

**Statement made at Australian International Association Conference -a panel discussion in Sydney in 2007.**

**Charles Lepani:** Thank you Mac, thank you Ted. And thank you to the AIIA, for inviting me to participate this morning. I was not to sing for my supper; I was just to have the supper, that was my role this evening, invited by the Governor-General, but as always in this present capacity I'm very grateful and appreciative to participate in discussions not only on Papua New Guinea particularly, but on the Pacific Islands as a whole. For Papua we do have an image problem, a perception problem today, as perceived by some sections of Australian society. I'm always interested to learn why it is that Australia has such a difficult problem dealing with Papua New Guinea.

I'm also very happy to comment and be a party to Ted Wolfers' views. I just told him when he was apologising about not sending us a paper early enough, I said I know what you're going to talk about. So he was shocked to hear that. And I do share Ted's views in most of what he said, particularly the issue of what drives Australia today in its approach to Papua New Guinea how it perceives Papua New Guinea; how it is dealing with its closest neighbour; close to demagoguery and pedagogy . I know most of you seated here will be shocked to hear that, but at the political level in Australia, the utterances that you get from Australia on Papua New Guinea, reminds me of a recent statement by a member of parliament in Canberra, that they should revert back to paternalism to deal with the Aboriginal problems. There is a problem at that level. And that's why, I said our minister for Foreign Affairs then, Sir Rabbie Namaliu, is beginning to seriously look at people-to-people contact. And my work in Canberra is not so much dealing with AusAID or Foreign Affairs Department. I think they rarely see me in their offices. I'm more out in the bush with local government councils, at the Rotary Clubs and schools. Just about two, three weeks ago I was in Orange standing next to a garbage truck that they were going to donate to Mount Hagen. Now that to me is more important in the end, to try and rebuild that friendship, substantive friendship that used to exist between Papua New Guinea and Australia, and the understanding that flowed.

I also share Ted's view about the macro level assessment of Papua New Guinea that's driving Australia's perception and pedagogy, as I see, towards Papua New Guinea. I was fortunate enough to meet and have a little discussion with Sue Windybank who co-authored a report about two years ago, I think, which has stirred a fair bit of interest and excitement, both in Papua New Guinea and Australia. And when I look at a sense of where Australia is heading in terms of its overall bilateral relations and the way it's defining its relationship with Papua New Guinea through the White Paper and the recently agreed-upon at officials level, Joint Country Strategy, there is that confluence of view and approach between that report and the approach that Australia's taking, and also Australia's Minister for Foreign Affairs and Trade regular utterances about good governance as what will basically resolve PNG's problems.

I'm glad to read from Satish his latest ponderings on Papua New Guinea—he has actually gone to specific areas and has been able to contextualize PNG research and analysis rather than macro generalities. I heard recently that there are two types of indicators. One is the lead indicator and one is the lag indicator, and economists are

classed in the latter, the lag indicators. But to me, the great commentators on PNG of today who wield some influence in Australia's public policy thinking are the very people whose perceptions and thoughts are beginning to I think inordinately command too much public policy attention and drive. I totally agree with Ted's view that Papua New Guinea's handling of its problems may not be how you think it should be handled. But there is a re-emergence after five years of stability of a sense of—now we know where we've gone wrong. I don't agree with regular utterances of commentators that since independence, as if on September 16<sup>th</sup> date of independence to now there is this curve on a continuum of decline. It wasn't. It was a stable curve, in fact it was an increasing curve of good management, good governance, for ten or fifteen years after independence. Then there is the realisation by politicians that they need to control the public purse in order to **help** their constituencies. The slush fund concept came into being. Governance issues began to emerge.

So it is, as Sir John Crawford, one of the greatest friends of Papua New Guinea—if he was alive today I'm sure he would cringe at the public policy approach of Australia to Papua New Guinea—he commented once in one of his many visitations to Papua New Guinea shortly after independence, that you know, I fear you've set yourselves such a high standard that soon you will just go downhill from hence His prediction was right. But in a tone and manner (not condescendingly), that reflects, a sense of responsibility as to how we should be looking forward; not in the euphoria of independence, political independence, but of the future of Papua New Guinea and where we should be heading in the country.

And there are still a lot of good Papua New Guineans thinking about this issue, trying to redefine it in the context of Papua New Guinea, and deal with it in a manner that Australians may not agree with and International agencies may not agree with. There are problems. We've got the HIV/**AIDS** problem, you've got the forestry issues, gang-rape of our women in Papua New Guinea—these are serious problems. We can't neglect those or put them under the carpet. A lot of Papua New Guineans are concerned about them, a lot of Papua New Guineans are quietly going about their way trying to resolve these issues or deal with these issues. If one listens to commentaries on PNG today, it seems all the good thinking and all the good that is done comes from outside and PNG and its people are merely passive recipients

So my appeal to the opinion makers of Australia is to go there, see for yourselves, don't just go to look at what proves your views. That's the other thing about research. You go and pick on the things that you can come back and say—see, that's exactly what I said. Here it is. These things are happening in Papua New Guinea. Of course, things will always start to happen. How they play themselves out and how you manage them is also just as important.

So to conclude—I think I'm going over my ten minutes—the issue of modalities in delivering aid, I think my good friend Roger mentioned that earlier, you could see a cycle. We went from budget support aid in Papua New Guinea to project-tied aid, and now you're bringing in SWAP or Sector Wide Approach, the sector-wide approach in managing and delivering aid. I have always argued, for PNG's Development Partners to start looking at civil society and business communities. Civil society, NGOs and I'm glad also to see that there is some move in that direction within the AusAID office, for delivery of aid, and institutions that are there that have actually functioned

at the village level, churches et cetera, new NGOs coming in—go to them. Don't just deal with the government. . But it is significant to note that there is cycle historically in Papua New Guinea, we had these three phases, last thirty years, and then you're moving towards harmonisation, donor harmonisation. That is one of the key issues in harmonization, they're talking about untied budget support aid again , but once we've got the governance infrastructure in place to which your development assistance will flow, it would be much more appropriate to seriously consider budget support delivery modality. Which I think is a good move. It's also a vote of confidence in what you feel is happening in Papua New Guinea. I know it's not going to be a while, but the international trend is moving us in that direction.

So the issue I come back to conclude with is to again look at the specifics, the context—that's the main message. In Papua New Guinea don't just sit here and go and have a quick tour, come back and say, I picked these points because they support and prove what I've been saying. You must also allow yourselves the pleasure of enjoying something that's different in Papua New Guinea that is happening. There are a lot of good challenges, good things happening. Thank you