

A Conservative Vision for International Development

Foreword

This year, a seventh consecutive Conservative manifesto committed to the UN's target of spending 0.7% of GNI on overseas aid. Moreover, it set ambitious objectives for this commitment – ending extreme poverty, saving children's lives, empowering women and girls, and tackling violence and exploitation. This follows a Conservative-led Government first meeting the 0.7% target in 2013, and then legislating for it in 2015. In 2017, as we set out to shape a new global role for the United Kingdom, a commitment to bettering the opportunities of the world's poorest and most vulnerable people is indisputably central to British Conservatism.

The part that Britain plays on the world stage is more widely contested now than ever in recent memory, and engaging with development policy must be central to that conversation because of its consequences for the donor as well as the recipient. Aid is a crucial tool of British foreign policy; it wins influence, builds relationships and exports our values of freedom, equality and the rule of law. Building a healthier world helps to ensure a healthier Britain, building a safer world keeps Britain safe, and building a more prosperous world builds a more prosperous Britain. So it is right that we put the talents and dedication of our civil service, businesses, charities, armed forces and National Health Service – in short, the best of British – to the toughest problems on earth.

Public engagement is critical to sustaining the UK's commitment to aid, and the key to this is in a Conservative adherence to fiscal responsibility. While taking into account that, by definition, the places in which UK aid works are places where markets have failed to bring prosperity, and instability brings heightened risks, we must spend our aid where we can get the best value for money – the maximum development impact per pound. Without a rigorous commitment to results we will not convince the public that our cause is worthwhile, and rightly so. Our commitment to aid is only worthwhile if it gives the best we have to offer.

We represent a generation for which the question of Conservative commitment to International Development is settled, and indeed it is a commitment that is central to our political identity. What is less well asserted, at a time of debate and reflection in the party, is a Conservative *vision* for international development, a sense of how we can best apply our ideals in developing policy. As we forge a new role outside of the European Union, creating a 'Global Britain', this clarity of purpose is more necessary than ever.

Through this paper we hope to start that conversation, setting out guiding principles and practical priorities as part of an agenda that promotes a Conservative approach to International Development.

Huw Merriman MP

Lead author, A Conservative Vision for International Development

Rt Hon Stephen Crabb MP

Parliamentary Chair, Conservative Friends of Israel; former Secretary of State for Work and Pensions

Gillian Keegan MP

Co-Chair, All Party Parliamentary Group for Sustainable Development Goals; former Director of Women2Win

Sam Barker

Director, Conservative Environment Network

Theo Clarke

Former Director and current Board Member, Conservative Friends of International Development

Christian Guy

Former special adviser to Prime Minister David Cameron; former Chief Executive, Centre for Social Justice

Nicholas Mazzei

Board of Directors, the Tory Reform Group

Rupert Myers

Barrister; Associate Fellow, Bright Blue; writer

Amanda Solloway

Former MP for Derby North; former PPS, Department for International Development

Vision

Iain Duncan Smith's words on launching his Conservative social justice campaign, out of which the Centre for Social Justice was born, were "A nation that leaves its vulnerable behind, diminishes its own future." This embodies a fundamental Conservative principle, that prosperity relies on freedom, and building a better country is dependent on creating opportunity for everybody to contribute. It applies on a global scale too. We commit to Social Justice at home not only because we will not tolerate inequality in the UK, but also because it holds us back as a nation. We spend aid abroad because we have an opportunity to save and transform the lives of the world's poorest people, but also because we believe in building a better world – the goal of aid spending should be to put itself out of business.

This thinking has a deep heritage in our party. Throughout our history, Conservatives have sought to free men, women, and children from the tyranny of poverty and discrimination – from Benjamin Disraeli's Public Health Acts and the Factory Act of 1833, the beginning of the end for child labour in Britain, to David Cameron's introduction of marriage equality in 2013.

