

Critique of Australian aid to Bougainville

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Abstract

This paper is a critique of Australian aid to Bougainville. The Australia aid to Bougainville has a similar scenario to aid used by the US and the USSR during the Cold War era to fight an ideological warfare. In their case, the US promoted capitalism and contained the spread of communism and vice-versa for the USSR. The rationale behind Australian aid to Bougainville may be the pursuit of security or economic interests; to demonstrate Australia's prestige of might and power; or for the welfare of Bougainvilleans. Findings of this study were that Australian aid to Bougainville was primarily for security interests above any other reasons, motives and justifications.

Key words: foreign aid, national interests, security threats/concerns, fragile states

Introduction

This paper contains a summary of a study conducted for the author's Honours thesis at the University of Papua New Guinea, Waigani Campus in 2006. It focused on exploring the motives or rationale behind Australian aid to Bougainville. Australian aid to Bougainville dates back to the post-World War I period in the early 1920s when various mission-run schools were assisted (Smith 1989). The aid amount to Bougainville became prominent after World War II and has been further increased during and after the Bougainville conflict from 1989 till the current time (Jennings & Claxton 2013).

Bougainville consists of a big island together with Buka Island and outer atoll islands. It is geographically located north-east of Port Moresby, the capital of PNG, which is north of Australia. Its landmass is approximately 8,730 square kilometers. It has a population of about 260,000 people, who are Melanesians (Oliver 1991; Braithwaite, Charlesworth, Reddy & Dunn 2010). The geo-strategic significance of Bougainville was evident during World War II, when Japanese captured the Island (1942) and used it as a launching pad to attack the Allied Forces. Eventually the Allied Forces took over the Island in 1943 and defeated the Japanese in the 37th infantry division's battle for Hill 700 (Frankel, 1997).

According to Nelson (1994) and Sengupta (1993), foreign aid has become quite a controversial issue in contemporary politics. Among many aspects raised, the query on whether donor or recipient interests are best served seems most prominent in the aid-debate. Foreign aid has been argued by many commentators to be a strategy use by states to pursue their national interests.

Among the interests states pursue with their aid are; economic, political and security interests. Aid is also argued to be given for the welfare of recipients or to demonstrate the donor state's prestige (Anderson, Dayna & Isabella 2012). This background serves as a basis to explore the literature related to foreign aid in contemporary politics.

Literature review

The contemporary literature reflects a pre-determined inter-relationship between securitization and foreign aid. In this regard, Spear and Williams (2012) contend that although the relationship between security and foreign aid in global politics currently attracts significant attention of policymakers and analysts alike, it is still not well understood in either theory or practice. In particular, the 2011 September 11 terrorist attack on the United States, where Al-Qaeda used Afghanistan as a launch pad, placed great emphasis on the so-called fragile (failed and failing) states or territories. States that failed to exercise juridical and empirical sovereignty, that is the ability to control the means of violence within their territory and to exercise legitimate authority, became a core problem that required security and foreign aid specialists. At the geo-political level, aid is critical in preventing enemies from using fragile states or territories to disadvantage security of the neighbouring states (Spear & Williams 2012).

Given this overview, foreign aid has become a necessary factor as a means of alleviating the causes of security concerns and threats. The rationale is to assist the fragile states especially in poverty reduction, improving law and order, and upholding good governance so they become self-sufficient and therefore not vulnerable to potential influences of enemies (other hostile states or organized groups like terrorists) of the neighbouring states. In fact Spear and Williams (2012) and Keeley (2012), consider that the war against terrorism will be won by addressing factors that causes state fragility.

Hence, foreign aid is used as a critical instrument for containing the behaviour of both recipient states/territories and individuals by addressing the vulnerability factors in the fragile states and territories. Mawdsley (2011) stated that, in addition to addressing the physical development factors, aid creates a social bond between donor and recipient states and territories by 'winning hearts and minds' of citizens in the case of counterinsurgency. Nelson (1994) argued that aid for security is more about self-interest of donors above charity for alleviating poverty.

This sets a scenario that the developed countries that are in the security arena now worry about factors of state fragility as a potential driver of terrorism and conflict. The presence of warfare or instability in fragile states creates tactical worries about security issues so attracts assistance by foreign aid when the neighbouring developed states recognize the need for a self-sufficiency of these states or territories (Sengupta 1993).

Based on analysis it can be deduced that a major factor involved in the politics of foreign aid is the presence of donor interests in the recipient states or territories. Foreign aid is used in attempt to achieve this goal or objective. In other words there is usually a potential concern/threat from the recipient state or territories posed to the donor state. This concern can be a security risk or an economic disadvantage to the donor states. If the donor state does not act accordingly to contain concerns or threats, it could be disadvantaged.

