

# Dangerous Liaisons

DON D'CRUZ

**W**HEN Prime Minister Howard travelled to Indonesia this year, he was snubbed by a number of leading Indonesian politicians, among them most notably Amien Rais.<sup>1</sup> According to media reports, Rais, the influential speaker of Indonesia's People's Consultative Assembly, cancelled a planned meeting with Mr Howard because he believed Australia was supporting independence movements in West Papua and Aceh.<sup>2</sup> This was a charge that the Prime Minister naturally denied. After all, it was something for which neither he nor his Foreign Minister Alexander Downer had ever expressed support.

The truth is that taxpayer-funded Australian non-government organizations (NGOs) are supporting independence movements in Indonesia. And Indonesia is not the only country where the Australian taxpayer is footing the bill so that NGOs can agitate in support of policies that are contrary to the official foreign affairs' line. To Indonesian eyes, these actions appear 'Australian'. After all, these are Australian-based organizations, staffed by Australians, receiving Australian Government money and boasting links to the highest levels of Australian society.

Australians should be allowed to support independence movements in Indonesia and elsewhere with their own money and resources—so long as they do so lawfully. It is an entirely different matter for NGOs which are carrying out aid projects on behalf of the Australian Government. They have responsibilities first to guarantee the safety of their workers, but more importantly to see that aid is delivered in a professional and impartial manner.

It is clear that Australian foreign-aid NGOs played an important role

in facilitating Australian involvement in East Timor. Although it was ultimately the decision of the Howard Government to intervene directly, Australian NGOs and activists played a vital role in keeping the issue of East Timorese independence on the agenda, generating favourable media reports, aiding demonstrations, lobbying politicians, and raising the matter at international fora and the like.<sup>3</sup>

As Michelle Grattan wrote during the Prime Minister's recent visit to Indonesia:

The fears held—despite Australian denials—by many Indonesians about West Papua are understandable. After all, it's only several years ago that Australia said—and certainly believed—that East Timor should remain part of Indonesia. International circumstances and Australian opinion changed. Some Indonesians no doubt believe the same metamorphosis of opinion may happen with West Papua.<sup>4</sup>

Given their obvious importance to fledgling independence movements, it is not surprising that pro-independence advocacy by Australian NGOs is viewed with suspicion in Indonesia and may be hindering the further normalization of relations between Australia and Indonesia.<sup>5</sup>

## AUSTRALIAN MISCHIEF IN INDONESIA

One taxpayer-financed body heavily involved in pressing its own foreign policy approach is APHEDA (Australian People for Health, Education and Development Abroad), or Union Aid Abroad. In its Annual Report, APHEDA talks about its 'campaigns in support of independence in West Papua, Palestine and Western Sahara'.<sup>6</sup>

APHEDA's operations in Indonesia were, at least in 1999–2000, partly funded by AusAid—the Australian

Government Foreign Aid Agency. Moreover, it is AusAID's capacity-building support that allows APHEDA to keep its entire network in place with people and programmes in ten countries. In 2001, some \$3.1 million out of APHEDA's total income of \$4.4 million (excluding income in kind) was provided by the taxpayer. Government funding increased from \$1.7 million in the previous year.

AusAID money has assisted APHEDA to run a trade union training programme in Bandung, Indonesia. This in turn has resulted in APHEDA getting intimately involved in controversial industrial disputes. APHEDA and its Indonesian partners led a strike against the Shangri-La Hotel chain at the end of 2000. The strike resulted in civil disturbance with riot police called in, and in court action with an Indonesian civil court handing down a \$4 million judgment against the unions and some 400 striking staff being dismissed.<sup>7</sup> This hardly constitutes suitable activity for an Australian-funded aid agency.

APHEDA is no ordinary NGO. It has links with some of the most senior members of the Australian Labor Party. Although chaired by former Secretary General of the Waterside Workers Federation and committed life-long Communist Tas Bull,<sup>8</sup> its management committee includes ALP Federal member for Reid, Laurie Ferguson and ALP President Greg Sword, as well as Sharan Burrows, the President of the ACTU.

