POLICY FORUM

POD

Policy Forum Pod

A Pacific-specific approach to regionalism

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About us:

Policy Forum Pod is the podcast of Policy Forum.net - Asia and the Pacific's platform for public policy debate, analysis and discussion. Policy Forum is based at Crawford School of Public Policy at the Australian National University.

Our regular podcasts are written for a broad audience of public policy professionals, and those interested in public policy throughout the region.

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[intro music 0:00:00-0:00:11]

Martyn Pearce: Hello and welcome to the Policy Forum Pod, the podcast for those who want to dig a little deeper into the policy challenges facing Australia and its region. I'm Martyn Pearce. Policy Forum Pod is produced at Crawford School. We are the region's leading graduate policy school, and you can find out more about us at crawford.anu.edu.au.

I'm delighted once again to be joined by Jill Sheppard as my co-host, who is a lecturer at the School of Politics and International Relations here, at the ANU. She's got expertise in comparative politics, political behaviour, Internet and politics, and cricket as well. Hello, Jill.

Dr Sheppard: Hello, Martyn.

Martyn Pearce: It's good to have you on the Pod again. Last week, you said you were off to the match between Sri Lanka and Australia. I took special interest. I noticed Australia actually won this. How was it? Were you bowled over? Did people successfully run between the wooden things?

Dr Sheppard: They did. I cannot believe--; You don't like cricket – is this what I'm getting?

Martyn Pearce: I have an appreciation for it, but that doesn't mean I would sit and watch it.

Dr Sheppard: It was great. It was the first day of Test cricket ever in Canberra. It was fantastic — a historic occasion. It was important that I was there. We ran into a lot of our colleagues — half the Uni was at Manuka Oval on Friday. It was brilliant.

Martyn Pearce: So, there was a lot of research — academic research — being done there, was there.

Dr Sheppard: A lot — a lot of collaboration.

Martyn Pearce: Well, speaking of great teams — as Australia clearly were, our newly created Facebook podcast gang — I'm doing the gang sign right now.

Dr Sheppard: Arhh.

Martyn Pearce: How is that, Jill?

Dr Sheppard: I'm not doing the gang sign.

Martyn Pearce: Our newly created Facebook podcast gang has been growing over the past week or so, and if you haven't come aboard yet we would love to have you join, as well. You can find us on Facebook. Just type "Policy Forum Pod" into the search bar. In this space, you can chat with us, you can tell us what you want to discuss, get an idea about what happens behind the scenes,

give us some suggestions for future podcasts. We've had some really good comments and ideas come through already, so please do keep them coming in.

I want to introduce a new section into Podcast, here. We are recording on a weekly basis, so I want to have a look at some of the big policy issues that have played out over the last week. Jill, what's one policy issue that's caught your eye over the last week?

Dr Sheppard: Well, you listed my research interests and I'm updating them at the moment to be Australian politics, public opinion, cricket, and franking credits.

Martyn Pearce: Franking credits?

Dr Sheppard: In the last week, I've learned what franking credits are because it's taking over our national political debate.

Martyn Pearce: So, could you explain to our audience of economists what franking credits are?

Dr Sheppard: Okay. Please, comment on all my mistakes underneath the podcast week.

They are--; If you are in shares, you can often get paid dividends from the company which you hold shares or the fund in which you hold shares. The fund or the company pays tax on the dividends that you receive as part of your share ownership. You can get reimbursed for that tax, so you can get that tax that the company pays paid to you as a credit.

There is a lot of jargon involved here. What I know now is that it means that, for particularly self-managed superannuation fund holders, that they may be punished by, in the area of between $1,000 for some upwards of $20,000 a year, if Labour is elected--

Martyn Pearce: That sounds like a lot of money.

Dr Sheppard: -with their Tax Reform. Well, it is, but these are people who are pretty well off. Now, I don't want to comment on the merits of the tax reform policy that Labor's taken the election direction, because I honestly have no idea, really, but I just think it's interesting that we have these debates in Australia that are really esoteric with regard to tax policy and negative gearing or aspects of home ownership. No other country in the world talks about tax policy and economic policy in this level of details, and I find it fascinating.

