



DOES THE GEOGRAPHICAL DISTRIBUTION OF AUSTRALIAN AID MAKE SENSE ?

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UNE

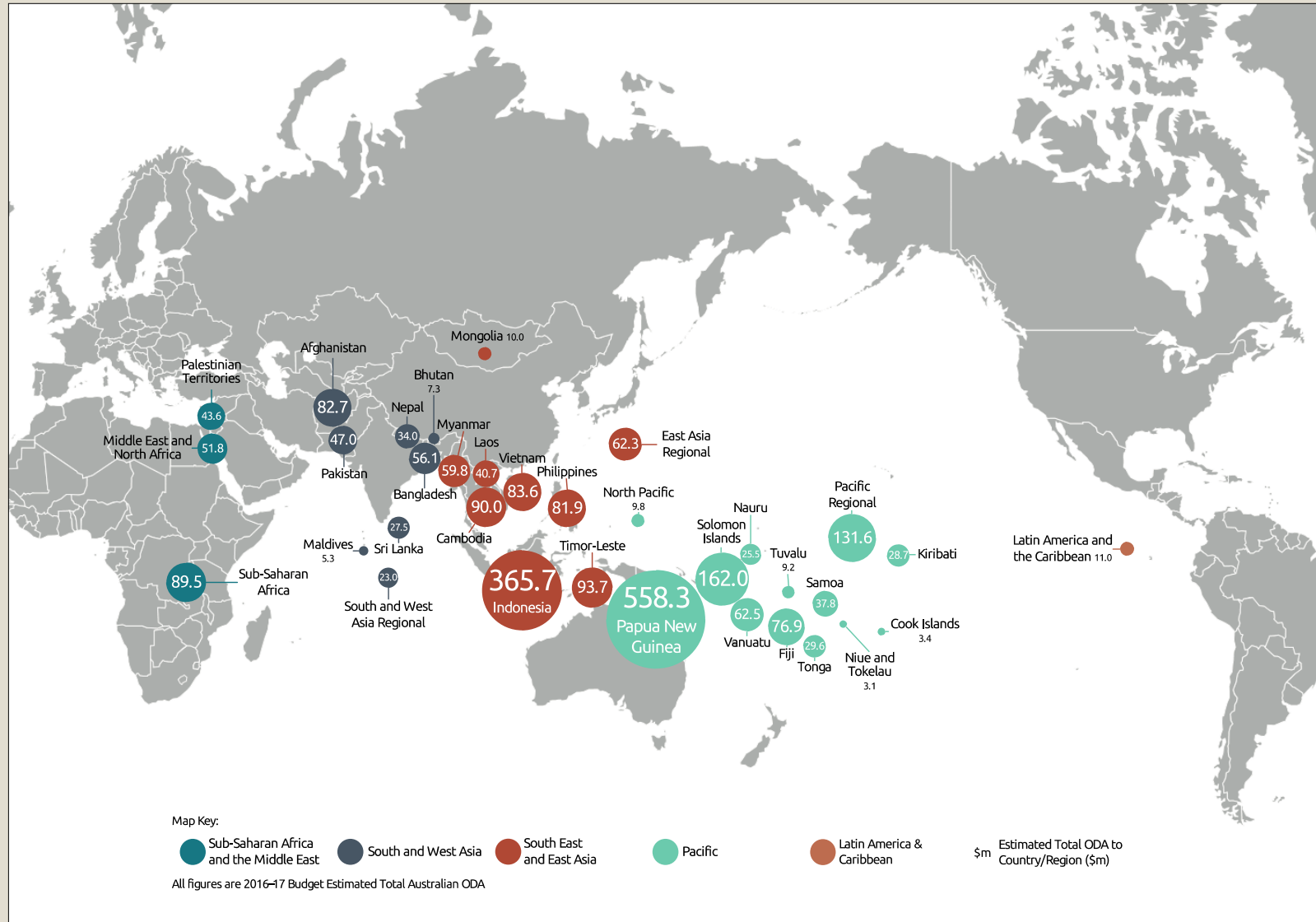


MAP KEY

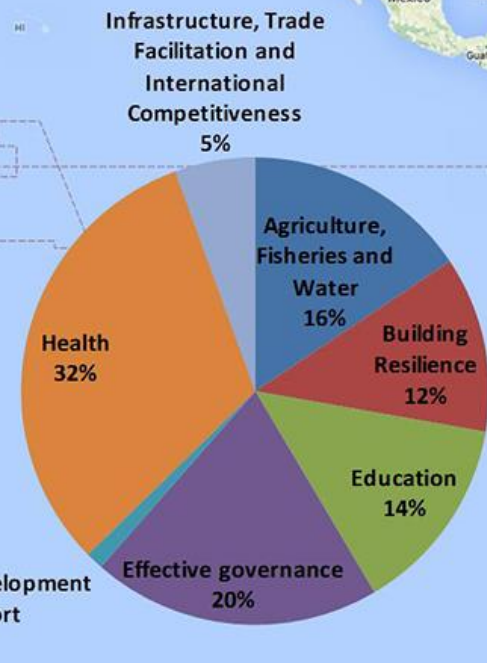
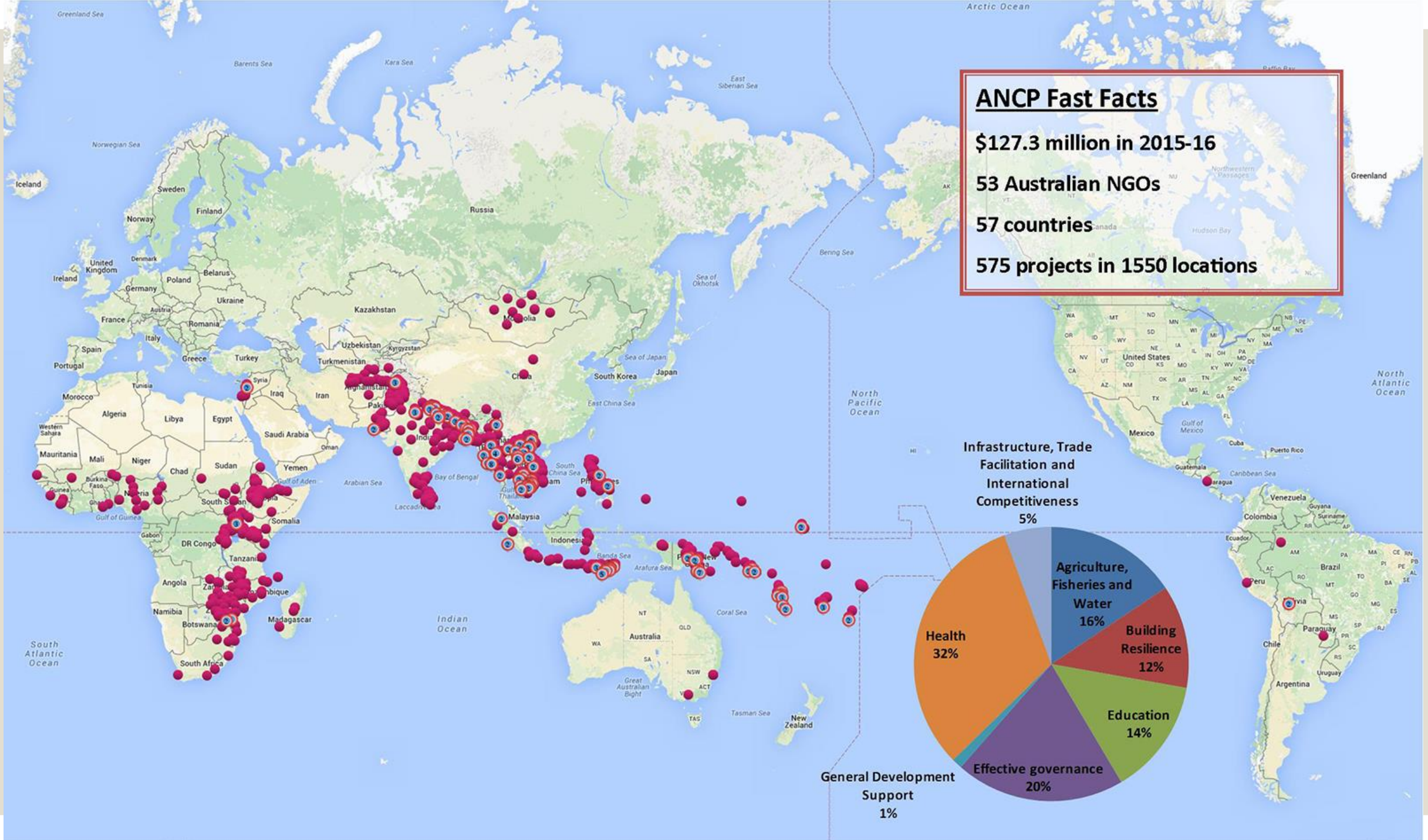
- Pacific
- East Asia
- South and West Asia
- Sub-Saharan Africa and the Middle East
- Latin America and the Caribbean



Figure 6: Where we give aid— Australian ODA by partner country and region for 2016–17



ANCP Fast Facts
\$127.3 million in 2015-16
53 Australian NGOs
57 countries
575 projects in 1550 locations



TRUMP State of the Union 31/1/2018

- “Last month ... I recognised Jerusalem as the capital of Israel.
- Shortly afterwards, dozens of countries voted in the United Nations General Assembly against America's sovereign right to make this recognition. American taxpayers generously send these same countries billions of dollars in aid every year.
- That is why, tonight, I am asking the Congress to pass legislation to help ensure American foreign-assistance dollars always serve American interests, and only go to America's friends”.