Sword made headlines in 2000 when he signed a 'memorandum of understanding', along with other union leaders, with a representative of West Papuan independence activists which, among others things, called for a United Nations-sponsored referendum on its future.<sup>9</sup>

As most commentators observed, it was an action that ‘embarrassed the ALP’ with the then shadow Foreign Minister Laurie Brereton being forced to state that, despite what some senior members of the ALP had indicated, the Labor Party did not challenge the sovereignty of Indonesia.<sup>10</sup>

Another notable member of the board is Janet Hunt, who was formerly the executive director of the Australian Council of Foreign and Overseas Aid (ACFOA), the peak body for foreign-aid NGOs in Australia.

APHEDA is not the only taxpayer-funded participant in Indonesian politics. Indeed, Australian Volunteers International (AVI) also provides a stark reminder of how committed activists can pursue their passions with little regard to the integrity of the aid agencies for which they work.

AVI’s problems were exposed when an *Australian Story* documentary programme (on ABC TV) about Kirsty Sword, the new wife of East Timorese president Xanana Gusmao, revealed that she had engaged in a range of covert activities while employed by Australian foreign-aid NGO AVI as a teacher.<sup>11</sup> Andrew Bolt summed it up neatly when he wrote: ‘bravery is one thing, but spying while pretending to be an Australian aid worker is dumb and dangerous—to many others’.<sup>12</sup>

Irrespective of what one thinks about the cause of East Timorese independence, Sword’s actions were reckless given the degree to which Australian aid workers and citizens in general were compromised by her activities. But far more troubling has been the lack of concern by groups such as AVI when their failings were exposed.

AVI, which is largely funded by Australian taxpayers, also has a number of high-profile Australians associated with it. Its patrons include Sir Zelman Cowen (former Governor-General), Gough Whitlam (former Prime Minister), Elizabeth Evatt (former Family Court Judge), Justice Michael Kirby (current High Court judge), Ian Sinclair (former leader of

the National Party) and Peter Howson (former Liberal minister). To Indonesian eyes, this NGO would also appear to have close links with the Australian Government and Parliament.<sup>13</sup>

To date, it appears that AVI has not conducted any internal investigation into the Sword case. Even more worrying is the assertion made by the head of AVI that AusAID have no concerns about this incident. This raises serious questions about the level and quality of supervision by AusAID.

The Australian Council of Foreign and Overseas Aid’s (ACFOA) Code of Conduct is commonly used by aid agencies as ‘proof’ that they observe the highest standards of behaviour. The assertion by AVI that they had not breached ACFOA’s Code of Conduct might lead to the conclusion that amateur espionage is an acceptable part of Australian aid work abroad.

---

**To date, it appears  
that AVI has  
not conducted  
any internal  
investigation into  
the Sword case**

---

In the documentary on Kirsty Sword, one interviewee noted ‘what she did in practice was to be a money launderer, to be a networker, to be a translator, to be right at the very heart of the web of networks and intrigue, and comings and goings related with the clandestine movement’.<sup>14</sup>

These observations are intriguing because they were made by Pat Walsh who was ACFOA’s human rights coordinator at the time of Sword’s activities and the long-time editor of *Inside Indonesia*.<sup>15</sup> Given that ACFOA seems not only to have known about but also condoned Sword’s activities (Walsh was Sword’s referee), one has

to question ACFOA’s capacity to define and enforce acceptable standards of behaviour.

The recent debate about anti-terrorism laws drew a response verging on hysteria from Australian NGOs. One interesting comment came from Nathan Laws, the international programs manager at Australian Legal Resources International (ALRI), who was quoted in a major paper as saying: ‘There are concerns if the bill is passed in its present form, organizations that directly support and provide advocacy for independence movements may be deregistered by the Attorney-General and face other consequences resulting from a freedom movement being classified as a terrorist organization.’<sup>16</sup> The representative from ALRI, which operates in Indonesia and the Middle East, among other places, did not elaborate on what he meant by ‘direct support’, but it is a troubling notion when dealing with NGOs operating in strife-torn parts of the world.

