

Australia's Foreign Aid Dilemma: Humanitarian Aspirations Confront Democratic Legitimacy

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The puzzle:

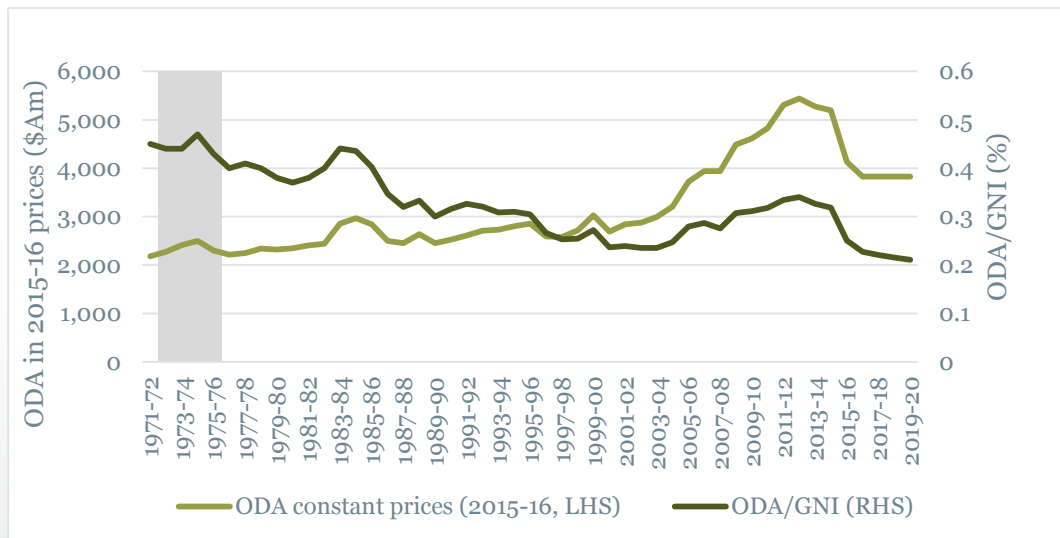
- The Australian aid program faces a fundamental dilemma:

how, in the absence of deep popular support, should it generate the political legitimacy required to safeguard its budget and administering institution?
- OR, in more social scientific terms, in the absence of strong public support, why does the aid budget and its administering institution rise *and* fall?

The approach / data

- **‘Court Politics’**: interpretive, historical, agent-centered.
- **Interviews**: More than 50 in-depth interviews, most of which were conducted from 2014-2016 with ministers, senior bureaucrats from across government, consultants etc.
- **Public record**: program reviews, annual reports, policy documents, budget statements, ANAO reports, DAC reports etc.
- **Archival material**: Cabinet documents (until 1990), private papers of key individuals (Morrison, Crawford), oral history interviews

