



RESPONSE OF  
**THE AUSTRALIAN EVANGELICAL ALLIANCE**  
TO THE INVITATION TO COMMENT ON THE FORTHCOMING  
**WHITE PAPER ON THE AUSTRALIAN AID PROGRAM**  
8<sup>th</sup> August, 2005

The Australian Evangelical Alliance Inc. is a national fellowship of individuals, churches and organisations. Its aim is to be a catalyst for Christian unity, cooperation and mission, and it has been operating in Australia since 1959. AEA is affiliated with the World Evangelical Alliance, an international fellowship embracing more than 150 million Christians in 120 countries. The relief and development agency, TEAR Australia, is a partner organisation of AEA. The AEA web-site (and this statement) can be found at: [www.ea.org.au](http://www.ea.org.au)

Why will the Australian government provide \$2.133 billion worth of official aid and development to a variety of less developed countries in 2004-5? If you think that compassion, justice or generosity is the reason then you are well wide of the official explanation.

Australian government aid is not given as an act of *justice* based on recognition of Australia's privileged position in the world, nor as an act of *compassion* emerging out of recognition of the needs of our neighbours. No, the clearly stated fundamental policy objective is that aid is given *in order 'to advance Australia's national interests.'* This is set out in the government policy 'Better Aid for a Better Future'<sup>1</sup> where the clearly stated fundamental policy objective is that aid is distributed according to national self-interest.

This statement of official purpose is immediately followed by a reference to the way this takes place, which is 'by assisting developing countries reduce poverty and achieve sustainable development'. But this simply emphasises the fact that Australian aid is intended as *a means to an end* – where the goal is advancing Australia's own national interests.

This does not mean that aid given in such circumstances cannot do a lot of good. Each year the AusAID (Australian government aid) program reaches more than 58 million people living in poverty around the world, with most of its activities taking place in the Asia-Pacific region. This is very good and the positive benefits of what happens should not be overlooked.

Nor does it mean that Australia's interests in giving the aid cannot be effectively related to the interests of the countries that receive the aid. The AusAID policy rightly recognises that 'the peace, prosperity and security of all counties are increasingly intertwined'.<sup>2</sup>

Australia's national interests are a legitimate factor in Australia's foreign policy but there are serious objections to an overseas aid policy which is openly and fundamentally grounded in national self-interest.

(a) The policy of aid being distributed in relation to Australian national and strategic interests *results in a skewing of our aid away from the poorest and most vulnerable.* The argument for

not placing a strong emphasis on Africa is that most of the world's poor live in Asia. But an examination of where the aid is going in Asia quickly reveals that it is not going to the poorest. We send the bulk of our national aid to countries that need it a lot less than others, and we do this because of our perceived national interest.<sup>3</sup>