Reasons for giving aid

- Poverty/ need ***
 - Political ties**
 - Guilt/ former colony/ exploitation/ moral obligation*
 - Trade/ Economic diplomacy **
 - Support good governance*
 - Success /environment/ bang per buck**
 - Support human rights/opposition/gender**
 - Religion (some places this determine private donations)
 - Security/ military**
- * rating = how fully measurable the factor is/how much prediction required

Indo-Pacific

If the goal of traditional diplomacy is peace then the goal of economic diplomacy is prosperity. Syd Inst Speech 2014



WHY the Pacific ? GIVEN NET ODA PER CAPITA

- Pacific Island Countries \$398
 - Sub-Saharan African Countries \$46
 - Tuvalu \$4,513
 - Nauru \$2,505
 - Tonga \$643
 - Samoa \$484
 - Solomon Islands \$323
 - Fiji \$115
 - PNG \$74
 - All countries getting more than \$500 are PICs
 - No African country gets more than
- (Source WB)

RATIONALE : Aid Investment Plan

- “It is in Australia’s interest to ensure that country X continues to develop as a secure, stable and prosperous partner in the Info-Pacific region. Our aid program seeks to build X’s human capital to support economic growth with a focus on creating opportunities for the poor. As X’s economy grows, two way trade and investment, including in services, will also grow.”

Papua New Guinea

- PNG = number one recipient
- PNG almost perfect test case for aid where most needed v. aid where it will have most impact
- PNG is certainly in our region, & the majority of its people are certainly poor & underserved. Life expectancy 63 years
- Where PNG fails is to meet the/any criteria for good governance.
- Gender issues
- EDUCATION
- Meet local needs v transferable models eg. Pacific maths
- Stakeholders' Views – Where in the Pacific – poorest countries?

Australian aid to Afghanistan

- Canberra- Kabul= 11,348km Canberra-Lilongwe=11,283km.
- “Australia has provided more than \$1.34 billion in ODA to Afghanistan since 2001. While important gains have been made, 3 decades of war have meant that Afghanistan faces ongoing development, security and financial challenges. It remains one of the most difficult environments in in which we deliver aid.”
- Guilt Afghanistan \$83 million - Vietnam \$84 million -Cambodia \$90 million

Indonesia

- All aid to Indonesia from development banks, bilateral donors etc. constitutes less than 1% of GDP.
- Australia's second aid destination
- Indonesia is a close neighbour and an important partner in our bilateral, regional and global interests. A prosperous, stable and growing Indonesia is good for regional stability, security, trade and cooperation, Australia works with Indonesia to target the fundamental constraints to its growth and poverty reduction.
- Indonesia is both an aid recipient and an aid donor (the latter mostly for disaster relief).
- Plan for South/South Co-operation to 2025.
- Divergent views on Myanmar

MALDIVES

- “Australia has an interest in a stable and prosperous Maldives, underpinned by strong democratic institutions and a robust civil society”.
- Source: Maldives Aid Fact Sheet, Updated October 2017.
- Australian Aid to Maldives 2016-17 Country Programs \$2.2, Regional \$2.1
- Since 2007 Australia has provided 375 Maldivians with long-term and short-term scholarships to study in Australia [How many went home ? How many are in jail ?]
- “Australia works with UNDP to strengthen governance by building civil society, capacity supporting the Electoral Commission, increasing the representation and participation of women in (the) public sphere, improving legal aid and strengthening the capacity of justice sector institutions.”
- The Election Commission recently stripped 12 opposition MPs of their seats, and the Supreme Court made it impossible for pro-government MPs to defect to the opposition & keep their jobs -thus protecting President Yameen from impeachment.

Fiji – not a friend ?

- “Australia implements an integrated set of foreign, trade, security and development policies to advance our interests in Fiji. It is in Australia’s interest to support sustainable development in Fiji”. Aid Investment Plan Fiji: 2015-16 to 2018-19.
- Life expectancy has stagnated.
- Australia is Fiji’s biggest donor but all aid only constitutes 5% of GNI.
- “Australia will integrate climate change and disaster risk reduction considerations into all development investment in Fiji.
- Emphasis on the private sector. At least 10% of bilateral program will be allocated to gender equality and disability inclusion initiatives in each year.
- Fiji \$ 75 million Afghanistan \$ 83 million

Scholarships = Portable aid

- Scholarships represent aid on two feet
- Brain Drain – must they go home?
- Japanese view – aculturate friends for life - political impact (Mameloni)
- Unanticipated impact – Malawi HIV/AIDS
- Support human rights/opposition
- Have a world wide competition ?



