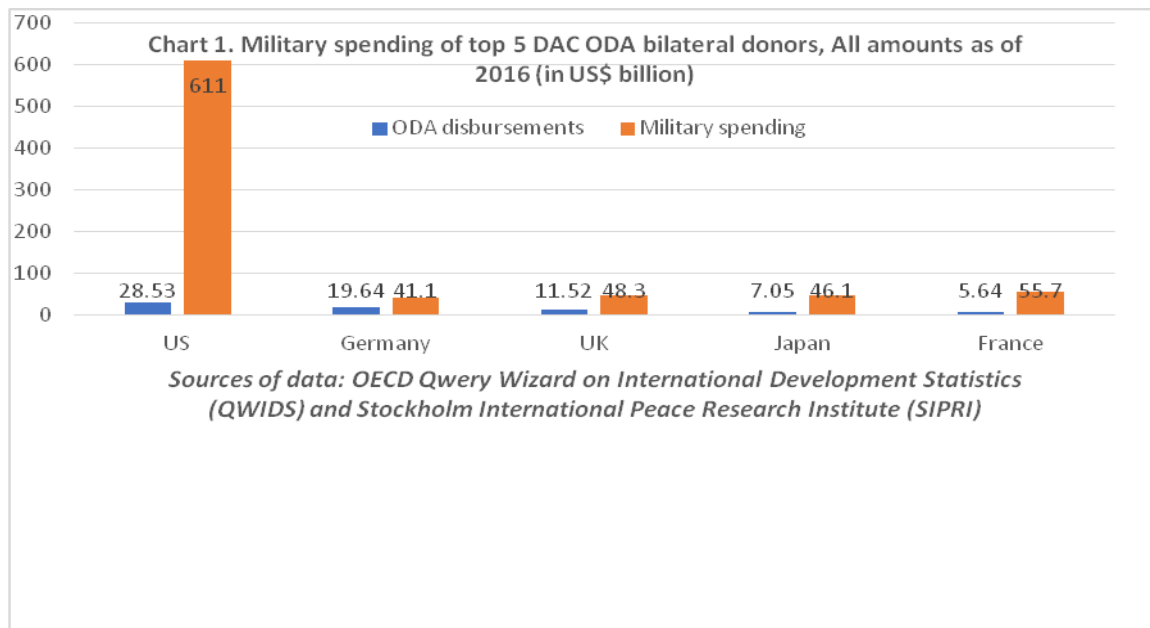
## **Militarism and aid flows**

A key feature of militarism is the way public resources are gobbled up by the military and defence sectors at the expense of spending for social and development programs. Its impact on the public budget directly undermines efforts to end poverty and promote lasting development.

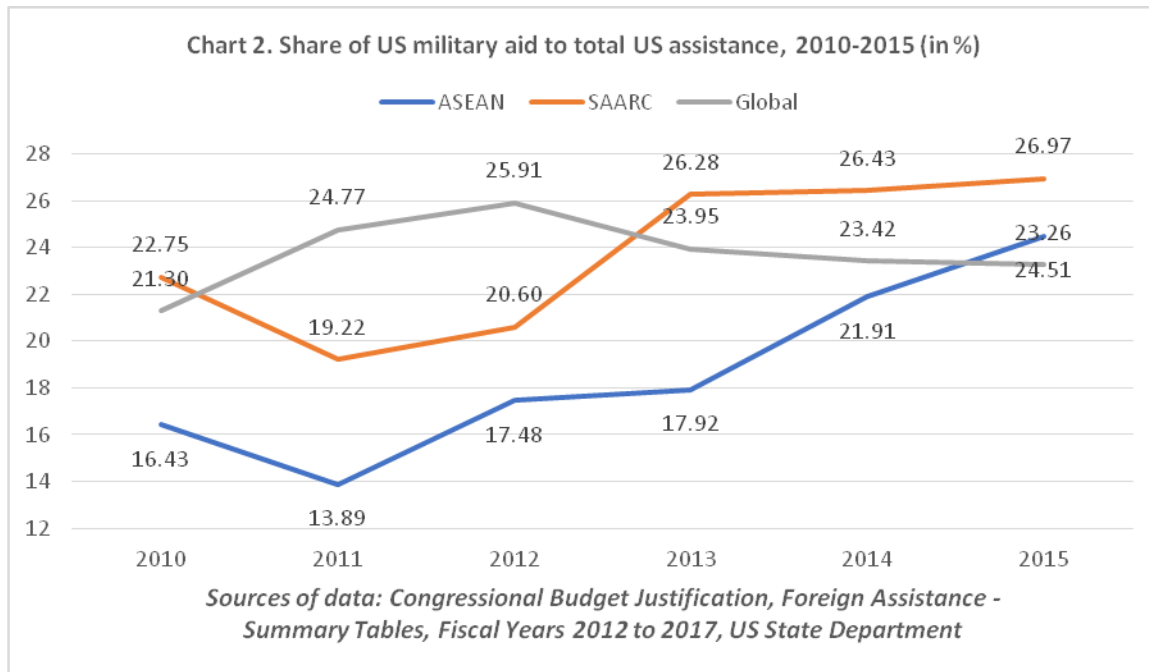
According to an estimate by the Asian Development Bank (ADB) the Asia Pacific region would need over US\$1 trillion a year to meet the SDGs. As militarism and conflict heat up in the region, an increasing portion of public sector budgets are being devoted to military spending, including payments for military aid and imports. It is estimated that in 2016, Central and South Asia, East Asia (excluding North Korea) and Southeast Asia collectively spent US\$423.2 billion for the military.

Between 2007 and 2016, military spending by East Asia grew by 74% and China's spending ballooned by 118 percent. As Southeast Asian states have been arming themselves, including through assistance from donors like the US and Japan, the region's military spending has jumped by 47% with Central and South Asia increasing by 51% during the same period. Five of the world's top 15 military spenders are in Asia and Oceania, namely China, India, Japan, South Korea and Australia. (Fleurant, Apr. 2017)

Donor military spending easily dwarfs ODA spending. To illustrate, in 2016, the top five bilateral DAC ODA donors disbursed a total of US\$72.38 billion in bilateral ODA while spending US\$802.20 billion for military. The US alone spent US\$611 billion. US's military spending is more than 21 times its bilateral ODA disbursement; Japan's is almost seven times. (See **Chart 1**)