**RIGHTS-BASED APPROACH  
TO DEVELOPMENT**

There are a number of reasons which explain this politicization of foreign aid. A compliant and ineffectual bureaucracy in AusAID is certainly a factor. A lack of media scrutiny is almost certainly another factor. It is instructive just how little media interest and investigation there was when Rais and other senior Indonesian politicians made their claims.

The main reason for this politicization is the rights-based approach to development which is the orthodoxy in the Australian foreign aid community. As APHEDA’s Website clearly states: ‘Union Aid Abroad-APHEDA’s international program has developed from a rights based approach.’<sup>17</sup>

This approach argues that rather than human rights being a subset of development, development is a subset of human rights.

The key benefit that the approach offers the more politically-motivated activists is that it provides them with a *carte blanche* excuse to interfere in

the internal politics of other countries on the grounds of human rights. As John A. Gentry put it in a *Washington Quarterly* article, 'human rights are powerful recruiting tools and powerful propaganda tools in the already lethal arsenal of separatists and revolutionaries.'<sup>18</sup> After all, rights are absolute by definition and require no compromise.<sup>19</sup> Just as defending the 'rights' of asylum seekers allows activists to justify any actions and statements, so too does the rights-based approach to development allow NGOs to argue that virtually any action is permissible in pursuit of helping the people who they 'serve' to actualize their rights. The defence of cultural rights and human rights becomes an excuse for the 'end justifying the means'.

The dangers of this are expressed by aid agency Worldwrite in their report released at the Earth Summit:

Not only does the obsession with cultural difference [human rights] mask inequality but there is a greater danger in the way it is used to undermine autonomy and national government, interfere in the affairs of sovereign states and prescribe what is appropriate for the developing world.<sup>20</sup>

ACFOA's Code of Conduct not only enshrines this defective reasoning, it acts as a shield to deflect scrutiny by creating the illusion of proper standards.

Despite some misleading claims in the media,<sup>21</sup> there is nothing in the Code that actually promotes neutrality and impartiality as major values to guide the conduct of Australian foreign-aid NGOs. In fact, the explicit absence of such a statement is what hits one hardest about the Code.<sup>22</sup>

Another curious omission is any requirement for NGOs to observe the laws and sovereignty of the host countries in which they operate. In some respects, the omissions are far more notable than what is actually said.

Add to this cocktail foreign aid NGOs with little accountability, a lack of transparency, poor governance

and staffed by a combination of idealistic activists and committed campaigners, and one has a recipe for politicization and, eventually, disaster.

### **AND THEN THERE'S THE MIDDLE EAST...**

Indonesia has not been the only country where Australian foreign-aid NGOs have received unwanted attention. Oxfam Community Aid Abroad (OCAA) recently came under fire for its perceived lack of neutrality in the Middle East. OCAA was labelled an 'eager propagandist' having 'chosen to ignore the long history of entirely unreliable (i.e., false) re-

---

## **Another curious omission is any requirement for NGOs to observe the laws and sovereignty of the host countries in which they operate**

---

ports designed to delegitimize Israel, as well as the background of the brutal Palestinian terrorist campaign that led to the Israeli response'.<sup>23</sup> Having checked OCAA's web site, this accusation is not an unreasonable one, with OCAA refusing to label any Palestinian activity—even suicide bombing—as terrorism!<sup>24</sup>

APHEDA is also active in the Middle East. In addition to supporting West Papuan independence activists, APHEDA is also staunchly pro-Palestinian.

According to a so-called 'fact-finding' mission report by APHEDA: APHEDA's first projects were with Palestinian refugees, as a re-

sponse to the violation of the Palestinian peoples' human rights and their struggle for self-determination. APHEDA's program aims to demonstrate solidarity and commitment with the Palestinian people through humanitarian assistance, advocacy and lobbying.<sup>25</sup>

This fact-finding mission's report contains a litany of unsubstantiated charges against Israel. And, although the report claims to have consulted a 'wide range' of sources, the list of all those interviewed fails to contain a single representative of the Israeli Government.<sup>26</sup> Given this selectivity, it is hardly surprising that the report extensively discusses Israeli military actions but ignores the reason for them. Surely, no intelligent criticism of any alleged human rights violations by Israel can take place without a discussion of Israel's grave security environment. An environment where the constant threat of terrorism places a tremendous strain upon the normal functioning of any democratic nation.