- (b) Distributing aid according to 'Australia's national interests' *will have a detrimental effect on the way the various programs are administered*. As recently as 2001 it meant *preventing companies in affected countries from implementing aid programs* in order to give preference to Australian or other restricted suppliers. Fortunately, in 2001 Australia joined with other countries to sign an agreement to untie official overseas development assistance and abolish these nationality restrictions. More recently, in the context of international terrorism, *self-interest as a fundamental policy has meant a diversion of money away from direct aid*. Governance and stability are certainly important for national development, as in the case of the Solomon Islands, where development became virtually impossible due to the breakdown of law and order. However, the AusAID budget has included counter-terrorist programs in Indonesia, the Philippines and the Asia-Pacific region generally. At best this conflates combating terrorism with eliminating poverty and at worst gives preference to Australian security ahead of the need for food, clean water, basic education and health in developing nations. This is an inappropriate use of the aid budget but one that is perfectly understandable if the basic policy objective is described as 'advancing Australia's national interests'.<sup>4</sup>
- (c) There should be no surprise *if people in other nations express doubts about the real nature of Australia's involvement overseas* when overseas aid is described as being given for *Australia's* benefit. Australians are often puzzled by responses from other nations about Australia's place and role in regional and international affairs. Many Australians want the very best for other nations and are confused when what is seen as positive help is questioned. One can begin to understand this if the Australian attitude communicated actually reflects the way the policy is framed – with aid being given primarily when it is in Australia's own interests.
- (d) The policy objective is *fundamentally out of step with community attitudes*. It is doubtful that the majority of Australians would suggest national self-interest as the primary motive for giving overseas aid. It seems unlikely that the massive outpouring of giving at the time of the tsunami appeal was motivated by thoughts that donating would help Australia's interests in the region. It is equally unlikely that the majority of Australians view government aid in this way.
- (e) It seems to *denigrate the genuinely altruistic intentions of many of the people administering the aid*. It is hard to believe that all politicians including the Prime Minister, the Treasurer and the Foreign Minister, all backbenchers and public servants and administrators involved in the aid process are motivated in this way.<sup>5</sup> One has to believe that genuine altruism exists in Australian public life and government. Are those involved in the actual processes of administering aid ever offended by this official description of what they are doing?
- (f) A program of giving based on the principle of self-interest will *inevitably end up limiting the amount given*. Although the long-term effects of generosity are likely to include greater growth and health for the donor as well as for the recipients, in the short term there is no doubting the fact that giving is an expense. Self-interest will be a limiting factor on giving and so there should be no surprise if a policy based on this principle leads to aid budget reductions.

What is meant by a 'reduction' when the aid budget is actually increasing? Well, as with many things it all depends on how you look at it and the spin you put on it. Positively, AusAID points out that the present budget increases aid by almost \$239 million over the 2003-2004 budget and notes that 'the ratio of Australia's aid to Gross National Income (GNI) is estimated at 0.26%, placing Australia consistently above the donor average.'<sup>6</sup> Paying for our aid program, AusAID notes, costs each person around \$1.70 - about the cost of a loaf of bread a week.

But looked at another way, Australia presently ranks 16<sup>th</sup> (down from 12<sup>th</sup> in 2000) out of 22 OECD countries for whom the average is actually 0.41%. Moreover, Australia only gives about one third of the internationally agreed target for government aid, an aim which Australia nominally supports<sup>7</sup> but in practice ignores. Since the 1970s Australia has aimed at giving 0.7% of GNI but it has actually consistently *fallen*. In 1971-72 we gave 0.48% of GNI in aid, while in 2004-2005 the figure was just 0.26%. This is disappointing, especially given the government reminder that 'the Australian economy is set to continue its impressive performance'.<sup>8</sup>

What would it cost to achieve this target? Even assuming that 2 million Australians could not afford any increase in what they give through taxation, it would cost the rest of us about 57 cents a day to reach the goal of 0.7% of GNI for aid and development.<sup>9</sup>

A shift in fundamental policy away from the idea of aid as national self-interest towards a concept of aid given in order to benefit the poorest may not mean an automatic increase in aid and development but, on the other hand, a failure to recognise the deficiency of a policy of self-interest will almost certainly mean that the situation will remain most unsatisfactory.

### **Recommendations**

1. To ensure that, as far as possible, direct poverty reduction is achieved the fundamental policy statement should be altered to express the fact that the primary objective for Australia's aid program is not to serve Australia's own interests but to serve the best interests of those in need. Australia's aid policy should be based in compassion, justice and generosity. This will better reflect the attitude of most Australians, communicating genuine intentions more clearly to overseas nations, and influence the conduct of a program which, in many respects, already fulfils those intentions.

2. Beginning immediately there should be, over the next three to five years, a progressive increase in the amount allocated to aid and development to 0.7% of GNI.