Military assistance is also outpacing economic aid. Looking at the world’s largest donor of ODA and military aid, the US, shows that every year its military assistance has been growing twice as fast as its bilateral aid. From 2011 to 2016, US military aid expanded by 3.9% annually while bilateral economic aid grew 1.9 percent. This trend is most pronounced in Asia, especially in countries that are crucial to Washington’s agenda of containing China. In Vietnam, for instance, US economic aid grew by only 0.2% yearly from 2011 to 2016 while its military aid to Vietnam expanded by a whopping 31.4 percent. In the same period, US economic aid to the Philippines grew by 2.2% a year while US military/security aid grew by 12.9 percent. Consequently, military aid has been steadily eating up an increasing portion of total US bilateral assistance in the region, most notably among ASEAN and SAARC (South Asian Association for Regional Cooperation) states, even though the global trend indicates a small annual reduction in the share of military aid in recent years. (See **Chart 2**)



Military aid, of course, is a legitimate form of foreign assistance, just like economic or development aid. It reputedly helps recipient countries to modernize and better equip their armed forces under the stated objective of fostering peace and stability in the country and/or region. However, donors of military aid can also use these funds to realize their foreign policy objectives and advance certain security and political interests. Because military aid promotes a very different agenda than the supposed economic development/welfare and humanitarian objectives of ODA, military aid is excluded from being reported as ODA under the longstanding policy of OECD-DAC.

Even more alarming than the fact that ODA spending is being displaced and outpaced by donors' military spending (including the provision of military aid) is the fact that ODA itself is being systematically used to promote donors' military and security objectives. This phenomenon, which is referred to as the militarization of development aid, will be discussed later in this chapter.

A significant portion of what the US classifies as "bilateral economic assistance" is being directly used to support its strategic military and security agendas. One example is, the Economic Support Fund (ESF) that is managed and implemented by the State Department/USAID and is counted as bilateral economic aid. Its mandate is to "promote[s] US interests by addressing political, economic, and security needs in countries of strategic importance". It is "used to finance both short and long-term efforts to counter terrorism, encourage greater private sector economic engagement, and strengthen justice systems in targeted countries". (CGD, Mar. 2017) From 2010 to 2016, ESF accounted for more than a quarter (26.2% annual average shares) of US bilateral economic assistance globally. In Asia, ESF comprised an even larger share (40.6% yearly average from 2012 to 2015) of US aid. The Middle East (mainly Syria,

Iraq and Jordan) and South and Central Asia (overwhelmingly Afghanistan and to a lesser extent Pakistan) comprise about two-thirds of total US ESF assistance worldwide.

This trend may continue and even worsen in the coming years. With the US gearing up for an increased military presence, particularly in Asia, the Trump administration has been pushing for significant increases in military spending while cutting back on aid spending. For its 2019 budget proposal, the Administration is asking the US Congress to increase the Defence Department budget by 14% (an additional budget of US\$80.1 billion) to allow it to add 16,400 more troops. It proposes that some of this increased allocation will be absorbed by reductions in the State Department and USAID, whose 2019 budget would contract by 29% (about US\$16.2 billion) under Trump's proposal. (TWP, Feb. 2018)

In general, the increase in ODA provided by the DAC members of the OECD has substantially slowed down in the 2010s. The annual growth rate of disbursement in DAC ODA for all developing countries (bilateral) and multilateral recipients this decade is 2.8% compared to 9.1% in the 2000s. In the last six years (2010 to 2016), the average yearly disbursement is pegged at US\$ 134.22 billion, of which US\$ 94.21 billion or about 70% represents bilateral ODA to developing countries. According to OECD data, the average annual expansion in ODA disbursement in the period 2010-2016 is the second lowest average yearly growth since the 1960s.

In terms of regional distribution, Africa (31.1%) and Asia (25.9%) together have accounted for over half of the total DAC ODA disbursements to all developing countries in the past six years (2010-2016). During that period, total DAC bilateral disbursements reached US\$659.47 billion of which US\$205.21 billion went to Africa and US\$170.99 to Asia. In Asia, the majority or 53% (US\$90.69 billion) of the regional total went to South and Central Asia while the Middle East accounted for 26.9% (US\$46.04 billion) and the Far East Asia, 16.7% (US\$28.52 billion).

If Africa and Asia have received the largest portions of DAC ODA disbursements, the overall slowdown in the annual expansion in the 2010-2016 period has also affected these regions the most. While bilateral ODA to all developing countries grew annually by 3.1% during the 2010 - 2016 period, Africa experienced a yearly contraction of 0.3% and Asia had a negligible 0.9% annual growth. Asia's growth was actually due to the rapid 9.6% yearly expansion in DAC ODA disbursements in the Middle East (which could be attributed in part to the donors' security interests taking over development cooperation). Disbursements to South and Central Asia fell by 0.8% a year, largely due to declining disbursements for Afghanistan, a declining security interest for some donors, and by 5.3% a year in Far East Asia, the largest reduction amongst all global regions.



Where ODA has increased, it is usually due to the militarist agenda of major donors rather than the targeting of the poorest regions where development aid is most needed. For example, the substantial expansion in DAC ODA disbursements to the Middle East in the 2010s as opposed to the contraction in other Asia sub-regions is the result of the increased engagement of the US in Syria, where it has been involved in a military campaign since 2013 against both Pres. Assad and the terror group ISIS.

The US is the world's undisputed top aid donor, accounting for 29% of total DAC ODA bilateral disbursements from 2010 to 2015. Syria, with US\$4.88 billion in DAC ODA disbursements in 2015, is now the top ODA recipient globally, eclipsing Afghanistan (another country where the US has been involved militarily as part of its war on terror since 2002), which received US\$4.24 billion. Prior to the US campaign, the annual average in ODA disbursements to Syria was a negligible US\$148 million (2001 to 2009). This has ballooned to US\$2.57 billion in the 2010-2015 period, with figures pegged at US\$3.57 billion in 2013; US\$4.19 billion in 2014; and US\$5.52 billion in 2015. Much of this aid relates to humanitarian assistance in contrast to Afghanistan where donors were using aid more directly to support their security interests in the country's war with the Taliban.

Before Syria, the same pattern was observed in Afghanistan and Iraq when the US launched its global war against terror and large-scale counter-insurgency campaigns in 2002. From just US\$338 million in yearly ODA disbursements in the 1990s, Afghanistan's ODA from DAC donors led by the US jumped to US\$3.19 billion in the 2000s. In the 2010-2015 period Afghanistan averaged US\$5.81 billion in annual ODA disbursements, but has been declining since 2012. Similarly, in Iraq the annual average ODA disbursements were US\$342 million in the 1990s but then skyrocketed to US\$6.81 billion in the early 2000s. During the 2010 – 2015 period they have declined to US\$1.66 billion as the Syrian conflict has gained more attention and resources from the US and other major donors.