We believe in the potential of individual and the power of hard work – we have seen what people are capable of when they are given the freedom to succeed. But people are not free if they are hungry, or uneducated, or if they are deliberately discriminated against because of who they are.

British aid empowers people to live a better life. It embodies this Conservative value of freedom and helps to remove the barriers that hold people back. We want to live in world where hard work and talent – not where you are born – determine how far you get.

We also want to live in a country that punches above its weight. For a small group of islands, the United Kingdom's global footprint is remarkable, and can be a tremendous force for good. We continue to use our unequalled soft power to make the world a better place, and to build our influence within it. British aid exports world-leading expertise, innovation and equipment, but also the values of fairness and opportunity that are at the heart of our democracy.

We believe in the power of markets, but don't believe they can solve every problem alone. Aid must harness the ability of economic growth to bring prosperity, as well as stepping in when instability has deterred the private sector.

All of this sits within our commitment to sound finance – a belief that every pound of public money spent must be justified. Our aid budget must provide the maximum value to the world's poorest people, and to the British taxpayers who make it possible. We do both a disservice if we lose our focus on development impact.

We set out below a vision of development policy that is rooted in our beliefs as Conservatives – one that promotes freedom and prosperity by putting power into the hands of people; that forges a bond between the world's poorest people and ordinary families here in Britain; that delivers a resolute focus on value for money, and that offers the best that Britain has to offer in response to the toughest challenges on earth.

1. Development as freedom

Development starts with the eradication of poverty – the creation of freedom through opportunity – and aid is at its most powerful when it enables the poorest people, putting them in a position to help themselves.

This can be done through direct interventions in education or healthcare, but also by supporting countries' ability to generate their own, independent revenue – building their own sustainable institutions in these sectors, which can help their citizens out of poverty. Other aspects of aid spending, such as developing infrastructure or investing in businesses that create quality jobs, are undeniably essential, but development will only be sustainable if people are free to control their own future, and this must be the starting point.

2. Exporting prosperity

British development should always prioritise the world's most desperate people. We are the first to respond in times of crisis and we are at the forefront of the global movement to vaccinate children who are exposed to deadly diseases.

But development is more than this. To only meet people's immediate and extreme needs is tantamount to a state handout. Countries can and should be empowered to stand on their own two feet. We cannot credibly respond to extreme poverty without a long-term strategy to promote prosperity and help countries graduate from aid. Our offer is not about simply writing a cheque, and we must never be tempted by the false dichotomy of "trade versus aid". Free markets are the most effective vehicle for lifting a nation out of poverty. But effective aid is vital to help national and international markets function more effectively through healthier, better educated and more prosperous workforces living in safer, more stable societies. Aid does things which markets fundamentally cannot - but its full benefit is only realised as part of a comprehensive growth agenda.

To invest in development is to believe that a world without poverty – a world free from aid – is possible. To make this happen, British development policy should seek to correct the democratic and economic failures that strangle the potential of free markets and free societies to deliver prosperity. Aid as part of a coherent development policy has the potential to unleash growth *and* save lives.

3. Mutual benefit in Britain's national interest

Britain punches above its weight on the world stage. Our cultural, intellectual and economic exports are central to our prosperity, and a smart development policy is also a crucial tool of our foreign policy. Sir Paul Collier has termed this *mutual benefit*,ⁱ and with poverty reduction as our priority, there is much to be applauded about such an approach to development: allowing us to export the best of Britain and grow our global reach while helping countries to stand on their own two feet.

A more prosperous world will lead to a more prosperous United Kingdom; our own wealth and prosperity depends on the bonds we forge with the rest of the world. As we *seize the exciting opportunity to strike deals with old friends and new partners*ⁱⁱ, we need to work hard to create opportunities for trade. Helping developing economies to grow creates strong trading partners for the future, building vibrant markets for British businesses *and* building a route out of poverty.

