

**CARE Australia**

**Submission to the Human Rights Sub-  
Committee of the Joint Standing Committee  
on Foreign Affairs, Defence and Trade**

**Inquiry into the Link Between  
Aid and Human Rights**

**February 2001**

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## **Introduction**

This submission addresses one of the three terms of reference for the Inquiry, namely Number 2 which says:

“the utility of differing aid instruments and channels for advancing human rights, such as-

- project aid, for example for schools, hospitals and basic infrastructure;
- microcredit, particularly through institutions such as the Grameen and Women’s Bank, as a means of advancing the human rights of women;
- debt reduction of Heavily Indebted Poor Countries (HIPCS)”

The term “human rights” is taken to mean those rights identified by the UNDP (UNDP, 2000) rather than the longer 30 articles in the Universal Declaration of Human Rights (UN, 1948). The UNDP’s concise statement of human rights is as follows:

- “Freedom from discrimination – by gender, race, ethnicity, national origin or religion.
- Freedom from want – to enjoy a decent standard of living.
- Freedom to develop and realise one’s human potential.
- Freedom from fear – of threats to personal security, from torture, arbitrary arrest and other violent acts.
- Freedom from injustice and violations of the rule of law.
- Freedom of thought and speech and to participate in decision-making and form associations.
- Freedom for decent work – without exploitation”.

Three AusAID funded projects undertaken by CARE are used to illustrate the effectiveness of project aid and microcredit as means of advancing human rights. The projects in question are all modest in scale and thus are able to illustrate the impacts of a “typical” AusAID/CARE project rather than a larger project specifically conceived to advance human rights. Nevertheless, by specifically choosing to work with minority peoples, women, and other disadvantaged or socially marginalised groups, CARE is advancing the cause of such groups to achieve their fuller human rights.

The first such project is the “Multi-Level Livestock Bank for Poorest Women” (CARE, 2000) which is being implemented in Donglan County, Hechi Prefecture, Guangxi Zhuang Autonomous Region, China. The project commenced in November 1999 and will be completed in June 2002. The project targets women of the Yao (Mien), Miao (Hmong) and Zhuang minority ethnic groups. This targeting is consistent with host government policies. Donglan County is officially classified as poverty

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stricken, with nearly 20% of families living below the absolute poverty line (annual personal income less than AUD135). Furthermore, most of these families are food deficient 3-6 months of the year. Approximately 66% of farm outputs in the county are attributable to the efforts of women and a significant proportion of “household domestic product” comes from livestock raising. Unfortunately, most farmers are uneducated and this, combined with low incomes, means that modern animal husbandry skills are poor, especially with respect to producing goods for a market economy. However, their traditional farming skills and livestock rearing abilities are strong, and their indigenous knowledge very valuable.

The project aims to improve animal husbandry skills and thereby raise income and food security levels. A portion of the livestock, chickens or pigs, produced are consumed and some are sold for income to purchase staple food (eg. maize or rice), pay school fees, or pay for medical treatment. The project is providing training, money for purchase of livestock and an enlarged resource of healthy livestock. It has a budget of AUD387,449 (AUD266,176 of which is being provided by AusAID).

The second project is the “Rakhine Agroforestry Project” (CARE, 1999) being undertaken in a number of villages in Rakhine State, Myanmar/Burma<sup>1</sup> which adjoins Bangladesh. In 1991 and 1992 approximately 250,000 Muslim citizens fled from Rakhine to Bangladesh and by 1996 most had returned. Citizens returning to Myanmar/Burma from Bangladesh are often “extremely vulnerable individuals” (older women and men, disabled men or female-headed households). The project is developing the capacity of returnees to conduct sustainable, income-generating agroforestry activities and improving overall natural resource management.

The Rakhine project is targeted at 2,300 households which is about 5% of the current annual total returnee population. It commenced in February 1998 and will be completed in mid 2003 and has a budget of AUD1,298,635 all of which is being provided by AusAID. UNHCR funded a six month pilot phase of this project in 1997 totalling USD193,818.

The third project is the “Savings Mobilisation Project” (CARE, 2000) being undertaken in Battambang Province, Cambodia. Cambodia is still recovering from a twenty year civil war that saw one and a half million people killed and destruction of most civil institutions, including banks and similar financial institutions. The rural economy of Battambang Province and similar areas is largely dependent on short cycle activities, particularly rainfed rice production and fishing. Longer term agricultural activities, such as those based on livestock production or longer cycle crops, are greatly constrained by the shortage of affordable credit. Local moneylenders charge annual interest of up to 120% rendering finance for enterprise development inaccessible. When families are able to save they

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<sup>1</sup> Myanmar is the name recognised by the United Nations and by the government of the country in question. Burma is the name recognised by the Australian Government.

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normally accumulate gold, land or ruminant animals all of which are vulnerable to value fluctuations or theft and, in the case of animals, death. Also such savings are not in a liquid form.

The objectives of this project are to improve the financial security of 7,500 low income families by providing training in financial management, achieving regular saving by the participants and to improve the viability and transparency of existing savings banks. The project commenced in September 1999 and will be completed by June 2002, it has a budget of AUD522,923 (AUD392,192 of which is being provided by AusAID under the Australian NGO Cooperation Program - ANCP).

## **Advancing Human Rights**

### **Freedom from want and to engage in decent work**

All three projects have been effective in improving the standards of living of the target populations.