### **Rationale**

Ultimately every decision to act in a particular way needs to be grounded in some overall vision for society. The Australian Evangelical Alliance believes that basing aid in national self-interest is an inappropriate vision for any society today. The above statements give reasons for all those who believe in altruism, generosity, justice or compassion to argue for a change in principle and practice. However, there are particularly compelling reasons for Christians and those who support Christian values to adopt these proposals and to work towards a set of core values for our society that will enhance our life together.<sup>10</sup> Three values that have relevance at this point are love, grace and justice.

**LOVE:** The words of Jesus of Nazareth 'love your neighbour as yourself'<sup>11</sup> are well known and are definitive of the Christian attitude towards other people. These words are for individuals to

live out in daily relationships but they are not to be applied purely individualistically as they also have relevance for the way whole societies live as well.

Christians believe that God's love is exemplified in the Father's sending of his Son, Jesus, to share our humanity and to live and die for us. This radical form of love is the model for all Christian love. The most fundamental characteristic of this understanding of love is that it seeks the good of the other. It is the opposite of any and all selfish, self-centred attitudes. Obviously this love is not simply the emotion often sung about in popular songs. Rather, Christian love is a powerful commitment to the other. Love exists most particularly where it is offered towards those for whom one feels least, such as one's enemies, or where it is reaching out to one who does not, or is not able, to love in return.

**GRACE:** Love offered in this way is thus expressed as a form of grace. This is a less well known word in our society today but it can be one of the most challenging principles of life for any society where self-interest dominates. Grace means giving without regard to self-interest. It involves giving to people irrespective of the cause of their need and without regard to national, cultural or religious boundaries.

This concept begins with the fact that Christians have received a totally undeserved gift that God gave to the world in Jesus of Nazareth. In his life and death Christians see God at work and seek to imitate this love. It means you care for those in need irrespective of the cause of their distress and that you don't just love your family and friends but your enemies as well!

Taken seriously - personally, socially and politically - grace is radical! Grace is not stopped by national, cultural or religious boundaries. It will change the way we relate to people and the way we live in our society. Because grace is, by definition, an undeserved gift offered to someone who is in need, it means that in social relationships there is going to be a bias towards helping those in need at one's own expense.

**JUSTICE:** 'What does the Lord require of you? To act justly and to love mercy and to walk humbly with your God'.<sup>12</sup> These words, spoken to the prophet Micah, have relevance for society today. Christians are called to live justly not only because God is a God of justice but also because they have themselves been the recipients of God's good and gracious justice and have been forgiven. To be 'justified' in this way means having the responsibility to 'live justly' and to 'do justice'. Practising justice as it is understood biblically means participating in very practical, down-to-earth actions to ensure that the weak are protected from abuse and that the poor have what they need. Even if this means giving them what they have not earned or 'do not deserve.'

## **Conclusion**

The implications of holding these values do not stop at support for overseas aid and development that is orientated towards the good of the recipient rather than the giver. Ultimately these values affect the whole notion of nationalism and nationhood. Living lives of love, grace and justice means questioning those self-interested attitudes that allow national borders that divide nations to become moral boundaries that divide people allowing those in other places to be valued and treated as less morally significant than 'our own people'. As long as we care more for ourselves and for our own national self-interest ahead of the needs of others the world will remain a somewhat fractured, more dangerous and sadder place.

---

<sup>1</sup> Published in 1997 but subsequently reaffirmed and currently in operation. Three statements have provided the basis for Australia's current aid policy framework: (a) The policy statement *Better Aid for a Better Future* (1997); (b) the

---

Foreign Minister's 11<sup>th</sup> Annual Parliamentary Statement in 2002: *Australian Aid: Investing in Growth, Stability and Prosperity*; and (c) *Advancing the National Interest: Australia's Foreign and Trade Policy White Paper* (2003). The objective for the aid program that was set in the 1997 policy and reaffirmed subsequently is: 'To advance Australia's national interest by assisting developing countries reduce poverty and achieve sustainable development'. The 2002 policy goes on to set out five guiding themes: governance; globalization; stability and service delivery; regional security; and natural resource management. The most recent Ministerial Statement to Parliament *Australian Aid: an integrated Approach* (2005) updated priorities: these centre on

- A closer partnership with Indonesia
- Long term and innovative approaches to our engagement with fragile states
- Initiatives to stimulate broad-based economic growth
- Strengthening political governance and tackling corruption
- Addressing trans-national threats, particularly HIV/AIDS
- Contributing to stability and security

<sup>2</sup> AusAID *Guide for the Core Group*, p. 5.

