The PNG–Australia development partnership
A redesign that’s about listening and transformation

Stephanie Copus-Campbell

Foreword

Stephanie Copus-Campbell brings a deep knowledge and passion about Papua New Guinea (PNG) to her work. In this ASPI Strategic Insight, she describes both her personal history with this key neighbour to Australia’s north and the complex, difficult challenges PNG faces.

Refreshingly, she uses this context to propose a redesign of Australian development engagement with PNG, which is particularly timely and needed as the Australian and PNG governments contemplate further cooperation flowing on from the initiatives agreed with Port Moresby in Canberra’s ‘Pacific step up’.1

Her proposed approach is based on spending a lot more time ‘listening and not telling’—and not assuming that what works in Australia will also work in PNG. She advocates using Australia’s development program to mitigate risks to our own national interests by helping PNG realise real outcomes: shifting from vaccinating kids to not having polio, and from training teachers and building classrooms to seeing kids graduate who can read and write and are prepared for the world of technology.
And rather than simply sketching out some high-level principles, her work focuses on a practical, transformational example that’s beginning to get underway: the Papua New Guinea Electrification Partnership involving PNG, Australia, the US, Japan and New Zealand to get up to 70% of the country connected to power by 2030 announced at the 2018 APEC summit.

This program is an exemplar for a new approach to development with PNG, and can be the first of a select number of programs defined by five core elements: having the potential to truly transform; having clear targets and long-term time frames; empowering women so that the entire society’s capacity is available; having a range of partnerships; and being so vital to PNG’s national development that the national government is committed to providing co-funding. In addition, to be truly transformational, projects must be intersectoral. Neither donors nor governments are currently set up to do this in the way they deliver projects.

As Stephanie says, helping our near neighbour with its complex challenges matters for Australia because we’re good neighbours and because what happens in PNG affects our own national security.

Background

Two decades ago, an Alaska-born Australian, Stephanie Copus-Campbell, was working in what was then AusAID helping plan assistance programs for the region. Her army officer husband, Angus Campbell, had been posted to Townsville and East Timor, so, being relatively new to Australia, she looked at a map to find somewhere nearby and opted to take a job in Papua New Guinea.

Advice, observations and judgements flooded in on rascals, robbery, attacks and general mayhem. Doubt about the move set in and was reinforced by hearing of a robbery in Port Moresby in which five armed men landed by helicopter on the roof of a bank only to be shot dead by police.

Then, Copus-Campbell was in a bank in peaceful Canberra when a man burst in wearing a balaclava and toting a shotgun. This evidence that violence was not restricted to that big island to Australia’s north hardened her resolve to head for PNG with her family, and that’s where she has since focused her long career in international development. That began a long love affair with a nation Australians know much too little about.

Copus-Campbell served two postings there with AusAID, the second as head of its PNG aid program. She became a senior executive in an international non-government organisation, CARE, and moved to the business sector to run the Oil Search Foundation, the development partner of PNG’s biggest company. The foundation invests a share of the company’s profits in projects that improve the lives of Papua New Guineans, with a focus on health, leadership and education, and women’s protection and empowerment. She also chairs the board of the Southern Highlands Provincial Health Authority.

What follows is an edited version of a speech Copus-Campbell made at an event hosted by ASPI in which she set out her mission to raise awareness of PNG in Australia and elsewhere because, she says, what happens in PNG matters a lot to our country:

Australians hear the bad stories about PNG but, sadly, rarely the good. Papua New Guinea is a fascinating, beautiful country with so many incredible people. It’s one of only a small number of countries which has transitioned from being colonised to independence peacefully and with a democracy intact.

PNG is one of the most heterogeneous countries in the world, with over 850 indigenous languages—12% of the globe’s total languages—and over 1,000 distinct ethnic groups. It has the third largest natural rainforest in the world, after Brazil and the Congo, covering 77% of the landmass. At least 5% of the planet’s animal and plant species live there, and two-thirds of them are found only in PNG. There are more than 2,000 species of orchids and 2,000 species of ferns, around 80% of which are found nowhere else on the planet. It’s the most unexplored country, both geographically and culturally, in the world.

Who would not want to visit? Australians, apparently.