4. Value for money

*There is no such thing as public money, only taxpayers' money.*ⁱⁱⁱ We cannot spend money on development simply because we believe it to be the right thing to do – we have a duty to work within the parameters of public confidence. But we must not be afraid of challenging and expanding these parameters, and making the case for interventions that are not easily sold to a cynic but can have a real impact on the ground. Polling and research make it clear that the public will support a credible, coherent case for development that is underpinned by evidence of impact – it is up to us to make this case.^{iv}

Fiscal responsibility is central to this. British aid and development must provide demonstrable value for money for the UK taxpayer. Value for money is not an abstract concept – when lives are at stake, we must be ruthless about efficiency, transparency, and every single pound we spend.

However, we must not be blinkered by defining prosperity in purely financial terms. The Legatum Institute, who have tracked global prosperity for the past decade, describe prosperity as *the joy of everyday life and the prospect of an even better life in the future*.^v While impact must be measurable, it cannot be exclusively rooted in financial metrics.

By definition, when UK aid is required, it is because the market, the state and civil society have to some extent failed to deliver prosperity. We are setting ourselves hugely difficult tasks. We should accept that, working in some of the world's toughest places, it will not always be possible to achieve our objectives. But it is crucial to learn from mistakes to improve future provision, and at every turn we should strive to ensure the maximum development impact for every pound of taxpayers' money spent.

5. Soft power – a safer, stronger United Kingdom

British aid transforms the lives of the world's poorest people, whilst also acting as a vital pillar of our foreign policy – helping to increase the country's influence across the globe. Alongside our famous cultural exports and our peerless armed forces, the role that the UK plays in helping those less fortunate pays major dividends. In supporting democratic elections, helping to uphold the rule of law, promoting equality, and supporting girls through school, development projects British values of freedom, justice, and tolerance around the world.

The 0.7% commitment stands alongside the 2% pledge to national defence as the combination of soft and hard power that solidifies Global Britain's role in the world. We are a serious, global player thanks to these twin commitments.

Our aid budget opens doors at the highest level – we can negotiate on behalf of the British people, at times securing critical national security objectives without putting our citizens in harm's way. This approach keeps us safe, makes us stronger, and builds bridges across the globe. While the primary purpose of all our aid spending should be development, we must always consider the diplomatic implications, and the impact on Britain's place on the world stage.

6. The best of Britain at home and abroad

There is a long, proud history of ordinary British people doing extraordinary things in the name of freedom and fairness overseas. This is true at home too, when we think of Red Nose Day, or the countless other everyday acts of generosity – from sponsored walks to church fetes – that add up to tens of millions of pounds for the world's poorest people every year. Our aid budget means living up to the best of British values – and British people are right to feel tremendously proud of the impact their money is having overseas.

Market forces and the ingenuity of British scientists have been key to the huge development progress that has been made in the last thirty years – but only because British aid has helped to create demand, and reduce the risk of investing in the world's poorest places, and for the world's poorest people. It is not enough for a British giant like GlaxoSmithKline to make discoveries, it needs strong health systems to exist so that they can be rolled out at scale and become cost-effective. By helping to lay the foundations, British aid creates the conditions for life-changing innovation.

British development assistance must offer the best we have, and provide the help that only Britain is capable of. The UK's response to the Ebola crisis in 2014 and 2015 was a great example of this, putting our world class NHS workers and armed forces personnel to the task of fighting a disease that was taking thousands of lives and setting development back years. We must always ensure that our development policy makes the best use of our country's talent, expertise and resources, making the difference that only Britain can make.

Policy in practice

In order to put this vision for development into practice, we must ask five questions of every intervention that we make:

1. Will it set the world's poorest people free?
2. Will it make the world more prosperous?
3. Is it of mutual benefit to the British people, and is it making the most of the best we have to offer?
4. Will it make us safer and stronger?
5. Does it offer value for money? Can we maximise the return on our investment, both for British taxpayers and the world's poorest people, and guarantee impact?