### **Conflict, peace and security ODA**

One way of to measure the extent to which aid donors are increasingly prioritizing their security interests is by examining detailed categories of the various activities that they fund with ODA. Unfortunately, at the aggregate level, this is very difficult. In the DAC's Creditor Reporting System (CRS) military and security-related spending is not reflected in a single category. Instead it is inserted in other sectors. The only category that can be easily distinguished as military and security-related is the Conflict, Peace and Security (CPS) sector but this only shows a small part of the whole picture.

Many projects and programs involving military and police forces of donor and recipient countries that are implemented or overseen by the ministry of defence or multilateral military alliances such as the North Atlantic Treaty Organization (NATO) are not captured by CPS data. This point is illustrated in the "ODA Casebook on Conflict, Peace and Security", released by the DAC in 2017 with the expanded scope

of ODA. This casebook, which was created to guide DAC donors, provides sample cases of the activities that are now eligible to be counted as ODA.

Based on DAC classification or purpose codes (i.e., the CRS), activities considered as CPS are limited to security system and management reform, civilian peacebuilding, conflict prevention and resolution, participation in international peacekeeping resolutions, reintegration and SALW (small arms and light weapons) control, removal of land mines and explosive remnants of war and prevention and demobilization of child soldiers. However, based on the ODA CPS Casebook, other activities involving military and security actors, which are not classified as CPS, can fall under other purpose codes. Such activities include relief coordination, material relief assistance, water transport, human rights, health personnel development, disaster prevention and preparedness, legal and judicial development, public sector policy and administrative management, waste management/disposal and medical education, among others. (See **Table 1**)

<b>Table 1. Sample cases of ODA-eligible activities involving the military/security sector but not classified as CPS (amount in units indicated)</b>				
Project	Amount	Donor	Recipient	Purpose code
<b>Activities involving donor country military</b>				
Snowdrop training		Belgium	Africa, regional	Not applicable
Transport of humanitarian goods	No data provided	Belgium	Africa, regional	Relief co-ordination; protection & support services
Humanitarian aid to Fogo Island	0.66 M euros	Portugal	Cabo Verde	Material relief assistance and services
Combating outbreak of Ebola	14,000 euros	Portugal	Guinea	Material relief assistance and services
Support to the São Toméan coast guard organization	42,000 euros	Portugal	São Tomé and Príncipe	Water transport
<b>Activities involving recipient country military</b>				
Training on law of armed conflict	No data provided	Austria	South Sahara, regional	Human rights
Training on construction engineering	No data provided	Belgium	Congo	Not applicable
Education on removal of explosive ordnance	No data provided	Belgium	Tunisia	Not applicable
Exchange of expertise in	No data	Belgium	Rwanda	Health personnel

the domain of tropical disease	provided			development
Training of military experts to counter improvised explosive devices	16,000 USD	Hungary	Iraq	Not applicable
Comprehensive disaster risk reduction	18,000 USD	Japan	Turkmenistan & other Central Asia & Caucasus countries	Disaster prevention and preparedness
Activities involving donor and recipient country police				
Capacity development of the Colombian police	4.70 M USD	Sweden	Colombia	Legal and judicial development
Support to transnational crime units in West Africa	14.5 M USD (c/o Austria 0.99 M USD)	Austria	Côte d'Ivoire, Guinea, Guinea-Bissau, Liberia, Sierra Leone	Narcotics control
Maritime security in the Gulf of Guinea	2.23 M USD	Denmark	Africa, regional	Legal and judicial development
Contribution to the financial sustainment of the Afghan national defense and security forces: police component	0.10 M USD	Hungary	Afghanistan	Legal and judicial development
Preventing violent extremism				
Building rule of law institutions	3.80 M USD	Denmark	Somalia	Legal and judicial development
Strengthening resilience to violence extremism (STRIVE Pakistan)	6.52 M USD	EU institutions	Pakistan	Public sector policy and administrative management
Strengthening resilience to violent extremism (STRIVE Horn of Africa)	2.18 M USD	EU institutions	Kenya & Somalia	Public sector policy and administrative management
Transition support program	1 M USD	US	Mali	Public sector policy and administrative management
Activities by the North Atlantic Treaty Organization (NATO)				

Ukraine medical rehabilitation trust fund*	2.25 M USD	Various NATO members	Ukraine	Medical education training
Ukraine disposal of radioactive waste trust fund	0.95 M USD	Various NATO members and Greece	Ukraine	Waste management/disposal
*partially ODA-eligible				
See Annex 2 for additional description of the activities considered as ODA-eligible or partially eligible				
<b>Source: ODA casebook on conflict, peace and security activities, Development Co-operation Directorate, Development Assistance Committee</b>				

It is useful to examine ODA CPS data to identify overall trends on donor priorities. There has been a general upward trend in ODA CPS disbursements to initiatives involving conflict, peace and security since 2002. These disbursements peaked at US\$2.99 billion in 2010 before steadily going down until 2015 when it picked up again to US\$2.67 billion in 2016. While total bilateral ODA disbursements grew by 2.8% a year from 2010 to 2016, ODA CPS actually fell by 0.9% annually during the same period. Comparing absolute figures since the global war on terror was launched indicates that ODA CPS disbursements in 2016 were more than four times greater than 2002 figures, while total bilateral ODA disbursements were just 2.5 times greater. More recently (2013 to 2016), ODA CPS is expanding at a faster rate (3.3% per year) compared to total bilateral ODA (2.6%).

After 2010, Asia, including the Middle East, obtains the lion's share of ODA CPS in countries where the US and major European donors (i.e. United Kingdom, Germany) are involved in various internal conflicts. Examples are Afghanistan, Iraq, Pakistan and Syria, among others. From 2010 to 2016, ODA CPS disbursements in Asia made up a total of US\$7.39 billion or 40.8% of the total. Africa is a distant second with US\$4.82 billion (26.6%). In Asia, South and Central Asia accounted for 62.1% of the regional total. With the conflict in Syria, ODA CPS in the Middle East expanded by an average of 13.5% annually from 2010 to 2016 even as the regional total contracted by 2.5%. Other sub-regions also posted yearly declines during the same period. (See **Table 2**)

Region	Annual average (US\$ million)	Total (US\$ million)	Annual growth (%)	Share to total (%)
Asia, of which:	1,055.72	7,390.06	(2.46)	40.82
South &	655.61	4,589.28	(7.77)	25.35

Central Asia				
Middle East	284.29	1,990.04	13.54	10.99
Far East Asia	106.68	746.73	(0.61)	4.12
Asia, regional	9.14	64.01	(5.03)	0.35
Africa	688.69	4,820.86	(1.03)	26.63
Europe	177.72	1,244.06	(1.36)	6.87
America	256.19	1,793.31	19.44	9.91
Oceania	13.89	97.25	9.12	0.54
Unspecified	394.09	2,758.62	(1.88)	15.24
All regions	2,586.31	18,104.16	(0.86)	100.00
Figures may not add up to total due to rounding				
<b>Source of data: OECD Query Wizard on International Development Statistics (QWIDS)</b>				

ODA CPS disbursements in South and Central Asia are heavily concentrated in Afghanistan. From 2010 to 2016, 72.8% or US\$3.34 billion of the US\$4.59 billion in total ODA CPS disbursements in the region went to Afghanistan. Of this, 78.4% came from just four bilateral donors – the US (34.9%); UK (16.6%); Germany (16.3%); and Japan (10.7%).