According to the Department of Foreign Affairs and Trade, only around 10,000 Australians are in PNG at any time, including those working in the government and private sectors and more than 5,000 walking the Kokoda Track each year. And this is remarkable, given that, according to the Australian Bureau of Statistics, about half of Australians travel overseas each year.
Why should Australia care?

When candidates for the AusAID graduate programs were interviewed, a favourite question was, ‘Which country is Australia’s closest neighbour?’ Many selected Indonesia or, occasionally, New Zealand, and few picked the right answer—PNG.

Our two countries are separated by less than 4 kilometres of water. It takes 15 minutes by small boat to go from PNG to Australian territory. It’s a 90-minute flight from Cairns to Port Moresby, but Australians are surprisingly ignorant of their neighbour to the north.

If for no other reason, Australians, as good international citizens, should be more interested in PNG. Millions of people on our doorstep are doing it tough. For example, PNG has one of the highest rates of maternal and child mortality, HIV and multidrug-resistant tuberculosis in the Asia–Pacific region and one of the lowest life expectancies. It also has some of lowest literacy rates and educational outcomes. It’s estimated that less than half of Papua New Guineans have access to safe water, and only 13% have electricity. Distressingly, polio, eliminated in all but a handful of countries around the world, has reappeared in PNG—a result of the very low immunisation rate. Despite all this, it’s easier to raise money for any project in Africa than in PNG.

While those humanitarian issues are important, it’s also very true that PNG’s domestic challenges, especially those resulting in the movement of disease, crime and people, can compromise Australia’s border security. And the influence in PNG of powers whose intentions may not align with Australian interests is presenting a profound strategic challenge.

Very visible is the rapid increase in the presence there of many Asian countries, and one in particular. Chinese investments are particularly prominent—some reports suggest they reached well over $3 billion in 2018, while others point to a more modest investment. But there are obvious signs of Chinese activity everywhere. Indeed, there are over 40 Chinese companies now operating in PNG and many more Chinese-owned trade stores and other small businesses throughout the country. Of course, those investments have many upsides—infrastructure has improved and Port Moresby is booming—but it does show a rise in the ability to influence strategic interests as well as economic ones.

A second area of concern for Australia is the trade in guns, drugs and people. PNG’s extensive river network can provide easy transport. The Purari River flows almost 500 kilometres from the southern Central Highlands to the sea. There are also unmanned, and isolated, airstrips all over the country. The opportunities for land shipment in from the West Papua border are obvious.

A particular concern is the rise of drug-resistant diseases. A recent study showed that PNG now has one of the highest rates of drug-resistant HIV in the world. Rates of multidrug-resistant TB will continue to rise because it’s currently so hard to prevent and control in the weak health system. These bacteria and viruses can change and evolve, especially as people go on and off medication, potentially becoming easier to spread and definitely harder to treat. This presents a great risk to Australia.

Another significant risk is PNG’s booming population growth, one of the fastest in the world. It was around 2 million at independence in 1975 and is well over 8 million now. The exact number isn’t known and, as recent immunisation programs found, it’s much higher than estimated in some areas of the country.

PNG’s population is set to double by 2040. Health, education and other services are not anywhere close to keeping pace. In many areas, they’re going backwards.

The population growth is resulting in a youth bulge: almost 60% are under 25 years of age and more than 40% under 15. The combination of the youth bulge and a lack of opportunities can be explosive.

Another key problem that will affect this growing youth bulge is high levels of malnutrition—PNG has the fourth highest rate of stunting in the world—which can result in cognitive impairment that will undermine opportunities and could create instability. A child might not be able to find a job but he or she can feel angry, use a gun or transport drugs.
Addressing Australia’s national interests through development cooperation

There are many ways for Australia to mitigate the risks to its national security from these challenges. Building and sustaining relationships through diplomacy and people-to-people links is one very important element.

But while relationships and other aspects of addressing these risks are essential, challenges such as disease, crime and population growth cannot be adequately addressed outside of a development context. Australia has been spending well over $500 million a year through its aid program—billions over decades. That represents about 70% of all aid to PNG—or around 60% when Chinese aid is included. That’s globally unique. We need to look more closely at development cooperation, how effective it’s been and how it might improve.

Delivering real outcomes

In terms of results, the scorecard isn’t great. While there have certainly been improvements in indicators like life expectancy and under-five mortality, they are still the worst in the region and the situation more generally isn’t getting better. PNG isn’t moving forward on the UN Human Development Index. At 153rd out of 189 countries, it’s near the bottom and it’s one of only three countries in the world not to meet any of the UN’s Millennium Development Goals.

