

**“Good Global Citizen: A new direction in Australia’s foreign policy”
Fringe Forum, ALP National Conference**

Andrew Hewett – Executive Director, Oxfam Australia

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Robert McClelland, Shadow Minister for Foreign Affairs, Professor Hugh White, State and Federal Members of Parliament, ALP delegates, ladies and gentleman.

I begin by acknowledging the traditional custodians of this land.

Today provides a great opportunity to explore the possibilities open to Australia as it interacts with other members of the international community. I’m sure you won’t be surprised to hear that my contribution to this discussion will focus largely on development. I’d also like to take a particular focus on the Pacific region and offer an alternative vision of how we can work with our nearest neighbours.

As I said at the Make Poverty History forum on Friday night, Labor has a long history of internationalism; working together with other nations to promote progress, security and development.

Today, an internationalist approach is more important than ever before. Global interdependency is a reality. Many of the most pressing challenges we face – including terrorism, the spread of HIV and AIDS, climate change and extreme poverty – are global issues which demand global solutions.

Now is the time for Labor to assert its internationalist credentials – particularly a commitment to human rights. Sadly, Australia’s aid program is not yet fully focused on the achievement of these rights. In fact, the White Paper on aid is virtually silent on human rights, which seems an extraordinary omission, given that in the absence of human rights there can be no real solution to poverty. Labor has the opportunity to rectify this situation.

It’s also important to recognise that many of the challenges with which the international community is grappling – such as extreme poverty and climate change – have arisen, at least in part, as a result of market failure. So, in order to effectively tackle them, we need an interventionist approach.

Failing to address these challenges will have acute implications for our region. As we know, Australia has particular responsibilities and opportunities as one of the richest countries in the world surrounded by a host of developing nations.

Through our overseas aid program, Australia is making significant investments in governance programs to strengthen the machinery of government in Pacific capitals. The issue of good governance is central to the Government’s White Paper on aid and research papers, such as *Pacific 2020*. Moreover, spending on good governance accounts for more than a quarter of our national aid budget.

Oxfam is clear that improved governance is essential for sustained poverty reduction. But it’s important to recognise that Pacific societies are not governed just from the national capital. One

feature of Melanesian states like Papua New Guinea and Solomon Islands is that there are many centres of power, and many people involved in governance.

For example, in Pacific societies it's not just policemen who are involved in policing the community. Many rural villagers rarely see a policeman, and a wide range of people play a vital role in maintaining order at community level, including church pastors, village elders and women's organisations.

Australia has made significant investments in policing and security through RAMSI in Solomon Islands and the proposed Enhanced Cooperation Program in Papua New Guinea. But real governance in the region demands more than strengthening the police forces of the Pacific – it involves building the strength of communities, and increasing our engagement outside of the capital cities.

Too great a focus on law and order or public sector reform can mean too little effort in strengthening the role of community organisations in governance. We must build the capacity of ordinary citizens to hold governments, corporations and, dare I say, aid agencies, to account for their actions.

In this respect, Oxfam strongly supports the 'Building demand for better governance' initiative outlined in the White Paper on aid. This program will support innovation through media, civil society and civil education programs, with direct support for non-government organisations in partner countries, as well as Australian NGOs.

In recent years, we've heard a lot about the challenges posed by "failed states" and the "arc of instability". Conflict is often attributed to ethnic or racial tensions – Fijians versus Indians, or Malaitans versus people from Guadalcanal. But this journalistic shorthand fails to convey the complexity of island societies, let alone explain how conflict could erupt last November in Tonga – a mono-lingual, mono-cultural monarchy quite different from Melanesian societies like Papua New Guinea, which has over 800 languages.

ANU scholar Sinclair Dinnen contends that notions of a "failed", "failing" or "collapsed" state are of little value in explaining current developments in Melanesia. He argues:

"They are based on an assumption that at some point there was a well functioning centralised state...It is probably more accurate to say that the main problem with the state in Melanesia, including Papua New Guinea, is not so much that it is falling apart but that it has yet to be properly built."

Many Pacific Island states are still trying to deal with the legacies of colonial rule. These include national boundaries that arbitrarily divide linguistic and cultural groups; education systems that cannot guarantee employment in the wage sector; and systems of law, administration and economic development that have created unequal access to power and resources.