In applying these questions, we propose eight priority areas for British development policy. Across these areas, our questions are answered to varying degrees, but critically, they are mutually reinforcing and, taken as a whole, meet all five criteria.

Saving lives

One of the most fundamental roles of a donor of international aid is being first on the scene in times of crisis – keeping desperate people alive by providing food, medicine, vaccines, and access to services otherwise crippled by war, poverty or natural disaster. This must remain central to the role of British aid, but to ensure that humanitarian response provides the best possible value for money, its progress must be cemented by patient, long-term development work in fragile states.

Case Study: The Sierra Leone Mudslide

When the recent mudslide struck in Sierra Leone, DFID was already well-placed to respond. The UK Government had been at the forefront of the work to tackle the Ebola outbreak that swept the country in 2014 and 2015, when thousands of British aid workers, armed forces personnel and NHS staff deployed to assist. As part of this work, DFID worked with the Sierra Leonean Government to build the country's resilience to future shocks, prepositioning critical supplies such as food and medicine, as well as providing training on emergency operations.

This work has paid dividends as it allowed a fast and effective response to the mudslide, complemented by additional DFID support to ensure that all those affected had clean water, sanitation and shelter, as well as providing trauma counselling to children. This foresight not only saved lives but also money, and the speed at which DFID was able to react, along with partners from UK NGOs, meant that the impact of the tragedy on the country's development was reduced.

Creating jobs

Using economic development to unleash the power of markets is vital to bringing about prosperity. Stimulating investment in key sectors and providing much-needed capital through vehicles like the UK's Development Finance Institution, CDC Group, can create much needed jobs and spur growth in the poorest countries where the private sector is weak. This is complemented by streamlining cooperation between British companies and entrepreneurs in the developing world – facilitating agile investment in new sectors and peer-to-peer lending. Connecting world-leading tech clusters in Dundee or Cambridge with the new tech hubs in Lagos, Nairobi and Addis Ababa would expand opportunities, build bridges and spread British expertise.

Case Study: CDC Investment

The Export Trading Group (ETG) is a pan-African agribusiness that procures 'at the farm gate' and provides farmers with logistics support, fertilisers and farming equipment. ETG has diversified to also become a processor and distributor of agri-products, providing African farmers with an expanded market for their produce. Investment from Britain's development finance institution, CDC Group in ETG has helped the company expand to provide 8,000 jobs in more than 30 African countries. Approximately three million people benefit more widely from ETG, notably smallholder farmers. In many countries women make up 40% of ETG's local workforce.

Providing quality education and training

However, growth must be sustainable and accessible by all. This can be achieved through investment in education – from the early years, through to training and skills to help people take advantage of new technologies and growth in new sectors; empowering the world's poorest people to build their own futures. With the average displacement of a refugee now lasting 17 years – longer than an entire school career – embedding education in humanitarian response is critical to ensuring that there is no lost generation, and that countries can rebuild after crisis.

Supporting good governance

Poor governance compounds poverty. Strong institutions are vital – not only to provide public services, but also to give private companies the confidence to invest and grow the economy. Exporting British expertise is a powerful way of helping to strengthen the capabilities of Governments in key areas like tax collection, which ensures that domestic resource mobilisation can fund the services that support the poorest people. In some circumstances, targeted budget support is also critical. Small amounts of support – both technical and financial – to key ministries can ultimately help countries move away from their dependency on external assistance, by supporting effective government. This can also be an effective way of building country ownership of development, rather than sustaining a dynamic based on vertical interventions from external actors.

Case Study: Tax Reform

DFID's work with governments to help them improve their tax systems can revolutionise these countries' ability to raise their own funds, and provide services for their citizens, making them less reliant on aid. Rwanda is one powerful example, where revenue was trebled over eight years, drastically improving health and education outcomes in the country, but it is not alone. In Burundi in 2010, DFID helped to establish an independent Revenue Authority, which increased the Government's ability to raise money, to the extent that revenue from January to June 2011 was almost 40% higher than during the same period in the preceding year. This increased ability of a government to raise the taxes owed to it translates very simply into more children in school and better health provision.