Australia’s PNG Aid Investment Plan states that:

PNG’s strong overall growth has not translated into equitable development for Papua New Guineans … [P]oor law and order, lack of infrastructure, complex governance arrangements, weak public service, inequality between men and women, poor health and education services, and rapidly growing population are challenges to its future prosperity …. Over three million people—or 40 per cent of the population—remain poor and/or face hardship.

If we agree that improving development indicators is in Australia’s national interest, and if we agree that improving overall development outcomes in PNG is a very slow process, then we need to apply our half a billion dollars a year differently, because right now it isn’t helping Australia to sufficiently mitigate risks, or PNG to progress its development agenda.

This isn’t to suggest that we cut development assistance. It’s essential for so many things, including the important bilateral relationship. And while half a billion sounds a lot, it’s not really. It’s the same amount, for example, that the Northern Territory (population 250,000) spends on resourcing schools for a year and the Australian Capital Territory, with 400,000 people, has allocated for health infrastructure in 2018–19.

Our development assistance has made a difference and has saved many lives. There are mothers out there now alive because midwives have been trained or health centres stocked. Many children have avoided deadly diseases because they’ve been immunised. Aid has improved access to family planning; maintained essential infrastructure, including keeping roads to markets open; supplied classrooms; supported domestic violence survivors; and trained teachers and public servants. Many of PNG’s most successful business, civil-society and government leaders have received Australian scholarships.

But if we’re going to use our development cooperation program to mitigate the risks to our national interests, we want it to help PNG to realise actual outcomes. We need to go from vaccinating kids to not having polio, and from training teachers and building classrooms to seeing kids who graduate being able to read, write and be prepared for living and working in a world of new technology and innovation.
Understanding the challenges

This raises the question of whether our aid can be more effective, even if we change our approach. PNG is a sovereign country, and Australian aid makes up only 1.6% of its GDP and a little over 8% of its budget. For development outcomes, it matters what PNG does with the other 92%.

PNG is also a hard place to achieve development outcomes.

Developing countries can be prone to weak governance and weak institutions. There’s also a complex tension between traditional society and Western models of governance. Most Australians don’t understand this tension. For example, it’s expected in PNG that those with money have a cultural obligation to share their wealth and put their clan first. The *wontok* system, which is also the main welfare system for most of the population, can lead to all sorts of clashes between expectations of good governance and expectations of the community.

Similarly, PNG isn’t made up of one culture or circumstance. Significant differences exist between urban and rural environments as well as within regions, provinces and even districts. This unique diversity requires systems and approaches that are sufficiently flexible to adapt and manage these wide variations.

This partly explains the very complex decentralised system in PNG, with three tiers of government and four levels of administration. There are also 33 national government ministries and 140 departments. And there aren’t enough public servants to go around. Although the population has nearly tripled since independence, according to the Lowy Institute the total number of public servants in the central government is fewer than it was in 1975. There are only 400 doctors and 800 midwives, and the police-to-population ratio is less than half the UN’s recommended minimum. In fact, the presence of the national government isn’t felt in most of PNG.

To make matters harder for service delivery, over 80% of the population live in rural areas and many depend on subsistence living or the informal sector (only 6% of the population is engaged in the formal sector). Millions of people live in areas that are difficult to access by road or even small plane. So service delivery is very challenging.

Add to this the high levels of population growth, remarkable challenges for women and lack of access to basics such as electricity, and it would be very fair to say that PNG is doing a pretty good job of delivering the services it is delivering, especially when we consider that Australia itself struggles to improve outcomes for certain populations, especially those in remote areas. It’s also pretty incredible that in 1970, only five years before PNG gained independence, there were only 122 Papua New Guineans in Year 6 of secondary school and only seven who had graduated from university.

While no external agent can ever solve PNG’s problems—only PNG can do that—we can do better in helping to plant the seeds for transformational change if we think and work differently.
Taking a different approach: the Papua New Guinea Electrification Partnership

A major step was the Australian Government’s announcement at the 2018 APEC summit that it will join with PNG and the US, Japan and New Zealand in the Papua New Guinea Electrification Partnership to get up to 70% of the country connected to power by 2030. The current figure is less than 13%.