Australia is among the states that deal with the security issues of its neighbouring South Pacific states and territories. Brown (2012), Hollway, Farmer, Reid, Denton, & Howes (2011) and Wainwright (2003) argued that the fragility of many of the states in the neighbouring Pacific region created potential havens for transnational crime, money laundering, illegal immigration, arms smuggling, drug trafficking, and terrorism. These issues have been exacerbated by the inability of governments to control their respective borders, as well as the susceptibility of any economically weak states or territories to contain influences of well-funded criminal or terrorist organizations.

Hence, the fact that Australia is an aid donor sets a basis to explore the national interests built into its aid program. Such experiences were evident in cases including the Solomon Islands, East Timor and Bougainville a dependent territory of PNG from 1900 onwards. These states and territories experienced conflicts or unrest and attracted significant amounts of Australian aid. Hence, this study is primarily focused on investigating the interests Australia pursues with its aid programs on Bougainville.

Research method

The research methodology used for this study was a desktop study approach where data was collected solely from literature both hard copies and online sources. Data analysis was conducted through a document analysis approach which, according to Heffernan (2001), is a form of qualitative research in which documents are interpreted by the researcher to give meaning around a particular study area. Bowen (2009) also stated that this method describes the nature and forms of documents, outlines the advantages and limitations of documents, and offers specific examples of the use of documents in the research process.

For this case the type and amount of Australian aid donated to Bougainville was assessed against the given situations, (whether conflict, normal or post-conflict) of the period in which aid was donated. The increase or decrease in the aid amount served as an indicator to measure Australian national interests it pursues in Bougainville. The type of aid was also examined in an attempt to assess whether there were corresponding potential threats or concerns (either economic or security) posed to Australia specifically aimed to be contained within that period.

Given the difficulty to collect records of all Australian aid donated to Bougainville in the early 1900s to 2006 when this study was conducted, quantifiable analysis was not possible for this study. However, the type of aid given and the corresponding situation during that period (when aid was donated) is cited to illustrate reasons and/or a rationale as to why aid was donated.

Findings

Essentially, the factors perceived to be security concerns/threats by Australia from Bougainville as a dependent territory in the Pacific region are vulnerabilities especially poverty, lawlessness and poor governance which mostly arise from conflicts or unrest. Such situations create avenues where hostile states and organized groups can take advantage of these vulnerabilities to disadvantage Australia's security. Following is an example of a scenario where Australia feels potential security concerns /threats.

China, the second largest world-power establishing close ties with the Pacific island states and territories could be un-decidable threat for Australia. This can be seen in the security concerns raised by the Australian Senate Foreign Affairs Committee following an *Inaugural China-Pacific Economic Cooperation* conference between the Pacific island leaders with (then) China's Premier Wen Jiabao held in Fiji in 2006 (Post Courier, April 5, 2006).

- The committee argued that the controversy over diplomatic recognition between the mainland China and Taiwan could hurt the political stability and economic development within the Pacific region
- The committee criticized China over increasing aid to the region by \$A300 million (about PNGK600m) without a guarantee that these states would use these funds to improve their governance.
- Susan Windybank, an Academic from the Australian think-tank Centre for Independent Studies, claimed that China has a legitimacy problem with Taiwan. She argued that further rivalries related to diplomacy between China and Taiwan might increase corruption in the states that are already weak and devastating (Post Courier April 5, 2006).

As a neighbouring developed state, Australia could have felt that the spill-over effects from the above issues could disadvantage its security. As reflected in the above discussions, when donor states use foreign aid to pursue their interests, the type and amount of aid is shaped by the socio-economic or political situations (mostly conflict, or post-conflict) of the recipient states or territories.

Following are examples of potential security concerns/threats posed to Australia from Bougainville with various types of aid donated at different periods, under different circumstances.

First, in reaction to the eruption of World War I in 1914, some Australian amphibious troops were deployed to the Toniva area in central Bougainville (as

part of New Guinea). This was to prevent the islands being used as bases for raids against Australia (Hugh & Wainwright 2004). Australia provided aid to Bougainville after World War I, for schools run by Catholic and Seventh Day Adventist Churches in the early 1920s (Smith 1989). This could be deemed as necessary to win the hearts and minds of the people/society not to turn against Australia as discussed by Mawdsley (2011).

Second, in response to the experiences of World War II, Australia has ensured that neighbour states do not provide bases for attacks on Australia (Hugh & Wainwright, 2004). This is because most of the battles for Australia's defence took place in New Guinea. In Bougainville, Kangu and Torokina were particularly strategic locations – used by Allied Forces to defeat Japanese in 1943 (Pacific wrecks – Bougainville Province 2014).