In past years, the creation of the 'state' across traditional forms of authority was boosted by benefits, such as roads, schools and health centres, which communities received from the central government. But today, the decline of services means the state often has little relevance to many people in the bush.

Pacific Islanders have been debating how to decentralise power from the centre to the provinces, to ensure opportunities and services for the vast bulk of the population who live in rural areas and outer islands.

There's clearly a need for local and international action to address demand for jobs, better health care, improved food security and an end to violence in the home and the community. It is vital for Australians to work with our Pacific neighbours to address these social, economic and environmental issues.

Yet, Pacific islanders often bridle at lectures from Australia about the same problems we're still struggling with at home.

Above all, the rhetoric about "failed states" in the Pacific often ignores the way in which the policies of donor nations have often created and exacerbated the problems facing our near neighbours.

One crucial area is land reform. One of the great strengths of Pacific communities is that most people have access to customary land. But donors and investors are promoting new programs for land registration and mobilisation to open the way for new projects and guarantee security of investment and property rights.

It is important to recognise that land is not just an economic resource – it is tied to the spiritual and political life of Pacific communities. Customary systems of land ownership are still strong around the region and land reform is a sensitive issue. Most donors focus on economic benefits of land reform, but rarely consider the political and cultural ramifications of changing patterns of land tenure. They also underestimate the vibrant debate underway in the Pacific, as communities adapt land tenure systems without abandoning collective ownership.

It's the same with proposals to boost economic growth. Foreign investment makes an important contribution to jobs and growth in the Pacific. The exploitation of natural resources through mining, forestry, fisheries and oil and gas drilling provides a vital source of revenue, enabling poor countries to pay for basic social services and infrastructure. But we also need to look at the social, environmental and economic effects of corporate activity in the mining, logging and tourism sectors.

Australian companies engaged in these industries have a strong presence in the region. Through our Mining Ombudsman project, Oxfam has heard from local communities who allege human rights abuses and environmental degradation caused by, or on behalf of, Australian companies.

Unlike many other Australian industries, the extractives industry does not have a grievance or complaints mechanism. Nor is there any code of conduct for Australian companies operating outside of Australia. Yet, poor management of these industries has had devastating social and environmental impacts on a number of countries in our region, such as Nauru and Solomon Islands.

When I talk to people across the Pacific, they stress that the problems they are facing are not just a result of the policies and practices of politicians in Port Moresby, Honiara and Suva, but also decisions taken in Canberra and Wellington:

- Why, they ask, does Australia refuse to sign the Kyoto protocol on climate change, when it's clear that global warming is a major threat to the security of people in the Pacific?
- Why does Australia refuse to allow young islanders the chance to work for short periods in Australia's tourism or horticulture industries, when tens of thousands of European backpackers have that right?
- If Australia is so concerned about corruption in the Pacific, when will it enforce codes of conduct on Australian corporations active in the region?
- Why is Australia spending so much on the so-called "Pacific Solution" processing centres, when there are thousands of refugees in Papua New Guinea who've fled from Indonesian-controlled West Papua, and many more people displaced by conflicts in Bougainville and Solomon Islands?

A key challenge for any Australian government is how to build the people-to-people links with our nearest neighbours, to ensure that the benefits of development and economic growth flow to all members of the community.

People sometimes say that small island states can never be viable. But Australia is surrounded by small island states, and always will be. It is therefore crucial that we find creative ways to work with our nearest neighbours for the benefit of the poorest members of the region.

Let me close with some thoughts about where foreign policy sits in the context of this year's election. I firmly believe the Australian community wants to be proud of its leadership – not only within our national borders, but outside of them as well.

Some recent focus groups conducted on Oxfam's behalf revealed a surprising sense of competitiveness when comparing Australia to other nations. This is not surprising when it comes to the sporting field, but in this instance we were talking about Australia's social justice record and the groups consisted of young people whose primary source of information was mainstream media.

I believe Australians are looking for a Government which will make its mark on the international community, not by compromising human rights and bypassing multilateral institutions, but by championing human rights and bringing leadership to the international negotiating table.

Labor has the opportunity to present a vision of a strong, outward looking Australia which makes a real difference in overcoming poverty and promoting security.

It has the opportunity to offer innovative solutions to global issues, rather than contributing to the problems facing the world. To look forward at the possibilities, rather backwards with fear. This is the kind of Australia many voters long to see – a nation which is respected as a true leader, not overlooked as a follower.

Thank you.