The double-digit annual expansion in ODA CPS disbursements in the Middle East has been primarily driven by Syria, which saw its yearly average balloon from a meager US\$2.39 million in 2010-2012 to US\$152.95 million in the 2013-2016 period. From 2010 to 2016, ODA CPS disbursements in Syria reached a total of US\$618.96 million or 31.1% of the Middle East total. Just three bilateral donors accounted for 80.6% of Syria's total, namely the UK (37.8%), US (26.1%), and Germany (16.8%). Iraq is also a major recipient of bilateral ODA CPS in the Middle East. It received 20.4% of the regional total in 2010-2016, of which 68.4% came from the same top three donors – US (34.3%), Germany (18.4%) and UK (15.6%).

In Far (South) East Asia, 85.6% of ODA CPS disbursements are distributed in five countries – Myanmar (22.2% of the regional total), Cambodia (20.8%), Laos (16.8%), the Philippines (15.7%), and Indonesia (10.1%). Japan is a major ODA CPS donor in the region and also has significant bilateral disbursements in some countries in South and Central Asia.

**Table 3** summarizes the top donors and recipients of ODA CPS disbursements in Asia's sub-regions for the period 2010-2016.

**Table 3. DAC ODA CPS disbursements in Asia, by sub-regional top recipients and donors, 2010-2016 total (in units indicated)**

Region/country	2010-2016 tot. (US\$ M)	Donor share to national total (%)				
		US	UK	Germany	Japan	Others
<b>South &amp; Central Asia</b>						
Afghanistan	3,345.19	34.86	16.63	16.27	10.68	21.56
Pakistan	288.89	31.12	17.05	14.46	16.87	20.50
Sri Lanka	229.96	29.63	10.26	11.46	11.46	37.19
Nepal	186.72	21.10	25.46	10.54	4.55	38.35
India	17.12	18.45	28.16	24.61	-	28.78
<b>Middle East</b>						
Syria	618.96	26.07	37.75	16.76	0.16	19.26
Iraq	406.66	34.27	15.64	18.45	1.85	29.78
West Bank & Gaza	343.58	14.42	11.13	10.70	2.16	61.69
Lebanon	288.26	30.06	24.96	5.89	1.08	38.01
Yemen	53.93	20.79	29.39	15.15	1.23	33.44
<b>Far East Asia</b>						
Myanmar	176.99	20.05	13.89	6.45	3.58	56.03
Cambodia	165.83	14.32	8.11	8.82	41.60	27.15
Laos	133.70	29.11	6.63	3.72	27.38	33.16
Philippines	125.00	18.07	0.85	23.13	21.47	36.48
Indonesia	80.43	40.49	4.21	3.97	0.26	51.07

**Source of data: OECD Query Wizard on International Development Statistics (QWIDS)**

## ODA Modernization or Greater Aid Militarization?

In their 2012 High Level Meeting (HLM), the OECD DAC Ministers embarked on a multifaceted work program that aimed to “modernize” the DAC statistical system and the ODA concept. The overall objective was to enhance the system’s “relevance in a changed international landscape” and to improve its capacity in meeting the financial requirements of the SDGs. (DAC, Mar. 2016) As noted by Development Initiatives (DI), DAC’s ODA modernization process can be divided into two key areas. The first focuses on updating, clarifying and “streamlining” existing ODA reporting. This covers ODA loans and debt relief, in-donor refugee costs (IDRCs), and data changes including purpose codes, channel codes, and finance types. The second one concentrates on bringing in new activities, flows and financing instruments not previously eligible as ODA. This comprises private sector instruments (PSIs) such as equity investments, guarantees and other “market-like” instruments as well as peace and security initiatives. (Development Initiatives, Sep. 2017)

Discussions leading up to this modernization were preceded by the endorsement of the New Deal for Engagement in Fragile States during the 2011 Fourth High-Level Forum on Aid Effectiveness. This meeting declared that peacebuilding, state-building and security are essential foundations for sustainable development in fragile and conflict-affected countries. Building on the New Deal, a goal of “promoting peaceful and inclusive societies” was included in the SDGs (Global Goal 16). As DI noted, this “marked a further positioning of peace and security at the heart of the global development agenda”. (Dalrymple, Mar. 2016)

The DAC made a series of decisions in its 2014 and 2016 meetings to implement its ODA modernization efforts. Specifically, on reforms related to peace and security expenditures, the DAC reported at its 2017 High Level Meeting that the updated ODA rules were already being implemented for the member ODA reporting (i.e., the Statistical Reporting Directives) and that the revised “ODA Casebook on Conflict, Peace and Security” has been issued. (DAC Communiqué, Oct. 2017)

In accordance with the updated reporting directives, the DAC published a final version of the casebook in October 2017. It listed specific examples in order to illustrate the applicability of the ODA-eligibility rules in relation to peace and security that the DAC members had agreed upon. The stated intention of the casebook was/is to facilitate the assessment of the eligibility of future cases. (DAC Casebook, Oct. 2017) <sup>[1]</sup><sub>SEP</sub>

According to the DAC’s updated directives, all peace and security-related activities should be guided by the main objective of ODA, which is the promotion of the economic development and welfare of developing countries. In practice this means that any review of ODA eligibility of activities in the peace and security sector must use this objective as a central reference point. The DAC Secretariat has

confirmed that “the long-standing rules which govern the ODA-eligibility of peace and security-related expenditures remain intact.” Aside from upholding ODA’s stated principle of promoting economic development and welfare of developing countries, DAC members have also reaffirmed that:

- (1) Financing of military equipment or services is generally excluded from ODA reporting;
- (2) Development co-operation should not be used as a vehicle to promote the provider’s security interests;
- (3) The supply of equipment intended to convey a threat of, or deliver, lethal force, is not reportable as ODA; and
- (4) Financing activities combating terrorism is generally excluded from ODA. (DAC, Mar. 2016)