The two world wars had an effect on aid. As stated by Gupta (1992), Australian aid to PNG (including Bougainville) before the two world wars was very little. After World War II, aid from Australia to PNG increased slowly. In 1946 the aid grant was \$A0.5 million (about PNGK100m) and it was raised to \$A4.04 million (about PNGK 8.08m) in 1947. By the year 1967 the aid grant was \$A84.3 million (about PNGK168.6m) and rising rapidly, even after PNG's independence in 1975. By 2005 aid had increased to about \$A436 million (PNGK 872m). Currently Bougainville's share of Australian aid to PNG is about A\$37.5m (about PNGK 75m) (Jennings & Claxton 2013).

Third, in response to the unrest related to the first Bougainvillean attempt of secession to withdraw from the rest of PNG in September 1975, Australian soldiers were deployed to Bougainville to assist in restoring and maintaining law and order. Lawlessness and unrests on Bougainville was seen as one factor that potentially contributes to Australia's security concerns from the Pacific island states and territories.

Fourth, in response to the Bougainville crisis, which erupted in 1988, and led to wide spread poverty, lawlessness and collapse of governance systems for nine years, Australia poured in massive aid. Due to the unavailability of records, the total aid amount and types are not cited here. Australian aid during the crisis even included military assistance to the Papua New Guinea Defence Force (PNGDF) who was warring with the Bougainville Revolutionary Army (BRA). For example, according to Fraser (1995), Pip (1993) and Vikki (1999) Australia assisted the PNGDF at the cost of about \$A32 million (about PNGK 64m) per year during the Bougainville crisis. Australian military aid included: Pacific Class patrol boats, speedboats, Iroquois helicopters and Nomad aircraft, which were used by the PNGDF in fighting the BRA. Presumably the supply of military equipment is an indication of Australia assisting PNG to contain the crisis, without which the PNGDF might not have been effective, which would have increased security concerns for Australia. To contain lawlessness, restore good governance and address wide spread poverty after the crisis, the unarmed Peace Monitoring Group funded by AusAID were deployed in 1997 to assist in restoration of essential services (Hegarty & Regan 2006).

Fifth, in reaction to the arrival of Sandline International, a private military company, to Port Moresby in 1998, on their way to Bougainville, Australia intervened by confiscating military equipment that was to be used by the mercenaries on Bougainville against the BRA. These were taken to Australia (Dinnen, May & Regan 1997). This could be indication of security interests, where Australia intervened immediately to assist PNG to take control of the lawless situation and the concern for arms control.

Sixth, in reaction to the spread of terrorism (evident in the Asia-Pacific region with the Bali bombing in 2002 and the attempted Australian Embassy bombing in Jakarta, in 2004), 19 Australian Federal Police were deployed to Bougainville, in 2004 under the Enhanced Cooperation Program. Critically this could be Australia's pre-emptive approach to contain a possible threat from terrorism. This was specifically deemed as eminent after Australia joined the US-led war against terrorism. The strategy to use aid to counter or contain potential security concerns/threats from the terrorists was proposed by Asia-Pacific leaders at Los Cabos in Mexico in 2002 (APEC Leaders' statement on fighting terrorism and promoting growth, 2002).

There could be other cases not mentioned here. However, these are examples of cases that create the basis to argue that Australian aid to Bougainville had security related interests built into it. This is not to deny the benefits of aid in terms of service to the people of Bougainville.

Discussion

As reflected in the previous discussion and analysis sections, this study aimed to investigate Australia's motives behind its foreign aid to Bougainville. Among the possible interests Australia pursues with its aid to Bougainville, the aspect of trans-national security concerns/threats has been primarily explored in this paper. The background from which Australia is perceived to feel these security concerns/threats is an international phenomenon; where economically weak, lawlessness and poorly governed states and territories create situations where they can be manipulated and used by other hostile states or organized groups to disadvantage security of neighbouring developed countries.

For example, many fragile states that emerged after the collapse of Yugoslavia affected the Border States in Western Europe. Similarly European Union states are experiencing the spill-over effects from the 1990s Balkan wars. In fact transnational crime coming from the Balkans is one of the security challenges in Europe. Such situations or environments attract illegal activities like arms smuggling and drug trafficking related problems (Wainwright 2003).

Such problematic states with conduct of illegal activities are evident in the neighbouring Pacific island states and territories of Australia. For example, people from Arab countries, Pakistan, Sri Lanka, India, Africa and Vietnam have been smuggled through Indonesia across the Torres Strait islands into Australia (The National, 24 April 2006).

Australia's security concerns/threats that may arise from poverty, lawlessness and poor governance in Bougainville were related to experiences during and after World War I, World War II, the Bougainville crisis and the unrests related to the cessation movement from 1970 to 1980s. Widespread fear of terrorism in the late 1990s was another factor that could have heightened Australia's security concerns/threats. This is particularly speculated as a possible revenge after Australia joined the US-led war against terrorism.

