AUSTRALIAN AID IN MELANESIA-SOUTH PACIFIC:
RESPONDING TO DEVELOPMENT, POLITICAL AND SECURITY
CONCERNS

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THESIS SUBMITTED AS PARTIAL FULFILMENT OF THE
REQUIREMENT FOR THE DEGREE OF MASTERS OF SOCIAL
SCIENCES IN DIPLOMACY AND STRATEGY

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UNIVERSITI KEBANGSAAN MALAYSIA
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2009
DECLARATION

I hereby declare that the work in this thesis is my own except for quotations and summaries which have been duly acknowledged.

01 June 2009

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ABSTRACT

The Melanesian countries in South Pacific face significant challenges for development, economic growth, political stability and security. These include ethnic conflict, political instability, law and order problems, increasing poverty, and poor governance. Owing to their geographical isolation and small economies - Fiji, Papua New Guinea (PNG) and Solomon Islands cannot address these challenges themselves. Foreign aid is important in this context to assist resolve these problems. Australia has been a leading foreign aid donor for these Melanesian countries. Hence, it is concluded that Australia has considerable interest in these countries. Its foreign aid policy promotes development, economic growth, and regional stability and security. Australia believes that instability, lawlessness and lack of development in Melanesian countries can affect South Pacific and itself due to their geographical proximity. Due to these concerns and in light of the threat from global terrorism Australia's involvement in Melanesia began to increase in 2003 during the aftermath of the terrorist attacks on the U.S in 2001 and the Bali bombings in 2002. Although Australia's aid accounts for the highest share of aid to Melanesia, important development issues that can have significant impact on the lives of the majority in Melanesia are not impacted by Australia's aid. These include rural development such as roads, bridges, markets, electricity, communication, health and education. Most of Australia's aid is allocated to promote good governance, effective state institutions, and democracy, which have no direct impact on the lives of people. Nonetheless, for Australia, its aid programs have been successful since it increases Australia's engagement with the region. This has also benefitted the region in terms of promoting security, good governance and effective governments. The study uses both primary and secondary sources of data. The former involves mainly analyzing documents relating to Australia's foreign aid from AusAID and the Government of Australia. Speeches and news articles are also used. For secondary sources, academic literatures and other related researches are used.
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