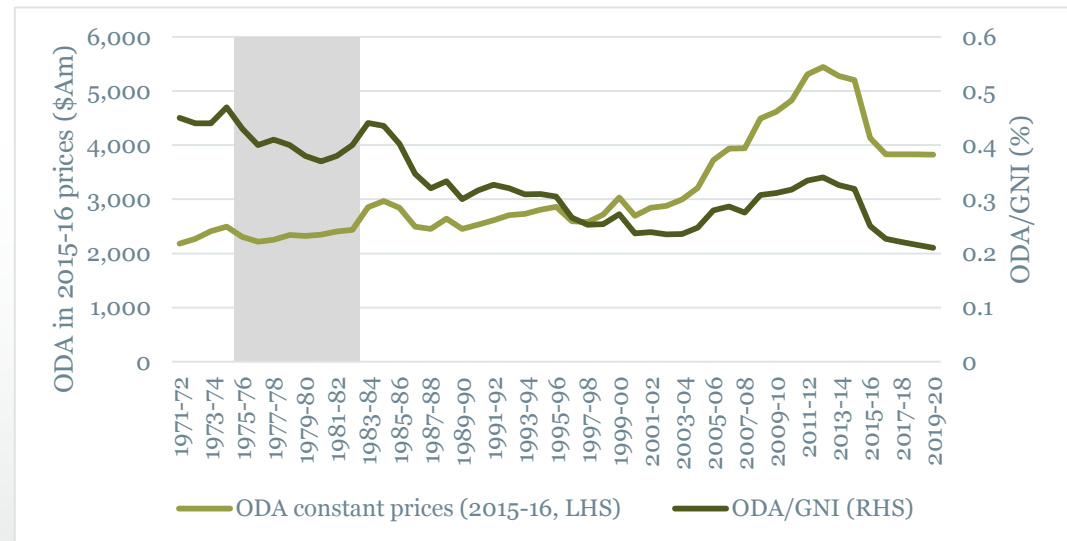
Part One - Whitlam



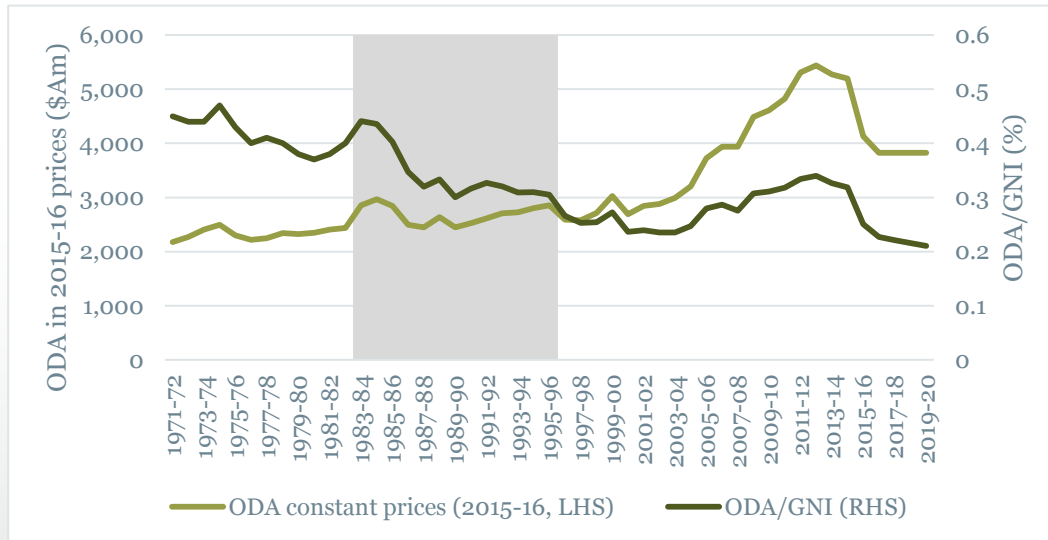
- **Highlights:**
 established ADAA;
 cut budget to PNG
- **Key factors:**
 decolonisation and
 international
 ‘mood’; Whitlam PM
 and MinFA; key
 advisers; budget
 crisis; bureaucratic
 antipathy

Part One - Fraser

- **Highlights:** abolished ADAA; cut budget; established ADAB; Lynch 'razor gang'; budget growth in the early 80s
- **Key factors:** bureaucratic rationalization; relationship between PM and MinFA; international commitments



