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RAMSI: $1.3 billion in Aid trauma without end

The Regional Assistance Mission to the Solomon Islands (RAMSI) has inflicted 'aid trauma' on the Solomon Islands and lacks a viable exit strategy according to a report written for independent aid watchdog AID/WATCH.

The Limits of RAMSI, suggests that mission, to which Australia has already contributed $1.3bn, has failed to build capacity and has left locals living in relative deprivation within the inflationary 'bubble economy' RAMSI has created.

While support remains for RAMSI as a security force, tensions are building, fed by resentment at inequality generated by the Mission. Further, Solomon Islanders do not see RAMSI as the successful 'state building' exercise suggested by many Australian analysts.

Author of the report Dr. Tim Anderson commented that the 'aid trauma' experienced through RAMSI is typical of the impact that many long term, wealthy foreign enclaves of aid workers deliver in developing countries."Rapid inflation, weakening of domestic institutions and growing local resentment at their relative deprivation beside highly paid foreign aid workers are acting to undermine support for RAMSI."

The report suggests that whilst RAMSI as a security force mantains broad support, bureaucratic inertia and lack of an exit strategy has left the mission limited in purpose and effectiveness.

"Once the crisis conditions subsided, foreign involvement in the administration and economic development of a sovereign country became a debilitating process for local people and institutions" said Dr. Anderson.

Co-Director of AID/WATCH Mr. Flint Duxfield said "Injecting over a billion dollars in aid money through a project with no clear long term purpose and no exit strategy was bound to create problems. While the Australian Federal Police and Australian companies have profited considerably from RAMSI, local Solomon Islanders are feeling the impact of inflated living costs and a loss of local capacity in areas now dominated by foreign consultants."

Since it was launched in 2003, Australia has played an influential role in RAMSI, providing $1.3bn in funding and supplying up to 90% of all RAMSI staff.

"The tensions in the Solomons are likely to be exacerbated unless RAMSI's purpose and exit strategy are clearly defined. New bilateral aid programs would best not be confused with this task." said Mr Duxfield.

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