Outrage? Questions ?

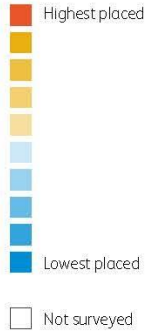
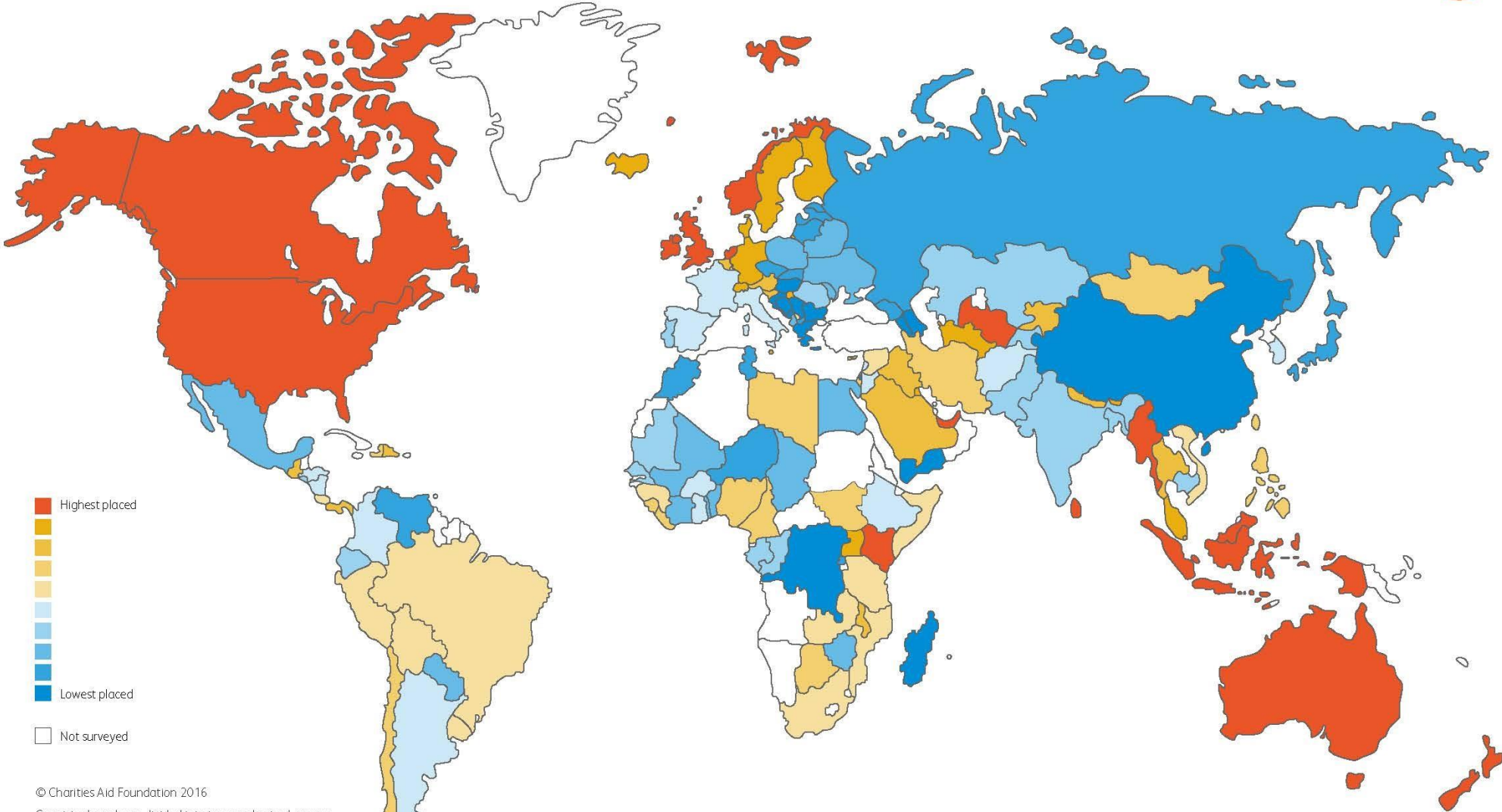




Geographic distribution within recipient countries

- Capitals always do well
- Remote areas generally suffer / liable to host secessionist movements
- Remote poverty = lack of infrastructure/ services

CAF World Giving Index 2016



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Only includes countries surveyed in 2015.