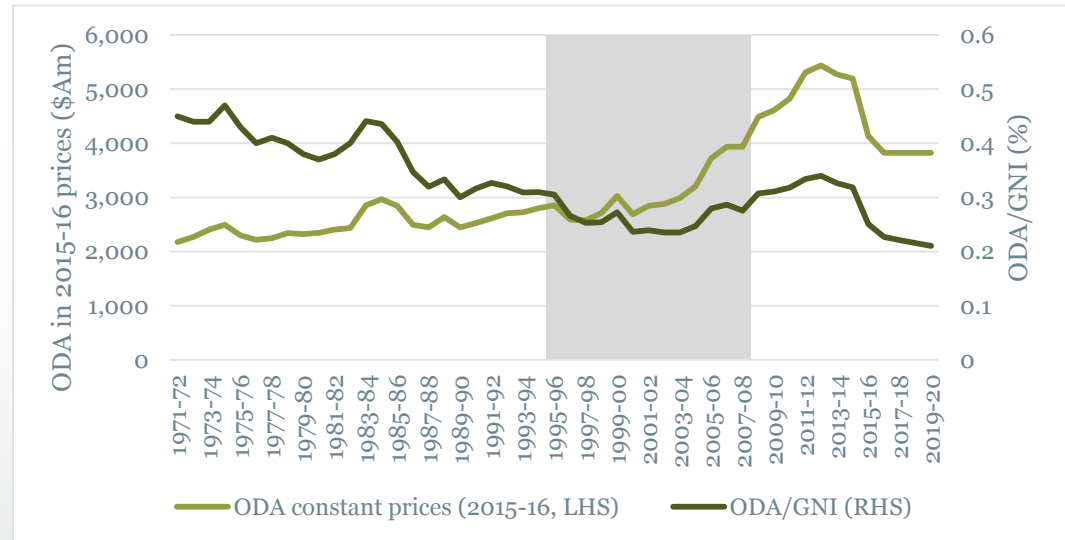
Part One – Hawke-Keating



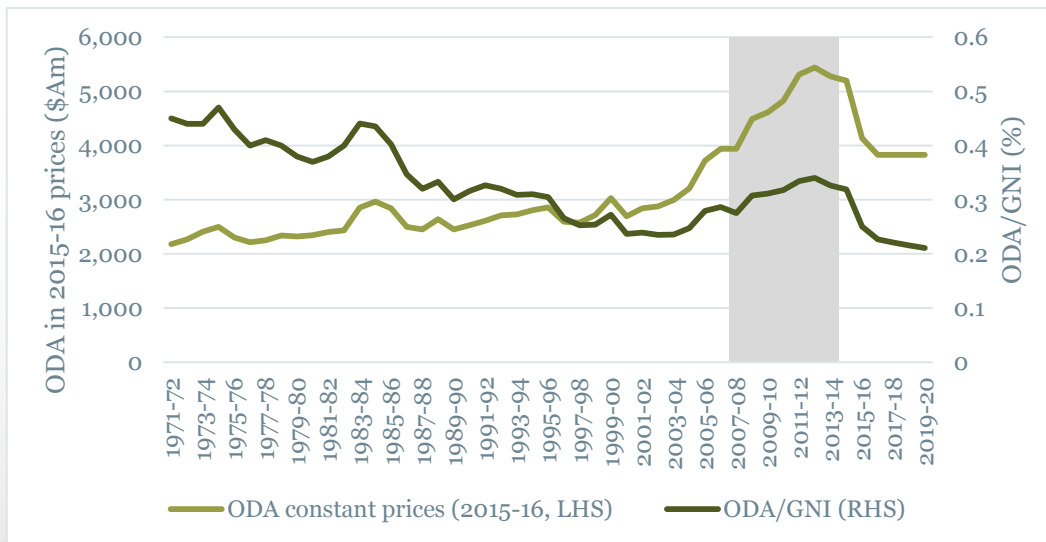
- **Highlights:** Jackson Review; 1986 budget cuts; slow budget increase during the 1990s; created AusAID
- **Key factors:** ministerial support; economic downturn; desire to win public support

Part One - Howard

- **Highlights:** budget cuts; abolished DIFF; Simons Review; 2006 White Paper; initiated the scale up
- **Key factors:** relationship between PM and MinFA; economic boom; interventionism / security-development nexus