But at the same time, the DAC justifies changes described earlier, saying they are long overdue. It also maintains that while issues of conflict and fragility can be seen from a variety of viewpoints, there are important challenges that must be addressed in reducing poverty and promoting economic growth. (DAC, Mar. 2016)

For the DAC, these changes clarified ambiguities in reporting rules on peace and security-related expenditures and help to ensure uniform, consistent statistical reporting. They have approved the ODA-eligibility of development-related training for military staff in limited topics. According to the DAC these changes are “minor” and should not have a significant impact on ODA volumes as peace and security-related expenditures represent only 2% of bilateral ODA. (DAC, Mar. 2016) (See **Box2**)

## **Box2. Summary of changes in DAC reporting rules on peace and security initiatives**

### Limited engagement with partner country military in the form of training

An adjustment has been made to allow limited and specific training of partner country military employees. This will only be permitted: (1) under civilian oversight, (2) with a clear development purpose for the benefit of civilians and (3) to help address abuses, prevent violence against women, improve humanitarian response and promote good governance. <sup>{SEP}</sup>

<sup>{SEP}</sup>

### Using the military as a last resort to deliver development services and humanitarian aid <sup>{SEP}</sup>

The new text clarifies that in some circumstances support for the additional costs (e.g. beyond running costs such as salaries, maintenance, etc.) where military are used as delivery agents of development services or humanitarian aid are ODA-eligible. But this is limited by the requirement that it can only be accepted by last resort, and reporting countries and



institutions can be asked by the Secretariat to justify this was actually the case.

### Preventing violent extremism<sup>[1]</sup><sub>SEP</sub>

The new directives clarify the rules by spelling out ODA-eligible activities (education and research, community-based efforts, rule of law, capacity of judicial systems, etc.) to prevent violent extremism. They state that such activities should be led by partner countries and that their primary purpose must be developmental: activities targeting perceived threats to the donor country, as much as to recipient countries, rather than focusing on the economic and social development of the partner country are excluded. This clarification is made in the spirit of the recommendations in the 2016 UN Secretary General's Plan of Action to prevent violent extremism.

*Added safeguards:(1) Humanitarian principles are now integrated as a key referent point (humanity, neutrality, impartiality, and independence); (2) The Secretariat has the possibility to question the use of the military as a last resort; and (3) The Secretariat can request justification for exceptionally using ODA to finance development of humanitarian activities that are delivered through the military of the partner country.*

**Source: DAC Secretariat (March 2016). "The scope and nature of 2016 HLM decisions regarding the ODA-eligibility of peace and security-related expenditures"**

Despite the assurances and safeguards in the new DAC guidelines, there are legitimate concerns that the supposed modernization of ODA will pave the way for donors' security agenda to take over the development purpose of ODA and the interests of the people of recipient countries are further marginalized. Before the reforms, DAC guidelines categorically stated that "activities combating terrorism are not reportable as ODA, as they generally target perceived threats to donors, as much as to recipient countries, rather than focusing on the economic and social development of the recipient." However, the inclusion of activities related to the prevention of "violent extremism" among ODA-eligible activities has opened the door for reporting activities that could be seen as clearly supporting donor security interests, even with the safeguards and restriction listed above and with the DAC's reconfirmation that ODA's primary purpose should be developmental.

A fundamental question is whether it is necessary to frame these activities inside the context of preventing violent extremism if the primary purpose is developmental. OECD defines violent extremism as "promoting views which foment and incite violence in furtherance of particular beliefs, and foster[ing] hatred which might lead to inter-community violence". There are concerns about potentially using ODA resources for specific, politically-driven activities that go against the established basic

principle of aid working impartially to advance the well-being and rights of people in the face of violence and abuse by all conflict actors. (Saferworld, Feb. 2016)

Another question focuses on who defines violent extremism and who identifies the extremists. In some cases, rebel groups that are waging civil wars against foreign intervention, for national independence or autonomy from central power based on deep historical, religious or cultural grounds enjoy massive support from local communities. However, they can be branded as terrorists or extremists by established governments or political powers. Conversely, political establishments that are actually responsible for human rights abuses and poverty are seldom branded as terrorists. Instead they are only labelled as such only when their foreign policy contradicts that of the donors. For aid to be effective it should be neutral and truly focus on the welfare of the people. ODA should never be used as a weapon by those in power and/or their foreign patrons.

As Saferworld, has noted, “attempts to get aid agencies to take sides are often dangerous and counter-productive, because they can lead to aid that ignores important conflict drivers, reinforces bad governance, gets diverted, looks biased, alienates the local population, and exposes aid agencies to attack.” (Saferworld, Feb. 2016)

Under the new DAC guidelines, donors will be able to report an expanded array of military expenditures in the name of development assistance and humanitarian efforts. While previous guidelines allowed for the additional costs entailed in the use of military personnel to deliver humanitarian or development services to be counted as ODA, the updated guidelines also permit the use of military equipment to deliver these services. In situations of intense conflict, military personnel and equipment are primarily deployed for combat purposes, not for the delivery of development or humanitarian assistance. Because of this it is inappropriate for the costs of using these military assets to be allocated as ODA, even when it is to deliver aid. As well, in many cases, civilian distrust of the military is so pervasive that their use and presence severely undermines effective development or humanitarian work.

Some critics have pointed out that the ODA Casebook on Conflict, Peace and Security has failed to provide practical guidelines on which activities can be counted as aid and has also fallen short of providing clarification on the rules. This lack of clarity opens the reporting of ODA to misuse and abuse by donors and recipients. For instance, some activities deemed eligible as ODA involve “routine police functions” and the use of “non-lethal equipment and training.” These activities can be broadly defined and in the context of public safety could inflict physical harm to the public in fragile and conflict situations. To illustrate, “routine police functions” may include coercive law enforcement measures while “non- or less lethal training equipment and training” could cover weapons such as tear gas, pepper spray and sleep gas. While their use may not be deadly, they still inflict serious harm on civilians. This contradicts basic ODA principles. (Dalrymple, Nov. 2017)

Another loophole in the guidelines that can be abused and that is not clarified in the casebook relates to intelligence activities that are considered “development focused” and thus can be counted as ODA. While the guidelines say that intelligence gathering on political activities is not ODA-eligible, the collection of data for development purposes, or preventative or investigatory activities by law enforcement agencies in the context of routine policing to uphold the rule of law, including countering transnational organized crime, is eligible as ODA. In the absence of a definition of key terms such as “investigatory” and “countering transnational crimes” in the casebook there is a risk that ODA could be used for intelligence work that is more aligned to donor national security priorities than to a development or poverty-reduction agenda. (Dalrymple, Nov. 2017)

Even more alarming is the fact that the casebook has failed to spell out concrete parameters to safeguard against abuse and misuse of ODA for supposedly development or civilian purposes within the context of a military or security agenda. If anything, the casebook actually appears to legitimize such possible abuse and misuse. There are many cases cited in the Casebook where assistance from DAC members to directly support the police and military establishments of recipient countries are deemed ODA-eligible or at least partially ODA-eligible. Often, ODA eligibility is justified by referencing activities that supposedly benefit civilian participants and/or civilian aspects of an otherwise military or counter-terrorism initiative.