As you know, I study public opinion. I think we don't give voters enough credit across the board on a range of issues, and this is something where, gee, Australians are sophisticated with what we can talk about and the kinds of policy discussions that we can handle. Now, whether the media is actually picking those up and talking about them in a nuanced and informative way is another thing, but I just find it fascinating — the complexity of things that we can talk about in Australia.

Now that you know about franking credits, what are your thoughts on politics in news this week?

Martyn Pearce: Well, actually the one thing that stood out for me is — it's actually two things; I'm cheating here. On Friday, there was the report came down from the Royal Commission into the Murray-Darling Basin, which made some absolutely stinging findings, particularly around the governments of the Basin, and then, earlier this week, we had the banking Royal Commission, which also made some very strong findings, particularly against the big banks in Australia.

I don't want to delve into the findings themselves, but I'm interested, I guess, to pick your brains about what this says — these two findings, what these two commissions say about the state of governance in Australia.

Dr Sheppard: There was a quote from the Murray-Darling Basin Commission inquiry report that said something to the effect that the Commission was either unwilling or unable to act lawfully, and that just floored me.

We're talking about a statutory authority, so an arm of government that has some independence from the elected executive government, but an organisation that was either unwilling or unable to act within the law. That's pretty much their first job — it's to act within the law, and they didn't do it.

When we think about the banks, I think our expectations for banks in Australia are fairly low, so we have managed expectations with regard to their criminality or ethical behaviour.

Martyn Pearce: Australians love to hate the banks, right?

Dr Sheppard: Oh, yes, absolutely. I think, for a lot of us, we're a little bit blasé about, "Oh well, yes, the banks are awful. We knew this all along." What's going to have to come out, though, is [?? 0:06:39] responses, and the government has said that they will respond to each of the 56 recommendations from the [Hayne Royal? 0:06:46] Commission.

That's a lot of recommendations. I don't know that they have the capacity to do that politically or just in terms of the procedure of actually sitting enough dates in the Parliament.

What we're seeing here is a gap between our expectations of government and what they're delivering, and that gap is widening. We know this is coming out in public opinion polls and in the more in-depth survey work that we do here, at the ANU.

We are expecting less and less off our governments and they're still not providing that, and that is what we call a secular trend. It's not Labor, it's not Liberal, it's not partisan at all. It's just government, generally. They cannot perform to the level that we expect of them. Now, that's really problematic.

Martyn Pearce: Do you think that these Royal Commissions might actually lead to lasting change or is it more a case of we're just waiting till the dust settles and then we carry on with business as usual?

Dr Sheppard: I think we'll see criminal convictions in the case of the banks, and there will be plenty of individuals who get hived offers — maybe not scapegoats but are certainly sacrifices to the [Hayne Royal? 0:07:56] Commission gods.

In the case of the Murray-Darling Basin, there is a lot more that needs to be done, because this is foreshadowing our topic for the Pod today. This is about governments cooperating. This is about regionalism. It's about a level of intergovernmental agreement that we are not used to in Australia.

The Murray-Darling Basin Commission has all kinds of governance problems but, at heart, we still have this problem of Queensland wanting water that South Australia wants and, until we can get over that problem, there's systemic inability to actually feed environmental floods down to South Australia. There is very little response from either the Government or the Opposition at the moment on precise responses to the Murray-Darling Basin Commission Report but, look, we will see.

A lot of this, [we're in a? 0:08:53] holding pattern, too. If there is a May election then maybe this is something for June and July, and we just hope that it's still on the agenda by then, that that requires civil society, it requires stakeholders to keep pushing these issues, because I think government in Australia are pretty happy just to let things go by the by.

Martyn Pearce: Well, there you go, you've heard what we think are some of the key issues that have played out over the last week, and we are going to be trying to do this every week, so if you've got any thoughts about things that you would like us to discuss, please do get in contact on all the ways that you can normally get in contact with us, on Twitter as @APPSPolicyForum, on Facebook group, policyforumpod, or just zip us an email, podcast@policyforum.net. We are really keen to get your thoughts.