Here’s what’s important about this initiative.

1. It has the potential to be transformational. Electricity is fundamental to just about everything across every single sector. It means kids can do homework at night, midwives can safely deliver babies at 2 am, families can access time-saving devices in the home and spend more time learning, there’s less indoor pollution making people sick from traditional cooking mechanisms, and businesses can operate. The list goes on.

2. It sets a clear target that can be measured. So often we lack such targets. We lose sight of where we’re going. This means it’s hard to measure progress, learn from mistakes, celebrate success and hold those responsible for implementation accountable for delivery. That said, there needs to be careful attention paid to what exactly is being measured. For example, Indian Prime Minister Narendra Modi pledged following his election to bring reliable power to 100% of villages in India. Over a year later, he proclaimed this mammoth goal achieved. While it was an impressive effort, the government’s definition of ‘electrified’ is that power cables from the grid reach a transformer in each village and 10% of its households, as well as public facilities such as schools and hospitals, are connected. That leaves 31 million homes in the dark.

3. Many other factors, such as affordability, reliability, availability, safety, equity and how energy is accessed will actually change the quality of life.

4. The 11-year time frame for electrification is a good start. Development outcomes can’t happen in short time frames, and often our programs are two to five years. A time frame of 30 or more years would be preferable because development outcomes are often intergenerational and you have to stick with projects for decades.

5. It focuses on partnership. There are the usual partnerships between the PNG Government and bilateral donors enhanced by a trilateral agreement, but electrification demands a partnership with the private sector. The project will require large-scale private investment in things such as transmission lines and distribution.

6. A more general point is there’s still a long way to go to leverage the full potential of PNG’s private sector to achieve development objectives. Business brings substantial private capital and capital investment (much more significant than aid), provides jobs and training, can influence society by empowering women or addressing major health concerns such as TB and HIV that threaten the workforce, and promote changes in the behaviour of tens of thousands of staff captured under a company’s value system. The private sector is incentivised to work with agility and speed and can often deliver more quickly than governments or donors. Increasingly, companies are recognising that business is most likely to thrive if it can improve society while generating a fair return.

7. It empowers women, and development isn’t possible when you don’t improve the opportunities for 50% of your population. The evidence is clear that when you engage women in decision-making and peace-building the outcomes are always better. With respect to electric power this is critical. In PNG, tribal fighting or dissatisfaction with the state often leads to protests, acts of deliberate vandalism against infrastructure or civil unrest to demand action. If power improves the lives of women and living conditions generally, then communities are invested in supporting that resource and protest action against it is less likely.

8. It targets a clear priority for PNG, with indicators plucked right out of its own Medium-Term Development Strategy. The PNG Government will also need to partner and invest for the target to be reached.

9. And finally, this isn’t an ‘aid project’. And I dislike the word ‘aid’. It sets up a power dynamic between a donor and recipient and can rob one actor in this dynamic of a voice and lead to misinformed approaches and poor ownership of outcomes—among other things. Instead, it’s essential that we work with PNG in a partnership to find solutions in areas of mutual interest that are important to both countries.
The way forward

We need to focus on a select number of programs that have the potential to truly transform; have clear targets and long-term time frames; empower women; have a range of partnerships; and are so vital to PNG’s national development that the government is committed to providing co-funding.

To be truly transformational, projects must be intersectoral, but neither donors nor governments are currently set up to do this in the way they deliver projects. You cannot, for example, improve health without fixing roads, educating the population and improving governance and flows of funding.

One way to ensure better linkages is to work at the regional level. We’re doing this in the health sector already. In the Highlands of PNG, all the chairs of boards and CEOs of provincial health authorities are coming together to see how we can gain efficiencies and work better with the national government on issues such as procuring medicine. This has great promise. We should learn from this experience and consider how to structure our strategies and program delivery around targeted regional outcomes.

We need to spend a lot more time listening and not telling and we must not assume that what works in Australia will also work in PNG. The Australian criminologist William Clifford said in his 1984 review of PNG’s law and justice sector: ‘We are still seeking to impose irrelevant interventions to PNG problems seen through our eyes, not locally driven solutions.’

Those words are still relevant today, and it seems we aren’t good at learning from the past. I commend it to all of you.

