The Australian aid objective: COVID-19 and China

By Stephen Howes
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The various and evolving ways in which the Australian government has described the objectives of the aid program is a matter of enduring interest, at least to me. It speaks to how we think of foreign aid, and why we give it.

The Downer objective from 1996 is a good place to start. It was:

Advancing Australia’s national interest by assisting developing countries to reduce poverty and achieve sustainable development.

That formulation was perhaps too full-on, and in 2006 it was changed to the slightly more subtle:

To assist developing countries to reduce poverty and achieve sustainable development in line with Australia’s national interest.

The Rudd-Gillard government changed the objective to put even more emphasis on poverty and less on the national interest:

The fundamental objective of Australian aid is to help people overcome poverty. We work to improve the lives of those living in conditions far below what Australians find acceptable. We focus our resources and effort on areas of national interest, and where Australia can make a real difference.

When AusAID was integrated into DFAT in 2013, the objective reverted to a Downeresque formulation:

Australia’s aid program will promote Australia’s national interests through contributing to international economic growth and poverty reduction.

In 2014, Julie Bishop released her “new aid paradigm” but she didn’t change the objective:
Promoting Australia’s national interests by contributing to sustainable economic growth and poverty reduction.

And that was it until COVID-19 and the May 2020 Partnerships for Recovery document. In that, the objective of the aid program was defined in relation to COVID-19 response and recovery, but above that was articulated a new vision:

A stable, prosperous, resilient Indo-Pacific in the wake of COVID-19.

That vision, in somewhat modified form, has now been made the objective of the aid program, with the new international development policy declaring that:

The objective of Australia’s development program is to advance an Indo-Pacific that is peaceful, stable, and prosperous.

I don’t know how much it matters, but in my view this objective is problematic for three reasons.

First, the pre-COVID objectives were quite modest. They talked about aid “assisting” (Downer), “helping” (Rudd-Gillard) or “contributing” (Bishop). That modesty has been lost. Can aid advance prosperity etc., as against assisting in its advancement? Even when it works, aid is a minor determinant of national outcomes.

Second, leading off with the objective of a peaceful region is odd. The first two sentences of the section on the objective of the aid program (which are the first two of the report) are: “Our region is under pressure. We face the most challenging strategic circumstances in the post-war period.” I would have thought strategic circumstances were more challenging during the Cold War. But, leaving that aside, these sentences point to China, and therefore the objective of a peaceful region, which appears on the same page, is most naturally interpreted as an aspiration to avoid war, specifically war with China. There is a brief mention of peacebuilding on page 45 of the new aid policy, but that’s not what the objective of peace is about. I really can’t see how aid will prevent any armed conflict involving China, or any other power for that matter.

Third, formulating the objective of aid with reference to peace, stability and prosperity diminishes the importance of growth and poverty reduction. Poverty reduction is mentioned in the section on objectives but only as a requirement for achieving that trio of peace, stability and prosperity. This is quite different to the pre-2020 objectives which were clearly centred around poverty reduction and economic growth. Less importance for growth and poverty reduction leaves the door open for more importance to be given to diplomatic imperatives.
Whether one likes the new objective or not, it is striking how similar it is to the COVID-19 vision. The old days where the Coalition stressed growth and the national interest, and Labor poverty reduction and Australian generosity are long gone.

The entire COVID-19 strategy was done, as it had to be, in a hurry, and was meant to be temporary, for the COVID-19 period. And yet that strategy has clearly had an enduring legacy. Foreign policy perceptions and objectives fundamentally changed between 2014 (Bishop) and 2020 (COVID-19). That the Coalition’s COVID-19 vision for aid is now, essentially, Labor’s post-COVID-19 objective for the same shows how bipartisan the shift in foreign policy sentiment has been and how China, even though it is not mentioned in the new international development policy, is in fact front and centre.

For more on the early history of the objective of the Australian aid program, including references, see this 2013 blog.

All blogs on the 2023 Australian international development policy can be found here.

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