One example of this approach is the NATO-led Resolute Support Mission (RSM), a military operation that provides training, advice, and assistance to Afghan security forces and institutions. Launched in 2015 with 13,000 troops from NATO members and partner countries, the RSM maintains a presence at Afghan airports, which are primarily meant to support military operations but supposedly are also being used to stabilize and modernize the country’s civilian aviation sector. Part of the mission is the training of Afghans on operating airfields and managing airspace. According to the DAC, the training in these areas will help sustain the civil aviation sector once NATO’s military presence has ended. DAC donors such as Greece contribute to the RSM by deploying maintenance advisors from their air force. This support is deemed ODA-eligible because it is theoretically for civilian purposes and will contribute to the sustainment of the civil aviation sector in Afghanistan.

Security sector reform programs of recipient countries are being implemented supposedly to improve the capacity and effectiveness of military and police forces in carrying out their mandate, including anti-terrorism and counter-insurgency campaigns, ones that are often directed by western powers. These activities are supported with ODA resources without a clear development purpose or direct, evidence of impact on poverty reduction.

A case cited in the Casebook is the US\$36-million security sector reform in Guatemala that was bankrolled and implemented by the USAID. Among the program's activities is support for the passage of a new Organic Law for the Police and the implementation of a career development program for officers and officials of the National Civilian Police. The casebook justifies its ODA-eligibility as assistance that involves non-lethal equipment and training and is designed to address criminal activity and promote public safety. In Somalia, a US\$3.8-million Denmark-funded project and implemented by the UN Office for Drugs and Crime (UNODC) is considered ODA eligible even as its activities include the "construction of Mogadishu Prison and Court Complex." The prison includes a special cell block to deal with "high risk offenders" specifically the country's declared terrorist group Al Shabaab. Other activities involve the continued management of prisons in Somaliland and Puntland. According to the casebook the project is ODA-eligible, because it "relates to support to the rule of law which is included in ODA" and that while "the project also includes a special cell block for terrorists", it is supposedly "not a primary objective."

The provision of basic social services such as medical, health services and water services, is also being used to advance donors' security agendas. Several cases deemed ODA-eligible or partially ODA-eligible cited in the revised DAC Casebook illustrate such linkages.

One example is the US\$2.25-million Ukraine medical rehabilitation fund that several members of the NATO are supporting. The fund provides medical rehabilitation and long-term medical services to active and discharged Ukrainian servicemen and women as well as civilian personnel from the defence and security sector. According to the DAC the initiative is considered partially ODA-eligible because; the medical services are accessible to civilians. However, in practice these civilians are not ordinary civilians but actually work in the defence and security sectors.

Another example is Hungary's contribution of US\$350,000 to support the Afghan National Defence and Security Forces (ANDSF). Part of this contribution is being used to supply the uniforms for the members of the Afghan National Army (ANA), which is not reportable as ODA. However, the funding of the outfitting of the Shorab Regional Hospital, which is primarily a medical facility for the ANA, could be ODA-eligible. In Mali, where the USAID's US\$1-million ODA-eligible transition support program to "prevent future radicalization and recruitment by violent extremists" in targeted communities involves the provision of potable water and other urgent needs "in order to gain entry into the community and build trust."

### **Aggravating conflict flash points in Asia Pacific**

The redefinition of development assistance to include more peace and security initiatives at both the level of the DAC and of individual major donors has the potential to contribute to the aggravation of key conflict flash points, thus spurring instability.

A case in point is the South China Sea where China and several Southeast Asian countries are involved in a longstanding maritime territorial dispute. Top ODA donors, most notably the US and Japan, have been drawn in as they see China's rise and its assertion of sovereignty over practically all of the South China Sea as a direct threat to their own national interests. Japan also has its own maritime territorial dispute with China in the East China Sea.

As part of their strategy to counter China, Japan and the US have revved up their defence cooperation with key Southeast Asian countries. An integral component of this cooperation is the strengthening of their allies' maritime security capabilities to defend their territorial integrity and promote freedom of navigation. It is in this area where some Japanese and American development aid resources are being used or at least potentially could be mobilized.

Even before the DAC expanded the definition of ODA, Japan has started its own aid reform program through the revision of its ODA Charter in 2015. The revision is seen as part of Japan's efforts to confront what its political leadership deems as a "security environment (surrounding Japan) becoming more severe." Observers have noted that the revision has allowed Japan to use development aid to support its first national security strategy (called "Proactive Contribution to Peace") whereby Japan has linked its peace and security to regional and global stability and security. (Parameswaran, Nov. 2016)

In Japan's previous ODA charters, military or defence-related activities were kept outside the aid zone. With the revision, new possibilities are emerging that its aid budget will be mobilized for non-combat military purposes in the name of maintaining global peace. (Jain, Jul. 2016) For Japan, this could include the promotion of the rule of law and the strengthening of maritime security through cooperation, support and assistance in its so-called "Vientiane Vision," Japan's first defence initiative with members of the Association of Southeast Asian Nations (ASEAN).

In its 2016 White Paper on Development Cooperation, Japan reported that "to establish and promote the 'rule of law' at sea, Japan would be utilizing tools such as ODA to seamlessly support improvement of the law enforcement capacity of maritime security agencies, etc. in ASEAN countries through the provision of patrol vessels, technical cooperation, human resources development, etc." (MOFA Japan, Sep. 2017) The strategic orientation of Japanese ODA to promote maritime rule of law, could benefit countries such as Vietnam and the Philippines which are both embroiled in territorial disputes with China over various areas of the South China Sea. (See **Box 3**)

**Box3. Japan ODA and promoting "rule of law in the South China Sea"**

In Vietnam, Japan completed the provision of six used vessels in 2015 and is currently advancing

preparations for the additional provision of used vessels and the provision of newly-built patrol vessels. Japan and Vietnam also signed a new US\$350-million aid package in June 2017 to upgrade Vietnamese coast guard vessels and their patrol capability.

Meanwhile, in the Philippines, Japan provided 10 newly-built patrol vessels in 2013 through financial cooperation using ODA loans. At the Japan-Philippines Summit Meeting in October 2016, financial cooperation using ODA loans was signed for the provision of two large patrol vessels.