In their paper titled *Police development in Papua New Guinea: the need for innovation*, Gordon Peake and Sinclair Dinnen note that when looking at Australia’s support for the Royal PNG Constabulary there’s ‘a remarkable consistency over the years in terms both of the diagnosis of the RPNGC’s ills and their proposed official remedy, namely institutional capacity building’. They say that:

> Few of these solutions—often predicated on the assumption that what ‘works’ in Australia and other metropolitan contexts can be transplanted directly to PNG—have flourished ... The dominant frame remains avowedly focused on capacity-building solutions with the RPNGC, despite evidence accumulated since independence suggesting that such an approach—on its own—is unlikely to reap dividends. It is puzzling that the solution proposed is often the same as what failed before.30

We do this time and time again in all sectors of our development cooperation program. We must spend a lot more time understanding that there are unintended consequences to everything we do and managing risks consistently over the short and long terms. If we support initiatives that raise income—for example, the Sepik vanilla boom several years ago, or Manus currently—are we potentially contributing to an increase in violence against women, HIV and social disorder because people are spending this money on drugs, alcohol and sex? If we improve access to important medication such as anti-retrovirals for HIV-positive patients but we don’t think through how people stay on this medication, are we contributing to a rise in multidrug-resistant disease?

Finally, it’s essential that Australia resists the temptation to do too much through our development cooperation program. As noted earlier, our annual aid expenditure is modest in relative terms and is spread thinly across numerous sectors. This undermines the potential to achieve impact.

When considering other areas to fund, we could look at how to support transformational outcomes from the Coral Sea cable that Australia is constructing. This can transform information technology communications by moving PNG to faster, more affordable and reliable telecommunication services. We can use this new technology to help PNG achieve significant progress in areas like education and health, where huge leaps could be gained from opportunities including e-learning and telemedicine, especially in remote locations where it remains a struggle to attract and maintain the skills of professionals, such as doctors and teachers.

Another area in which Australia might consider helping to foster transformational change is the agricultural sector. This could be done by linking improved transport infrastructure with value-added crops and facilitating connections to new markets. It could provide jobs and other opportunities for millions of people, including the growing youth population, while at the same time addressing the serious challenge of malnutrition.
Imagine if 80% of the Australian population woke up to no electricity, no running water, no health or education services, and not even a grocery store to buy food. How long would we last? Not long.

The people of PNG are incredibly resilient and have a pretty good sense of what they want for their future. That’s a good starting point for all development. But there are some very daunting challenges. These challenges matter for Australia because we’re good neighbours and because what happens in PNG affects our own national security.

Australians need to understand more about this wonderful country on our doorstep and we all need to work harder to ensure that we help make a tangible and lasting difference. Can we afford not to?

Notes
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Acronyms and abbreviations

APEC Asia–Pacific Economic Cooperation
GDP gross domestic product
HIV human immunodeficiency virus
PNG Papua New Guinea
RPNGC Royal Papua New Guinea Constabulary
TB tuberculosis

About the author

Stephanie Copus-Campbell is the Executive Director of the Papua New Guinean (PNG) Oil Search Foundation, which implements annual programs focused on health, leadership and education and women’s empowerment and protection.

She chairs the Southern Highlands Provincial Health Authority Board, which is responsible for governing all health service delivery in PNG’s third largest province, and is an adviser to the Hela Provincial Health Authority Board. Stephanie is also a director on the Harold Mitchell Foundation Board and the Femili PNG Board (a local PNG non-government organisation that supports survivors of family and sexual violence) and a member of the Bel isi PNG Steering Committee (a public–private partnership to address family and sexual violence in PNG). Until recently she was a board director for UNICEF Australia. She is a member of the University of New South Wales Canberra’s Advisory Council, the Steamships’ Community Grants Advisory Committee, and the Lowy Institute’s Australia–PNG Network.

From 2009 to 2011, Stephanie was the head of Australia’s aid program with Papua New Guinea. She was also posted to Suva, Fiji, as head of Australia’s aid program with Fiji and the Pacific region and has had previous postings to PNG. During her early Australian Government career, she worked on development cooperation with China and on environment and infrastructure policy. She has also worked with CARE Australia in an executive management role and as a lecturer with Deakin University.

Stephanie holds a master’s degree from Cambridge University (UK) in international relations and a bachelor’s degree from the University of California in political science, where she graduated summa cum laude. She is a graduate of the Australian Institute of Company Directors.

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