While the report says that 'Israel must renounce state-terrorism', the report almost comically makes no reference to Palestinian terrorism.<sup>27</sup> Of more concern, it argues that 'resistance is inevitable' on the part of Palestinians.<sup>28</sup>

The main problem with APHEDA's pro-Palestinian advocacy is that APHEDA's projects in those areas are largely Australian-government-funded.<sup>29</sup> As such, APHEDA is not just the ACTU's aid agency, it is acting as an 'agent' of the Australian Government. This makes the strident advocacy of APHEDA on these issues totally unacceptable.

In the case of APHEDA, this also begs a broader question about whether the Government wishes to see the strident form of Australian trade unionism exported to other countries. Thanks to funding from Australian taxpayers, the ACTU can afford not only to train union activists in countries such as Indonesia, Cambodia, the Philippines and East Timor,<sup>30</sup> but in virtually every Pacific nation as well. ▶

Not only do Australian taxpayers fund the spread of Australian unionism throughout the globe, but they also provides APHEDA and the ACTU with the means of keeping in place a network of activists.<sup>31</sup> APHEDA's taxpayer-funded network of activists does not just work overseas; it also functions domestically on issues such as refugees, anti-globalization and reconciliation.<sup>32</sup> The importance of these networks to the union movement was spelt out in the ACTU's key strategic planning document *Unions@Work*.<sup>33</sup>

Moreover, APHEDA would not appear to have the necessary credentials for many of the projects for which it receives government aid funding. For example, the union movement has virtually no links or skills bases in the agricultural sector, yet it received funding to teach permaculture in the Solomons, Cambodia and Palestine, organic agriculture in Vietnam and sustainable agriculture in Bougainville. Of course, APHEDA and the union movement could purchase the necessary skills from outside the union movement. But the point is that the union movement itself does not bring unique skills which would offset its lack of suitability for the receipt of government funding.

Relations with our most important neighbour are being severely undermined by government-funded NGOs acting as supporters of independence movements. Quite reasonably, political figures in Indonesia can ask whether Australia is seeking to bring about the disintegration of their country.

Just as seriously, such actions that are funded by the Australian Government jeopardize the effectiveness of this aid and even the lives of other Australians. If Indonesians see Australian funding being directed towards some of the many 'independence' movements, Australia will be mistrusted, as is already evidenced by the actions of the speaker of Indonesia's People's Consultative Assembly.

Respected commentator Paul Kelly highlighted 'the essential prob-

lem' when he said that the issue of West Papua, like East Timor before it, 'has its own dynamic and is beyond the control of our political leaders.'<sup>34</sup> In sub-contracting so much of its aid funding to partisan NGOs, Australian Governments of both political persuasions have inadvertently created the danger of seeing those same organizations seize their policy agendas, effectively wresting control of parts of our foreign policy.

The problems outlined here are so systemic and the consequences so grave, that the government must re-examine the 'license to operate' for many of these NGOs. Interfering in the internal politics of other countries is dangerous. When an NGO receives benefits from the taxpayer, then it is even more unacceptable. The government must act in order to protect the majority of aid workers who are there not to 'play politics', but to assist the poor. In doing so, it will also preserve the integrity of Australian foreign policy.