Japan is providing not only the vessels but also the relevant equipment related to maritime security to these two countries. In addition, it is proceeding with human resources development through training, the dispatch of experts, etc. for coastal countries near the sea lanes such as Indonesia, and Malaysia.

**Sources: MOFA, Sep. 2017; Associated Press, Jun. 2017**

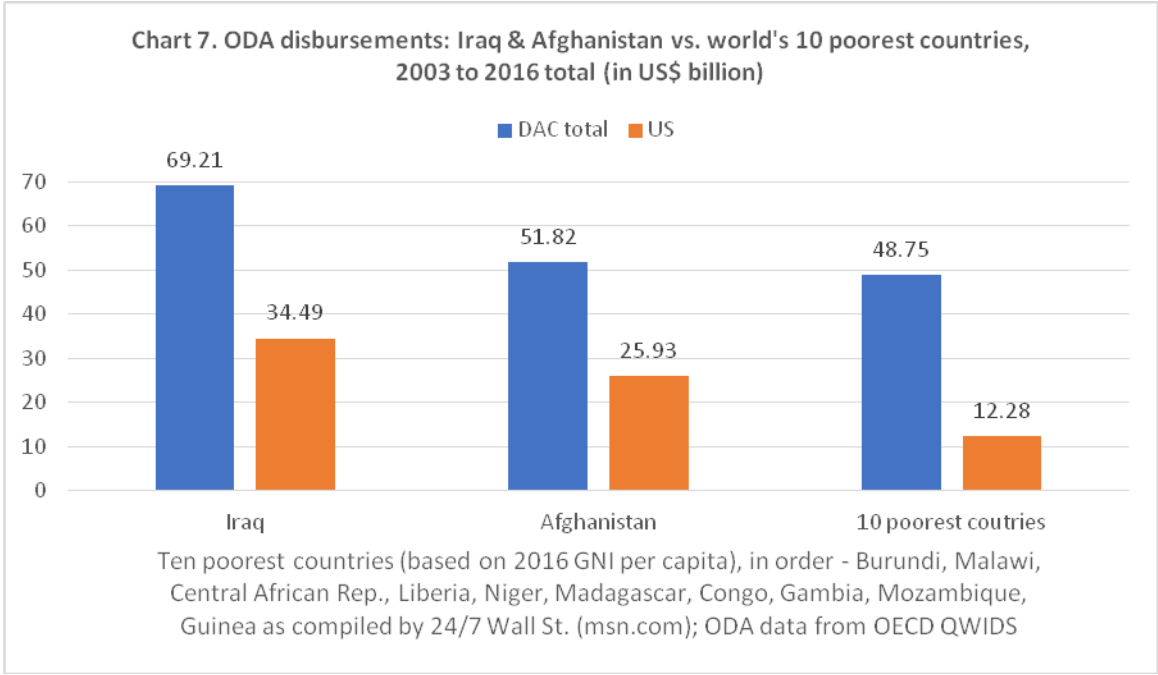
Under the revised reporting guidelines of the DAC, support for recipient country's maritime security and coast guard can be counted as ODA. In the Casebook, DAC cited examples of ODA-eligible activities supported by Portugal's Ministry of Defense to develop the functional, logistic and administrative aspects of São Tomé's Coast Guard and Maritime Authority in order to reinforce maritime security in the country. Amongst other activities, the renovation and maintenance of maritime signaling equipment is counted as ODA.

Another example cited in the Casebook is the US\$2.23-million maritime security program (2015-2018) in the Gulf of Guinea that is supported by Denmark. It is being implemented by the EU and the International Maritime Organization (IMO). The program provides maritime security training, the facilitation of information sharing, and capacity development to ensure the implementation of international conventions among states in the region.

### **Aid and Counter-Insurgency**

The use of development assistance in the context of a military or security agenda is not effective aid. This is true not only for the promotion of lasting development but also in peace building and the fostering of long-term stability. In worst cases, the so-called "smart power" can fuel greater conflict, undermine people's rights, and set back development goals.

The well-documented experiences of donor interventions in massive counterinsurgency campaigns such as Afghanistan and Iraq as well as smaller operations in countries like the Philippines attest to these consequences. From 2003 to 2016, total ODA disbursements to Afghanistan and Iraq from all donors stood at US\$136.13 billion. About US\$121.03 billion of this came from bilateral DAC donors, of which half was US aid. That represents almost two and a half times the size of the total DAC ODA disbursements during the same period to the world’s 10 poorest countries. It is nearly five times the amount of US ODA provided to these same countries, which are less strategic in terms of US geopolitical interests. (See **Chart 7**)



Despite this huge amount of funding, Afghanistan and Iraq continue to remain unstable. As a commentary published by the Center for Strategic and International Studies (CSIS) noted: “Military and civilian veterans of the past 15 years of engagement with Afghanistan and Iraq associate the term [‘stabilization’] with frustration and bitterness, dashed hopes, and unmet expectations”. (Dalton and Shah, Jun. 2017) One assessment of the campaign to “win hearts and minds” in Afghanistan concluded: “There was little concrete evidence from this or other studies that aid led to stability in Afghanistan”. (Fishtein and Wilder, 2011) Afghanistan, already one of the world’s poorest countries even before the war, saw its poverty and joblessness worsen. According to the World Bank (May 2017), “absolute poverty is increasing, with about 39% of Afghans now poor”. The official unemployment rate is now at a staggering 22.6 percent. In 2007, poverty in Afghanistan was 36.3% while unemployment in 2001 was 4.5 percent. (CSRS, May 2017)The latest reports estimate that more than 31,400 civilians have already been killed in the Afghanistan war with “no clear end in sight” (Westcott, Nov. 2017). In Iraq, the estimated number is 180,000 civilian deaths (McKay, Jun. 2017).

There are many examples of recipient countries where counter-insurgency campaigns have been modelled after or copied from post 9/11 US Army counterinsurgency manuals whereby “development work” is an integral part of national internal security plans. In these situations, reports of human rights violations allegedly committed by military forces abound. In the Philippines, for instance, many foreign funded development projects have been tied to military campaigns. In some cases they have been implemented with the direct participation of donors’ military forces (see **Box 4 below**). This has not been limited to contesting terrorist groups, but has also included legitimate rebel forces such as the communists and Moro separatists.

