

## Australia steps down aid in Asia, as it steps up in the Pacific

Tuesday, 18th February 2020 at 4:24 pm

*Aid groups say funding cuts in Southeast Asia do not make sense from both a humanitarian and security standpoint*

The Australian government has been slammed for its “short-sighted” approach to regional engagement, following revelations it has slashed aid in Southeast Asian countries to boost investment in the Pacific.

New figures from Senate estimates show aid has been cut to Southeast Asian countries by 42 per cent, while the Pacific was the only region to receive increased support over the past five years (17 per cent).

The countries that received the largest aid cuts include Cambodia (33 per cent), Laos (41 per cent), and the Philippines (44 per cent).

Indonesia and Vietnam have also had their aid budgets cut in half during this time.

The Australian Council for International Development (ACFID) has criticised the cuts, especially in light of Indonesian President Joko Widodo’s speech last week in Canberra, in which he said Australia was “Indonesia’s closest friend”.

ACFID CEO Marc Purcell said it was unfair that the government investing in the Pacific meant cuts to Asia.

“This is a short-sighted approach to regional engagement and will have human and strategic repercussions,” Purcell said.

“Last week, Indonesian President Joko Widodo proposed new areas of partnership on tackling poverty and inequality, bolstering freedoms and democracy and emissions reductions and environmental sustainability.

“The Australian government should embrace this opportunity to strengthen the bonds of friendship.”

These revelations come as the Morrison government looks to [revamp the \\$4 billion foreign aid program](#), which is currently the [least generous it has ever been](#).

A YouGov poll in December found that 59 per cent of Australians expected the nation’s aid budget to primarily serve those most in need, compared to 34 per cent of people who said it should primarily serve Australia’s interests.

Purcell said the new aid policy was an opportunity to correct Australia’s course and respond to leaders like President Widodo “with greater investment in long-term, sustained, development cooperation partnerships”.

“We need to replicate this right across Asia and reverse the damaging reduction in Australia’s investment in the region,” he said.

Micah Australia executive director Tim Costello was also highly critical of the latest aid figures.

He said it was clear Australia had backed down from its responsibilities in Asia, and that it did not make sense to cut funding to the region from both a humanitarian and security standpoint.

“Australia needs strong trading partners, reliable allies and close relationships in our immediate region,” Costello said.

“Aid plays an important role in creating soft power and we are now seeing the defence and security sector in Australia speak up and say, ‘We have lost influence, we have lost soft power’.”

He noted that other nations like the UK and Scandinavia were putting 0.7 per cent of their gross national income (GNI) to aid, while Australia contributed just 0.21 per cent.



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