## NOTES

- 1 See 'Indonesian MPs snub Howard', AM, ABC Radio. Downloaded at: <http://www.abc.net.au/am/s474406.htm>
- 2 Lindsay Murdoch, 'Indonesians decry PM's visit' *Sydney Morning Herald*, 26 January 2002.
- 3 For a detailed theoretical description of the dynamics, see John Arquilla and David F. Ronfeldt, *The Advent of Social Netwar*, (RAND Publications, 1996). Downloaded at: <http://www.rand.org/publications/MR/MR789/>; see also David F. Ronfeldt, John Arquilla, Graham E. Fuller, Melissa Fuller, *The Zapatista 'Social Netwar' in Mexico* (RAND Publications, 1998). Downloaded at: <http://www.rand.org/publications/MR/MR994/>
- 4 Michelle Grattan, 'Indonesians are simply playing politics', *Sydney Morning Herald*, 8 February 2002. Downloaded at: <http://old.smh.com.au/news/0202/08/opinion/opinion1.html>
- 5 See Clifford Bob, 'The Merchants of Morality', *Foreign Policy*, March–April, 2002.
- 6 APHEDA, *Annual Report 2001*, page 9.
- 7 APHEDA, Newsletter (Autumn, 2002), page 2.
- 8 <http://www.mua.org.au/aboutus/bull.html>
- 9 <http://www.greenleft.org.au/back/2000/427/427p21.htm>

- 10 Michelle Grattan, 'Australia warns Jakarta over Papuan rights', *Sydney Morning Herald*, 5 December 2000.
- 11 Transcript of 'Dangerous Liaison', *Australian Story*, ABC TV. Downloaded at: <http://www.abc.net.au/austory/transcripts/s485784.htm>
- 12 Andrew Bolt, 'Pin-up spy idiocy', *Herald Sun*, 28 February 2002, page 23.
- 13 Australian Volunteers International, *Annual Report 2000–2001*, page 5.
- 14 Transcript of 'Dangerous Liaison', *Australian Story*, ABC TV. Downloaded at: <http://www.abc.net.au/austory/transcripts/s485784.htm>
- 15 See <http://www.insideindonesia.org/edit47/pat.htm>
- 16 Kate Marshall, 'A guilt-edged statute', *Australian Financial Review*, 16 May 2002, page 69.
- 17 <http://www.apheda.org.au/about.htm>
- 18 John A. Gentry, 'The Cancer of Human Rights', *Washington Quarterly* (Autumn, 1999), page 108.
- 19 *Ibid.*, page 97.
- 20 Worldwrite, *Time to ditch the Sustainability: A Critical Memorandum*, page 11. Downloaded at: [http://www.worldwrite.org.uk/worldwrite\\_WSSD.pdf](http://www.worldwrite.org.uk/worldwrite_WSSD.pdf)
- 21 Susan Harris, international human rights lawyer cited in Kate Marshall, 'A guilt-edged statute', *Australian Financial Review*, 16 May 2002, page 69.
- 22 See ACFOA, Code of Conduct at [www.acfoa.asn.au](http://www.acfoa.asn.au)
- 23 Gerald Steinberg, 'Propaganda vs. Humanitarianism', *Australian Financial Review*, 7 June 2002.
- 24 See [www.caa.org.au](http://www.caa.org.au)
- 25 APHEDA, Report on Fact Finding Mission to the Occupied Palestinian Territories 15–23 May, 2002, page 7.
- 26 See Appendix 2 in *Ibid.*
- 27 *Ibid.*, page 25.
- 28 *Ibid.*
- 29 APHEDA, *Annual Report 2001*.
- 30 APHEDA's activities in East Timor are partly funded by contributions from the Walter Construction Group, Leightons, and Multiplex. See APHEDA, *Annual Report 2001*. Downloaded at: [http://www.apheda.org.au/images/annual\\_report\\_2001.pdf](http://www.apheda.org.au/images/annual_report_2001.pdf)
- 31 See [http://www.apheda.org.au/activist\\_networks.htm](http://www.apheda.org.au/activist_networks.htm)
- 32 <http://www.apheda.org.au/campaigns/campaigns.htm>
- 33 See ACTU, *Unions@Work*, pages 45–46.
- 34 Paul Kelly, 'Danger in mixed signals', *The Australian*, 1 November 2000.

Don D'Cruz is Research Fellow at the IPA and Director of IPA's NGOWatch.

**IPA**