#### **Box 4. Counterinsurgency and “development work” in Mindanao, Philippines**

Growth with Equity (GEM) in Mindanao, a US\$500-million development program in the Philippines funded by the USAID from 1996 to 2013, is a “multi-faceted program designed to support the peace process and stimulate equitable economic growth through infrastructure development, business growth, workforce preparation, governance improvement and former combatant reintegration”. (Lous Berger, undated)

A 2017 Reality of Aid (RoA) report citing various sources (including USAID and its private American contractor Louis Berger that implemented the program, as well as Hirsch and Stuebner, 2012 and Johnston et. al., 2016) said that the GEM was carried out in close coordination with the Armed Forces of the Philippines (AFP). USAID, for instance, discussed with AFP field commanders in Mindanao the selection of the program’s project sites, chosen for their “strategic importance” to AFP operations.

The USAID also worked and coordinated its GEM activities with the Joint Special Operations Task Force-Philippines ( JSOTF-P), a US-led anti-terror group (established in 2002 and deactivated in 2015) that had 500 to 600 American special forces based indefinitely in the country reportedly as “trainers and advisors” to the AFP. (PDI, Sep. 2016) JSOTF-P troops basically provided security to USAID in implementing the GEM, which in turn “strengthened the impact of their own counter-terror ‘civil military operations’”. (Johnston et. al., 2016)

As recent events in the country demonstrate, these campaigns have largely failed. One example of this is the attempt of an alleged ISIS local network to build a caliphate in a Mindanao city and the subsequent Martial Law imposition in the entire southern Philippines. A vast portion of the country, especially in the rural areas, remains restive with grinding poverty. In a 2017 submission to the UN High Commissioner on Human Rights the local human rights group Karapatan, reported that “peace and development”



operations of the Philippine armed forces had resulted in massive human rights abuses such as military occupation of schools and forcible evacuations affecting about 103,337 civilian victims. Such alleged atrocities fuel the continuing resentment of local communities against the government and its forces, making lasting peace even more elusive while the displacements due to military operations aggravate poverty.

### **Challenging aid militarization and militarism**

Various researchers and scholars have tried to explain why the use of development aid in conflict situations has failed. Some point to ineffective aid delivery; others cite the inadequate addressing of the main drivers of conflict. They describe how corruption by local bureaucrats or strong men in the provision of aid services can alienate the population and thus undermine counterinsurgency's campaigns to win the hearts and minds of the people. Thus, instead of socioeconomic projects, these experts would maintain that development aid should shift its focus to governance and the rule of law. In addition, they maintain that better coordination between the international donor community and national governments in designing and implementing a shared strategy and a common reform agenda in promoting better governance should be put into place. (Fishtein and Wilder, 2011)

While these observations provide useful insights on practical issues in aid delivery in situations of conflict, they fall short in addressing the more fundamental contradictions arising from the use of development aid in pursuing a security or military agenda. Pointing out that "there is considerable evidence" on the positive benefits of development aid in Afghanistan (e.g., improvements in mortality rates, school enrollment rates, infrastructure, etc.), Fishtein and Wilder (2011) reflected that: "One consequence of viewing aid resources first and foremost as a stabilization tool or 'a weapons system' is that these major development gains have often been under-appreciated because they did not translate into tangible security gains. US development assistance in Afghanistan has been justified on the grounds that it is promoting COIN [counterinsurgency] or stabilization objectives rather than development objectives".

In conflict situations there are questions whether there are beneficial socioeconomic impacts from aid rather than just concrete security/military gains. Observations such as the ones above on Afghanistan validate the legitimacy of concerns long raised by development workers, aid effectiveness advocates and civil society organizations on militarizing development aid. Unfortunately, policy makers and the international donor community seem oblivious to the lessons of the past two decades. Instead they seem to be moving – in the context of "strategic power competition" reminiscent of the Cold War era – towards even more systematically integrating development aid in their pursuit of security/military and geopolitical interests.

The thinking of aid as a weapon system and the policy direction that favors smart power must be continually challenged at every level – from local projects and programs to national and international guidelines and policies, including that of individual donors and at the level of the DAC.

The basic and long-proven principles of effective aid and development cooperation must be upheld and operationalized. This includes the need to –

- Promote ownership of development by communities and ensure the alignment of aid intervention under national or local development plans or programs that respond to the specific needs of these communities. Among other approaches, this can be achieved by delinking development aid from the short-term security or military objectives of the donors and/or national governments. Local ownership is undermined and people are alienated when development work is carried out with the intention, for instance, of gathering intelligence from or isolating perceived enemies of the state within the target communities.
- Establish reliable mechanisms that hold donors and recipient governments accountable for the impact on poverty reduction of their aid projects and programs through verifiable development outcomes. Whether in the context of counterinsurgency or power competition, such mechanisms can help challenge the practice of allocating aid resources for military and security objectives without due regard to their long-term development impact or with regard to actual development needs.
- Encourage genuine democratic participation in the development and peace building process, by local communities as well as of independent development actors from civil society. This is difficult to achieve when the overarching goal of development and peace building is security or military (e.g., defeating the state’s declared enemy) instead of addressing the drivers and root causes of conflict (e.g., lack of economic opportunities, marginalization and displacement, foreign intervention, etc.) Communities and development actors working independently of the military, for instance, can be easily distrusted or targeted as state enemies.

In relation to the revised guidelines of the DAC, some of the specific issues that should be addressed are:

- As the scope of ODA is expanded to include various activities to counter violent extremism, clear and strict rules must be set out to help ensure that ODA will not be used simply to promote the security interests of donors at the expense of development and poverty reduction. While sample activities are cited in the Casebook, there are no concrete standards at the DAC on how such activities will be defined as having development or civilian purpose and thus be eligible as ODA.

- Specific parameters to protect human rights must be established. Such safeguards are crucial as the new DAC guidelines allow activities such as support for “routine police functions”, the use of “non-lethal equipment and training” by state forces, and intelligence gathering for development purposes to be classified as ODA. There must also be a clear set of guidelines that will help ensure donor accountability when cases of human rights violations involving supported state forces arise.
- As an additional safeguard, guidelines on defining ODA eligibility must include concrete and specific ways on how certain activities contribute to anticipated development outcomes.
- DAC should implement a reliable and credible monitoring system that will determine whether these safeguards are executed and whether the guidelines are followed on the ground, accompanied with enforceable accountability mechanisms.

Conflict and insecurity as currently framed by the donor community is oversimplified. The primary focus is on the presence of “extremists” (whom the donors define) or on competition for spheres of influence and power. These preoccupations often pay lip service, or entirely ignore, deeper social, economic, political and cultural contexts that give rise to conflict and insecurity. An effective challenge to the rising tide of militarism and the renewed push to further militarize development aid requires aid reforms pursued inside a framework of peace advocacy and social justice, and of the people’s rights to development and sovereignty.

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<sup>i</sup> See <https://www.cas.go.jp/jp/siryou/131217anzenhoshou/nss-e.pdf>