The Donglan County, China, livestock bank project, within its first year, achieved the following:

- “Mainstreaming” minority peoples to participate fully in the greater social system and adjust their economic production to a market economy.
- A dramatic improvement in livestock survival rates from baseline figures of 10-30% to 80%;
- A doubling of livestock growth and reproductive rates; and
- An increase in the value of household assets of AUD300 for nearly 80% of the participants.
- Advancing the cause of human rights of these minority peoples by the formation of voluntary associations, participation in decision making, and advancing the role of women, often among the least advanced members of this community.

The Rakhine, Myanmar/Burma, agroforestry project has been running for eighteen months of the three and a half planned years. It has:

- successfully negotiated community land certificates;
- engaged marginally above the target population of 2,300 households, with an average annual participation of 2,362;
- increased community awareness of the value of trees in general and the specific uses of particular species;
- provided skills to enable participants to develop agroforestry in deforested areas or in house gardens; and,
- established plantations on otherwise unused and steeply sloping land.

By achieving the above the project has increased the sustainable incomes of participant returnees.

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The Battambang Province, Cambodia, Savings Mobilisation Project achieved the following in its first ten months:

- establishing 7,734 people as active money savers leading to total deposits of approximately AUD54,500;
- granting of loans to 2,222 people, totalling approximately AUD110,600, for expansion of income generating activities;
- achieving almost complete (98%) compliance with repayment schedules over the subject period;
- established around 63 Village Savings Banks.

### **Freedom from Discrimination**

The three example projects are targeted at more vulnerable members of the community: uneducated rural women in Donglan County, returning refugees in Rakhine Province and low income families in poorly developed institutional settings in Battambang Province.

The Donglan County project will increase the incomes of 600 minority women and their families in a sustainable way, in turn benefiting 600 households representing approximately 4,000. The result will be a significant improvement in the status of these women who currently have little formal education and generally are amongst the poorest people in the province and country. Furthermore, the project has reduced discrimination against these minority peoples by prioritising them for external and host government assistance. It also raises their own self-awareness for broadened social interaction and knowledge of and experience with a market economy.

In Rakhine State the Muslim community was subject to discrimination leading to their exodus to Bangladesh. The agroforestry project has assisted their resettlement and integration with its predominantly Buddhist community. The returnees will be more self-sufficient in income and have a greater level of practical farming skills. These results will increase the social status of the targeted community. The most significant accomplishment in reducing discrimination against this land-less community has been to arrange for, at least some of the participants, 30 year land leases.

In Battambang Province the Savings Mobilisation project has enhanced the self-sufficiency and skills of about 4,500 poor people. This has reduced the risks of these people being exploited by extortionate moneylenders.

### **Freedom to Realise Human Potential**

The communities targeted by the example projects are all characterised by a lack of education and basic skills. In Donglan County 80% of the participants, women farmers, have never attended school. Statistics are not

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available for the Rakhine community but the Muslim community there is generally educated only in Qoranic tradition as formal education is limited to Burmese language schools. Battambang Province, like all of Cambodia, suffers from inadequate institutional support as a result of the civil war.

All of these constraining factors have been addressed, to varying degrees, by the three projects. In Donglan County, over the first 8 months of the project, 135 minority women were trained in animal husbandry and over the full life of the project 800 women will be trained, benefiting approximately 4,000 minority people in total. The resultant skill improvement will significantly enhance the income generating capacities of these households, enabling better standard of living to be achieved including better access to education and other social services.

In Rakhine State, during the first two years of the project, approximately 4,6000 participants received training in agroforestry and land management while a smaller group of teenage girls and women received primary health care training. Thus, the skills and knowledge of this minority community have been significantly improved.

In Battambang province, local financial institutions have been strengthened and people have become more knowledgeable about use of savings banks and financial planning generally. More tangibly, actual savings and access to affordable credit have grown significantly. Thus, peoples' potential to undertake a broader range of economic activities has been enhanced.

## **Conclusions**

This submission has examined the effects of three typical AusAID/CARE projects and shows that such projects can significantly advance certain human rights in the targeted communities. The rights most particularly affected are:

- Freedom from want and to engage in decent work;
- Freedom from discrimination;
- Freedom to develop one's human potential; and
- Freedom to participate in decision-making and form associations.

To a significant degree there can also be reduction in discrimination by the external culture and a positive assertiveness and self-awareness instilled in the target populations themselves to better deal with the broader community.

Thus project aid and microcredit can be very effective instruments for improving human rights. The degree of effectiveness is dependent on three key factors. The first is well-conceived project proposals that are based on a sound understanding of problems and address these appropriately with high quality project designs and adequate risk management strategies. The

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second is effective project execution which in turn requires sound management skills, sufficient in-country resources and links with appropriate local implementing partners. The third, and probably most important, is concurrent improvement in the institutional structures of the recipient community, without such improvements benefits from aid projects are usually not sustained.

Provided these factors are satisfied, significant human rights improvements can be achieved with modest investments in project aid. These improvements often benefit communities that have been marginalised and disadvantaged for many years. Due to the nature of NGOs' operational presence in the field at local levels, human rights improvements can be achieved in ways unimaginable through traditional multilateral or bilateral aid programs, which tend to be operated through the host government bureaucratic systems.



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