

## **THE AUSTRALIAN EXECUTIVE SERVICE OVERSEAS PROGRAM (AESOP): TEN YEARS ON**

Address by Senator the Hon Gareth Evans QC, Minister for Foreign Affairs and Trade, at AESOP's 10th Anniversary Dinner, Australian National University, Canberra, 24 August 1992

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I have always thought that a good measure of the stature of an organisation is the classiness of its acronym. There are similar organisations to AESOP in a number of other countries - devoted to creating opportunities for retired executives (and in some cases those not yet retired) to make a voluntary contribution to development assistance by placing their expertise and experience at the service of public and private enterprises in developing countries: for example the Canadian Executive Service Organisation (CESO) and the United States International Executive Service Corps (IESC). But none has a name nearly as neat, or as evocative, as "AESOP".

I am thinking not so much about AESOP as a source of fables, though no doubt there are those aplenty in any organisation reaching its tenth birthday, and quite a few stories are very well told in the booklet AESOP - the First Ten Years that I have the pleasure to be launching tonight. I will certainly spare you the prospect of some moralising tale of my own about birds and furry creatures: I have had quite enough of both in the Senate recently. Rather, the thing that appeals to me particularly about your acronym, bearing in mind the history of the real life Aesop of the 6th Century BC, who spent most of his years as a slave but one whose advice was sought by the Kings of the age, is the connotation it conveys of wisdom and robust common sense combined with slavery: no doubt characterisations which most of your volunteers would readily accept.

AESOP is a non-government organisation in many ways quite unlike any other. Given its beginnings as a cooperative venture between the Australian Development Assistance Bureau (as AIDAB then was) and the Confederation of Australian Industry, AESOP was in fact designed to provide a special link between the Australian business community, the Australian Government and the private sector in developing countries.

Like other NGOs, you work with counterpart organisations, but your counterparts are usually local businesses and other private sector organisations rather than either community organisations or government departments. Indeed, more than half of your projects have been in the business sector: if public utilities are included, this figure expands to over 70 per cent.

I am impressed by the way in which, at the Australian end, AESOP has maintained a sharply practical economic focus in dealing with government. As far as I am aware, AESOP is the only NGO that has developed close links not only with AIDAB but with AUSTRADE. I warmly encourage you in your efforts to gather information for AUSTRADE on commercial opportunities that you identify during your assignments. Having such a talented band of spotters is a great asset to AUSTRADE's work. A good example of this process at work is given in the "Ten Years" booklet:

The Solomon Islands Housing Authority wanted to help in improving inventory control. The Authority told AESOP that some items were not available when required whilst others were over supplied. For example, the stock of one inch nails was expected to last twenty years. Volunteer Bill Shapcott found that 50% of items were either out of stock or nearly exhausted, a situation he was able to rectify. At the end of his assignment, the General Manager reported that he had done an excellent job in shorter period than had been expected. A benefit to Australian trade was also a result. Using his own connections and those of AUSTRADE, Bill was able to improve Australian sourcing for many items.

Rapid growth and remarkable energy seem to be hallmarks of the AESOP style. Since your organisation started work, AESOP has undertaken more than 350 projects in 19 countries - over 180 of them in the last three years. You have well in excess of 700 volunteers on your books, more than 200 of whom have actively participated in AESOP projects.

Your overwhelming focus to date has been on the island countries of the Pacific, and that is a focus that the Government supports and encourages. I understand that you have hopes of extending your existing operations in South East Asia, Africa, the countries of the Indian Ocean, and China. Certainly many countries - not just the Pacific Islands - have a real and often pressing need for the type of assistance that organisations such as AESOP can offer. Cambodia springs readily to mind as a case in point, where rehabilitation is needed at all levels, and where Australia's continuing role is both sought and appreciated.

AESOP programs make three distinct kinds of contribution, each of them enormously valuable and about each of which I want to say a few words. In the first place, there is the sense of pride and worth and personal enrichment the AESOP experience gives to its volunteers. You are imparting management and technical skills to people in countries who need and appreciate them; you are contributing to improving the standard of living of the present generation and the training of the next; you are building new and lasting networks of human contacts that cannot help but benefit Australia's foreign relations; and most of you are doing this at a time in your lives when Australian society has judged that there is little or no further economic contribution you can usefully make!

You face in your volunteer postings all sorts of ups and downs along the way - splendidly

documented in the "Ten Years" booklet: hardships faced in coming to grips with new conditions, cultures and customs; climate; exotic illnesses sometimes associated with equally exotic foods. But equally clearly the positive aspects come through: hospitality, friendship, and above all the sense of achievement and of positive contribution felt by both AESOP volunteers and foreign clients alike. Apparently no volunteer who has ever submitted a report after an AESOP experience has ever said that he or she would not accept another assignment.

Secondly, the experience is obviously highly worthwhile and beneficial for the enterprises, and the countries, who host the assignments. The "Ten Years" booklet again reports a very high approval rating for the results of individual projects, and every client respondent has indicated that it would use AESOP's services again. Other times the benefits are immediately tangible - for example the business where the number of employees has increased from nine to 39, or the factory whose production doubles. Sometimes the benefits are less immediately visible, but in every case there has been at least some transfer of skills and understanding to ensure that jobs will be more effectively performed in the future - and by people who now understand anew the kinds of commitment that Australia and Australians have to their personal and economic development.