Putting power into the hands of people

As Conservatives, we believe that assistance in building government institutions should go hand-in-hand with strengthening judicial institutions and civil society organisations. Enshrining the rule of law and civil rights is a key condition of economic growth long-term. It should be a key goal of British foreign policy and UK aid should enable this. While supporting the institutions of states, we must also strengthen the checks and balances vital to a functioning democracy and giving a voice to the most marginalised. This means using aid to grow the capacity of civil society, but also ensuring that a that a percentage of any aid to governments is used to help ordinary citizens track where the money is going.

Building resilience

Protecting countries from future shocks is vital – ensuring that climate change, natural disaster and conflict do not signal the end of prosperity and the return to a reliance on subsistence aid. This must also include the resilience of development programming – particularly in fragile states – to ensure that projects can adapt when a crisis strikes, releasing funding to mitigate its impact, so that existing progress is not negated. We should accept though that this is a case of risk and reward – in the toughest places on earth not everything will always go to plan, but this is a price worth paying for the impact we can have.

Case Study: The Centre for Global Disaster Protection

This year DFID announced a partnership with the World Bank and the German Government to create a Centre for Global Disaster Protection in London. It will support the poorest countries to strengthen their disaster planning and get finances in place before disaster strikes, so they can better manage the economic impact of emergencies and build their resilience.

Every pound spent on working to actually prevent a drought or flood turning into a disaster saves around three pounds in humanitarian assistance, so the centre's work to ensure that developing countries are better prepared will save money as well as lives.

Strengthening health systems

Health system strengthening is the most critical element of resilience – ensuring that countries are equipped to cope with disease or disaster, and making them less reliant on emergency aid. Moving away from vertical interventions, such as the direct provision of services, to systemic support can ensure that countries can keep their whole population healthy, and continue to function in the face of major shocks. This utilises the UK's unique strengths and expertise in health care, and requires the input of British business and research institutions to deliver and roll-out major breakthroughs.

Case Study: Health Systems Strengthening in Ethiopia

Alongside delivering medical care in emergencies, DFID invests heavily in building self-sustaining national health services. This includes providing technical assistance to governments and health providers, policy advice via a network of health advisers and some direct funding to government departments of health, although the latter represents a decreasing proportion.

In Ethiopia, DFID support has enabled over 30,000 community health workers, known as Health Extension Workers (HEWs), to be trained. Health services are now available to rural communities that previously did not have access. By 2014, primary care coverage had increased to 93%, close to universal coverage, from 77% in 2005 and 30% in 1991. Provision of preventative health care and basic treatment for conditions such as malaria, diarrhoea and pneumonia by HEWs has been credited for rapid improvements in health outcomes, including Ethiopia's achievement of its child mortality Millennium Development Goal in 2015.

Catalysing international efforts

The UK's role as an international development superpower gives us the ability to influence the approach of other nations as well as multilateral institutions. We should always seek to amplify our work by encouraging others to complement it, and using our clout to reform institutions that are not sufficiently focused on the poorest people, and crowd in funding to neglected areas. This means that British aid can have a greater

impact than the sum of its parts, encouraging those who share our values to follow our lead in applying them to their work on behalf of the world's most desperate people.

Case Study: The Family Planning Summit

Nearly 30,000 teenage girls die as a result of pregnancy or childbirth every year, making it one of the world's biggest killers of adolescents. By convening a global moment on family planning in July this year, DFID urged others to follow its lead in working to change this, by increasing the availability of family planning services in developing countries, and tackling the barriers to access, such as cost and social norms.