The geo-strategic significance of Bougainville for Australia was evident during World War II when the Allied Forces (which included Australia) took advantage of Bougainville's Kangu and Torokina points (in addition to Guadalcanal in Solomon Islands) to defeat the Japanese in the Pacific region.

The approach Australia uses to contain this perceived security concern is similar to those that were used by the superpowers (US and the former Soviet Union) during the post-World War II period referred to as the cold war. The situations and environment in the cold war era have some similarities to that of Bougainville. The satellite states of both superpowers, like Bougainville today were vulnerable to influences of (hostile) foreign powers. This vulnerability was contained by foreign aid, just as Australia presumably does to Bougainville.

In the absence of accurate records, assessment of the amount and type of aid is not done for this study. Such quantitative analysis would have been used to objectively assess whether there is direct proportion in amount of aid donated with increase and/or decrease of perceived security concerns/threats to Australia from Bougainville. Types of aid donated could also be analysed in relation to the situation/environment on Bougainville (presence of poverty, lawlessness and poor governance among others).

In exploring other Australia's interests (apart from security concerns/threats) in Bougainville, one possibility is economic interest especially the operation of the Panguna mine. Havini (1999) claimed that, after Australia took over colonial administration of Bougainville, deposits of copper, gold and silver were discovered in 1960s, which was later developed into the rich Panguna mine. This was Australia's biggest economic activity on the island and an Australian based company Conzinc Riotinto of Australia (CRA) owned the biggest share. During the colonial period there were a few Australian businessmen who owned plantations and trading companies. In this regard, Vikki (1999) argued that Australia's interest in Bougainville was economic, and military approaches were a means to pursue this interest.

Some comparative analysis with neighbouring fragile states to Australia also shows state vulnerabilities or weaknesses (poverty, lawlessness and poor governance) attracts huge amount of aid compared to the normal situations. This could apparently mean more aid is donated to states and territories in troubled times than those in normal (peaceful) situations. This claim can be seen in Solomon Islands and East Timor cases. For example, for about 10 years as of July 2003 Australia provided A\$ 2.6 billion worth (about PNGK

5.2billion) development aid to Solomon Islands through the Regional Assistance Mission to Solomon Islands (RAMSI) (Hayward-Jones, 2014).

During the height of the East Timor crisis, Australia's assistances included,

- 33 Army air Corps equipped with long-ranged Blackhawk helicopters, 4 Iroquois helicopters and 8 Kiowa helicopters.
- 4,5000 ADF (Australian Defence Force) of which 2000 were land forces.

Aside from the combat elements, there were human resources and technical support including doctors and nurses, medics, engineers, and specialists for communications. During the post- conflict development Australian committed A\$ 108.1 million (about PNGK 216.2M) for the years 2012-2013 to East Timor. The estimated budget for 2014-2015 is A\$ 96.6 million (about PNGK 193.2M) (Australian Government: Department of Foreign Affairs and Trade, 2015)

Deriving from the discussions and analysis it is argued that that the approach that Australia uses to contain its security concerns/threats is to eliminate the root causes. That is to alleviate poverty, restore lawlessness, and improve good governance in crisis states and territories, including Bougainville. This implies that all kinds of aid (even not military in nature), ranging from humanitarian supplies to development projects are part of Australia strategy to pursue its security interest.

There are cases where military related aid is given to contain security related concerns /threats on these crises states and territories. In Bougainville such includes deployment of: Australian Defence Force during the two world wars, unrest in 1975, Australian Federal Police under the AusAID Enhanced Cooperation Program, and the Peace Monitoring Group after the crisis. The Bougainville Civil War (1969-1988), also known simply as The Crisis, was an armed conflict fought between Papua New Guinea and the Bougainville Revolutionary Army (BRA), who were fighting for independence. The war has been described as the largest conflict in Oceania since the end of World War II, with approximately 15,000 to 20,000 Bougainvilleans killed. There is also aid on supply of military equipment to be used by PNG Defence Force during the crisis (1988-1997). These can be seen as examples of direct countering of security concerns/threats with military approaches.

Conclusion

Based on analysis, arguments and experiences, Australia uses both militaristic and non-militaristic aid to contain its security concerns from Bougainville. Non-militaristic aid is aimed at eliminating vulnerabilities particularly, poverty, lawlessness, and poor governance in fragile states and territories that might attract foreign enemies. Militaristic aid is aimed at containing possible direct confrontations. Therefore, Australian aid to Bougainville, whether militaristic in nature or funds, technical and human resources supports, humanitarian supplies or developmental projects, is primarily a strategy for pursuing

Australia's security interests above any other interests, motives, obligations or justifications.

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