Thirdly, there is no doubt that the AESOP program - and each one of your volunteers through their personal efforts - have contributed significantly to the quality of Australia's foreign relations in the region. The Pacific, perhaps more than any other region, is one where the importance of person-to-person contact simply cannot be overstated, and AESOP of course excels in this.

The kind of aid provided by AESOP is, moreover, universally acknowledged by recipient countries (and indeed by the NGO community as well, who are sometimes even sterner critics) to be good aid. It involves assistance on a manageable scale, directly attuned to local needs, sensitive in its application, but contributing directly to economic growth by promoting greater efficiency and effectiveness - and, moreover, doing so largely in the private sector where a great deal of countries' dynamism and potential tends to be concentrated.

As you know, the Government has always backed up its recognition of the valuable contribution made by AESOP to development and to Australia's external relations, both political and economic, by providing substantial financial support. Last year, we gave AESOP more than half a million dollars in core funding. Indeed, over AESOP's ten years it has received more than \$2.5 million from the Government. While we have appreciated AESOP's efforts to make itself less dependent on government funds for the necessary costs of administration, and getting volunteers to their assigned locations, we have also had to accept that it simply has not been easy to do that, and if AESOP's work was to be able to expand to meet the demand for it, the Government would have to do more.

So, as by now most of you will have heard, in the Budget brought down last week, we announced a one hundred per cent increase in our core funding for your organisation, bringing it this year to just over one million dollars.

In addition, provision has been made for a special training fund of \$95,000 for local company directors in the Pacific countries, whose role AESOP has rightly identified as an important component in the development of the small business sector. As your Managing Director, Rod Cheatley, has said, even the best managers will fail if the directors above them do not understand their responsibilities, duties, and their relationship with management.

It was not easy to achieve this result in what was obviously this year a difficult budgetary environment. It is hard to hold the line on the aid vote in any year, and doubly so where there is increased demand for domestic expenditure combined with significantly reduced government revenues. But there are a number of aspects of this year's aid budget which we are pleased about.

First and foremost, the ODA to GNP ratio, which is the internationally accepted comparative indicator of donor performance, has been maintained as last year's outcome of 0.36 per cent - and in fact represents an increase over the 0.35 per cent which was projected at the time of last year's Budget. We are on our way, I hope, to reaching the ALP interim platform target of 0.40 per cent by 1995 - but it is a little too early to start holding breaths at this stage!

There are a number of fairly constant elements in any aid budget. We run country programs of substantial size in each of our nearest developing country neighbours, and provide substantial funds to a range of multilateral organisations, including United Nations development agencies, the World Bank, and the Asian Development Bank. But as well as these programs, this year we have found room for a number of new initiatives.

The increased allocation for AESOP was contained in a special \$25 million poverty alleviation package. Other components of this initiative include \$15 million for NGO programs, \$4 million for population planning work, \$3 million for HIV/AIDS assistance, and another \$3 million for initiatives to support women and health programs.

The amount set aside for research in agricultural research has gone up by \$3 million. As Professor Derek Tribe demonstrated in his book 'Doing Well By Doing Good', much of this research provides substantial benefits to Australian primary producers. I must say that such facts make arguing for increased aid allocations in the Cabinet very much easier.

Allocations this year for Vietnam and Cambodia are \$16.4 million, and \$12.8 million

respectively. In the case of Vietnam, this reflects our interest in assisting Vietnam's efforts to reintegrate itself into the international economy and the potential for Australia to participate in the benefits flowing from Vietnam's economic development. In the case of Cambodia, Australia continues to have a major interest in the consolidation of democracy in which rehabilitation and reconstruction will play a central role.

Our commitment to sustainable development also continues. Funding for the environment doubled last year to \$20 million, and is set to reach \$28 million this year. In addition, we anticipate that around \$12 million of DIFF mixed credits will go towards the transfer of green technology. I am glad to note that on environmental issues AESOP itself is moving with the times: for instance your proposal to run training programs on refrigeration and air conditioning systems appropriate to the South Pacific. It is for projects just like this that AIDAB's NGO environment initiative fund was set up.

May I conclude this recitation of some good things in the Budget - and there are plenty of them, despite what you may be hearing from Dr Hewson! - by mentioning that we have also set aside \$5 million for private sector links designed to enhance trade and investment between Australia and third world countries. This money will fund pre-feasibility and pre-investment studies, and enable us to undertake private sector exchanges and to get small scale demonstration projects underway.

Let me conclude overall by saying how much I and the Australian Government do genuinely value the role of AESOP in building links between Australia and the nations of our region. People-to-people work has great appeal and immediate impact. It can be effective in ways which larger bilateral or multilateral programs cannot be. AESOP can make connections with businesses in developing countries in ways which your colleagues in the NGO community sometimes find rather alien.

But like your colleagues in the more traditional NGOs, you know the value of working side by side with your counterparts. And you know that, as at the national level, the individual's motivation for being involved in the provision of aid is all about cooperation and mutual benefits.

The only problem is that too few Australians know enough about the excellent work of your organisation - not to mention the development work done by their government more generally. Tonight's occasion, and the "Ten Years" booklet - which I now declare duly launched - will hopefully do at least a little to remedy that.

So, my warmest congratulations to AESOP for ten years of work well done. I wish you well in your future projects, and challenge you to use your networks in the business community around Australia to promote greater awareness of, and support for, your country's aid effort in all its forms.

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