

Takin' from the Poor to Give to the Rich

The late great economist Peter Bauer described (government to government) foreign "aid" as a transfer "from the poor in rich countries to the rich in poor countries". Sadly, this characterisation is often far too close to the truth. Over the past five years, IPN has published a series of papers assessing the impact of foreign aid. This strategy of providing impartial research has resulted in IPN becoming a leading source for media commentary on the issue. And it has led Oxfam – one of the leading proponents (and a major recipient) of foreign aid – to bemoan in a press release that IPN is among the most prominent critics of foreign aid.

We are clearly having a wider impact on the way the public perceives foreign aid: A recent poll found that just 2% of the UK public supports maintaining aid at its current level. And members of Parliament have also used our research as the basis for questions about the role and impact of aid. Yet the minister in charge of "International Development", Andrew Mitchell, continues to insist that the foreign aid budget should not be cut, claiming that we have a "moral" duty to provide aid. Really? Even if that "aid" undermines democracy and harms the prospects of the poor?

As deep cuts bite into the rest of the public sector, public dissatisfaction with aid is continuing to grow – and IPN continues to point out, at <u>home</u> and <u>abroad</u>, the corruption that <u>keeps foreign aid money in the UK</u> and <u>the failures in DfID's overseas aid initiatives</u>. We also stress that the real answer to poverty is trade and trade-friendly economic reforms.