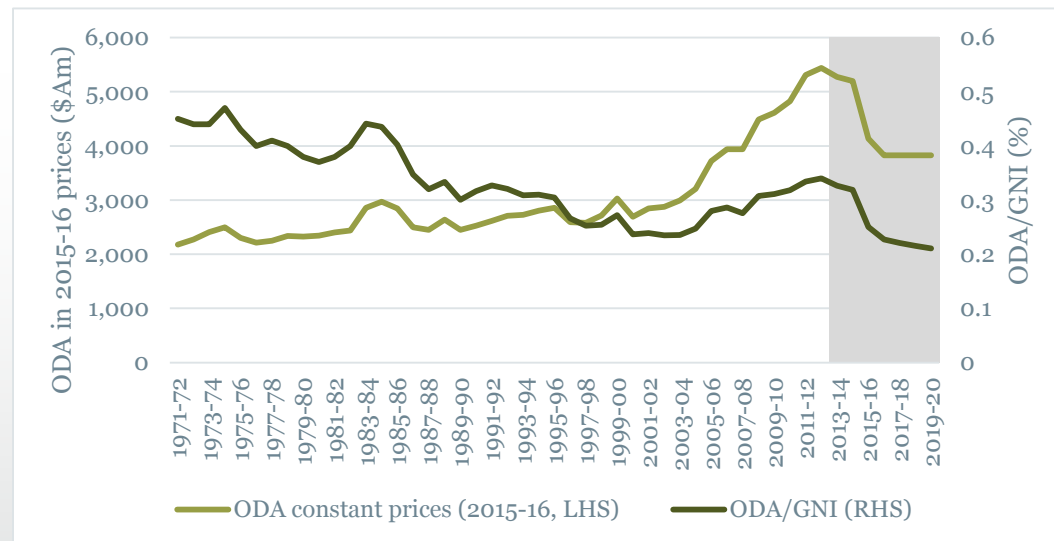
Part One – Rudd-Gillard



- **Highlights:** doubled the scale up; executive agency in 2010; Hollway Review; delayed scale up
- **Key factors:** Rudd

Part One – Abbott-Turnbull

- **Highlights:** abolished AusAID and the largest budget cut in Australian history
- **Key factors:** economic rationalisation; decline of the security-development nexus / interventionism; relationship between PM and MinFA



The argument – Part One

There are a number of lessons we can draw from this brief summary, including:

- 1. Individuals matter:** In the absence of deep popular support, executive discretion, and the personality, interest and departmental ‘courts’ of prime ministers and foreign ministers, are key to explaining the fluctuating fortunes of the program and its administering institution;
- 2. Parties don’t matter (much):** One consequence of the primacy of ‘court politics’ is that both of the major parties have a mixed record on aid. Historically the ALP has been more willing to grant the program autonomy from foreign affairs but this has not always protected the budget; and
- 3. Tenure matters:** With the exception of Whitlam and Rudd, incoming governments tend to cut the aid budget and narrow its focus early in their tenure before growing the program and expanding its scope the longer they are in office

The argument– Part Two

- **Policy legitimacy** stems from the fact that aid is a multifaceted policy tool that serves multiple objectives, simultaneously.
- The problem here is that while this inherent usefulness can safeguard the budget, it also leaves the program open to criticism on the grounds that it has been distorted from its core purpose.
- As a result, new governments typically attempt to clarify, truncate or reimagine the policy objective but later relax this stance, and grow the budget, the longer they are in office.

Part Two cont.

- **Technical legitimacy** stems from the claim that aid policy is complex and requires expert knowledge to deliver well.
- The issue here is that while appeals to professionalism have helped legitimise the aid program and a separate aid agency for much of the last four decades, they also heighten concern that an international community of practice has captured both.
- This anxiety tends to increase when the Australian foreign policy community perceives the program and its administering institution to have grown too large.

Part Two cont.

- **Administrative legitimacy** stems from the need to protect the minister and the government of the day from unnecessary risk by ensuring coherence in policy development and program delivery.
- The problem is that there are competing versions of coherence – one externally facing on a coherent foreign policy and one internally focused on coherent program delivery – that pull the program and its administering institution in opposite directions.
- When ministers and prime ministers have been comfortable with this inherent tension – the coherence of incoherence – the program enjoys administrative legitimacy.

The argument – Part Two

- In the absence of a strong public constituency, history shows that each form of legitimacy is incredibly difficult to realise and maintain.
- Successfully balancing all three over a long period of time has proven virtually impossible.
- The consequence is that the Australian aid program and its administering institution have been subjected to a perpetually tenuous existence.
- **The overarching lesson** for both scholars and practitioners is that any holistic understanding of the development enterprise must account for the complex relationship between the aid policy of the individual government and the domestic political and bureaucratic context in which it is embedded. If the way funding is administered shapes development outcomes, then understanding the ‘court politics’ of aid matters.

Questions?