Not only did the UK Government make a commitment that will save a life every 90 minutes up to 2022, but three new state donors joined the FP2020 initiative, and eight existing donors made new commitments, alongside 16 private sector organisations and nine civil society groups. Most importantly, the Summit was a powerful convening moment for developing countries, who made commitments to increase the prevalence and availability of modern forms of contraception. DFID's convening power helped not only to raise vital funds, but to work towards a sustainable improvement by increasing ownership of the issue by the Governments of developing countries.

Where next for Conservative development policy?

We hope that this paper will be the beginning of a new conversation on Conservative development policy – we want the party to take pride in its commitment to the world’s most vulnerable people, and interrogate at every step whether we are fulfilling it to the best of our abilities.

As part of this, we must strive to broaden engagement in development, across the party’s members, supporters and elected representatives – it is essential to sustaining political and public support for British leadership in saving and transforming lives in the world’s poorest countries. A Conservative commission for international development policy could lead this discussion, soliciting input from across the party. A Conservative parliamentary caucus on international development could cooperate not only to support DFID in Parliament, but also to hold the Government to account, and push it to be ambitious and innovative in its efforts for the world’s poorest, while making the Conservative case for international development to the electorate.

Reinvigorated Conservative thinking on International Development needs a home, and it is important that there is an institution that can foster the innovations of the future, in the way that the Centre for Social Justice has done so effectively for policy relating to domestic poverty. While academic establishments such as the Overseas Development Institute provide invaluable research, a policy hub is required that can tie this thinking to Conservative values, putting the brightest brains on the centre-right to the task of shaping our role in building a better world.

We must improve the way we engage the public in development, and be innovative about the way we communicate the success of British aid. As people who have seen first-hand the difference that our assistance makes to those who need it, the necessity of British aid is beyond doubt, but to those for whom it feels distant and abstract, it can too often be a target for cynicism. Initiatives such as International Citizen Service and DFID’s Aid Match programme are good ways of increasing public understanding and ownership of aid, but as a party we should find ways to spread the spirit of Project Umubano, the Conservative social action project founded by Andrew Mitchell – connecting Brits with the difference they can make abroad.

We must also make clear what has changed – since DFID has had Conservative Secretaries of State, vast improvements have been made in terms of the transparency and accountability of British aid, and many of the criticisms levelled at it are now long out of date. The Conservative spirit of reform has had real impact in our aid budget. We should never forget though that taxpayers are right to be cautious about the ways in which their money is spent abroad, and there is more work to do to improve the efficiency and efficacy of aid.

We should not shy away from the fact that there is electoral advantage in getting this right - successfully harnessing the best that Britain has to offer in response to the world’s toughest problems and gravest crises. It is not insensitive to acknowledge this. Indeed, as the Conservatives lead the UK onto its new course outside of the EU, a commitment to development will be an important rejoinder to those who fear a retreat from the world stage. After an election at which we saw, to our cost, an increase in the youth vote, a strong internationalist stance that puts the poorest first can also be an important part of our appeal to a new generation of Conservative voters.

In Government, we have the opportunity to put our Conservative ideals to work not just for the good of the country, but the world. If we can embrace an unashamedly Conservative approach to international development, we will boost our ability to save lives, reduce poverty, fight disease and increase prosperity. We can cement not just a commitment to International development, but a vision for how we as Conservatives approach it – this will better serve British taxpayers and better serve the world’s most desperate people.

Acknowledgements

The authors wish to thank the following people for their assistance in the production of this paper: James Dray, Eleanor Wolfson, and Alastair Russell.

ⁱ Sir Paul Collier, *The Ethical Foundations of Aid* (2016).

ⁱⁱ The Prime Minister's speech to the G20 (July 2017)

ⁱⁱⁱ Prime Minister Margaret Thatcher's speech to Conservative Party Conference (October 1983).

^{iv} *Britain Thinks*, (commissioned by Save the Children, February 2016).

^v *The Legatum Prosperity Index 2016* (November 2016).