<sup>3</sup> For further information see the analysis of the Australian Council for International Development (ACFID) at [http://www.acfid.asn.au/campaigns/aid/aid\\_budget\\_05-06.htm](http://www.acfid.asn.au/campaigns/aid/aid_budget_05-06.htm). ACFID is an independent national association of Australian non-government organisations working in the field of international aid and development. ACFID has some 80 members including the Evangelical Alliance's partner TEAR Australia.

<sup>4</sup> It is also unlikely that the best security programs will come out of the aid budget. Australian non-government aid organisations have argued that the resources for these activities should come from national security budgets, not from the over-stretched aid and development budget.

<sup>5</sup> The Treasurer, Mr Peter Costello, 'Mr Speaker, we have proven to be a good neighbour. Australians are a generous people. Australians responded in a typical spirit by opening their hearts and wallets to the victims of the Boxing Day tsunami. Many Australians were directly affected by it; we were all touched by the extent of human loss and devastation. The Australian Government also contributed to the relief effort. Our \$1 billion aid contribution towards the economic and humanitarian rehabilitation of Indonesia is our largest ever single aid contribution.' *2005 Budget Speech*. See <http://www.budget.gov.au/2005-06/speech/html/speech.htm>

<sup>6</sup> AusAID, <http://www.ausaid.gov.au/makediff/whatis.cfm#how>

<sup>7</sup> The Hon Alexander Downer MP, Minister for Foreign Affairs, *Australian Aid: Investing in Growth, Stability and Prosperity*, Eleventh Statement to Parliament on Australia's Development Cooperation Program, September 2002, Canberra, p22.

<sup>8</sup> The Hon Peter Costello, *2005 Budget Speech*, 'Mr Speaker, the Australian economy is set to continue its impressive performance. Once again the outlook is for solid economic growth, low unemployment and moderate inflation. In year-average terms, GDP growth is expected to be 3 per cent in 2005-06, after passing through a period of more modest growth in 2004-05. The rebalancing of economic growth from domestic to external sources is expected to continue. Strong world demand for mineral exports has increased prices and delivered higher incomes to Australians. Significant investment by mining companies and strong world demand is expected to substantially boost export growth in 2005-06. The unemployment rate is expected to remain around its 28-year low.

This strong economic performance is not an accident. It requires sound economic management and a commitment to ongoing reform. It requires businesses and consumers that are confident about Australia's future. And it requires prudent policies that lock in our achievements for future generations. <http://www.budget.gov.au/2005-06/speech/html/speech.htm>

<sup>9</sup> World Vision, <http://www.worldvision.com.au/media/opinionrelease.asp?id=224>

<sup>10</sup> Eight fundamental social values have been identified as of particular importance. Grace (a subversive value! Giving people more than they deserve.); Hope (not a guarantee of immunity from harm but a conviction that God is always present); Faith (the means to real depth in relationships of all kinds); Love (means to love the unlovely); Justice (for all [not 'just-me']. A concept biased in favour of the disadvantaged.); Joy (impossible to legislate for this but an essential social value); Service (meaning is found in service rather than self-centredness); Peace (not just the absence of fighting but positive well-being). Further information can be found at <http://www.evangelicalalliance.org.au/election/aEightCoreValues.htm>

<sup>11</sup> Mark 12:29-31; Matthew 22:34-40.

<sup>12</sup> Micah 6:8