On last week's Pod, we discussed Australia's environmental performance and the need for an integrated climate and energy policy framework — something that's not just important for Australia but also crucial for the country's neighbours, because in Australia's neighbourhood there are around 11 million people living in Pacific Island nations that have increasingly come under threat from climate change and resource scarcity, and with rising sea levels eating away their coasts, heart disease and diabetes prevalent, and shrinking fish stocks threatening food security, Pacific Island governments have a particular interest in working together and joining forces to influence the global policy debate.

Today on the Pod, we are taking a look at regional cooperation between Pacific Island nations and how they go about coping with economic development, globalisation, the costs of these non-communicable diseases, and the very damaging effects of climate change. We really want to know how can Pacific Island nations work together better to ensure a sustainable future, with food security and healthy populations, and can their shared interest [grow? 0:10:52] a common stance to better influence world policy making.

We have got a fantastic line-up of guests to discuss these questions, haven't we, Jill.

Dr Sheppard: We've got a great line-up today.

We've got Dr Colin Tukuitonga, who is the Pacific Community Director General. He has previously worked as an Assoc. Professor of Public Health and the Head of Pacific and International Health at the University of Auckland. His specialty is in public health in the Pacific and in non-communicable diseases. He talks a lot about this today in the interview that we've done with our three guests. He is Canberra to give this year's S.T. Lee Lecture here, at the ANU. We will leave a link to that in the show notes.

Next, we've got Dr Matthew Dornan. Matt's a Research Fellow and a Deputy Director at the Development Policy Centre here, in the Crawford School. His research focuses on economic development in the Pacific islands. He is specifically interested in labour mobility and, again, this is something that we talk about — something that's so important for the Pacific region.

Finally, Professor Meg Keen, who is an Associate Professor in the Department of Pacific Affairs at the ANU. She has a background in resource management, regionalism, development, and security in the South Pacific region. She previously worked in the Office of National Assessments for the Australian Government, and I like anyone that has a pre-academic background in something else, because I do, so I feel like Meg's a friend already.

Martyn Pearce: Before we get to that, a quick reminder to all to get in touch with us. You can reach us via Facebook — we're the Facebook group policyforumpod, on Twitter, where we are @APPSPolicyForum, or zip us over an email, podcast@policyforum.net. Stick around after the main interview, because we're going to be going over some of your questions and comments about previous podcasts and about pieces that we put up on our website, policyforum.net.

For now, let's meet our guests.

[interlude music 0:12:47-0:12:53]

Martyn Pearce: Well, thank you so much to all of you for joining me. Colin, hello.

Dr Tukuitonga: Hello.

Martyn Pearce: Meg, hello.

Dr Keen: Good morning.

Martyn Pearce: And Matt, how are you?

Dr Dornan: Good morning. Well, thanks.

Martyn Pearce: Alright, I'd like to start this by talking about the Framework for Pacific Regionalism. From climate change to non-communicable diseases, Pacific-island nations are facing some really significant challenges to their development and prosperity. In 2014, Pacific leaders recognising this need for deeper regional integration between the Island nations replaced the Pacific Plan with a new Framework for Pacific Regionalism that aimed to address the strategic issues, such as sovereignty, pooling resources and the delegation decision-making.

Colin, perhaps if we can start with you, looking back at the past few years, what has been achieved through this Framework?

Dr Tukuitonga: Well, I think the most important achievement has been the focus that the Framework has offered to the multitude of players in the region, the funders, the development partners, the countries, the NGOs — there is a whole host of people, and what the Framework does is offer a structure for these conversations.

The second important thing, I think, is the inclusivity of the Framework. By that, I mean we now have the civil society sector participating annually in the discussions of the leaders, with the leaders and the private sector — something that perhaps wasn't a big part of the previous conversations.

The third thing I wanted to say about the Framework is that, I think, people need to be a bit more patient. When the leaders passed the Framework, they didn't point out that this was a decade-type project. This wasn't a quick fix to the problems of the region, and I think that's really important.

Having said that, there is a whole multitude of activities that go on underneath the highly visible parts of the Framework, such as regional economic integration. I mean, that's the tricky one, but there is a lot of collaboration, cooperation on technical projects in the region on various things, but I think the challenge is regional economic integration.

Some of the Island members, particularly the small ones, are not so sure that this is a good thing for them. They might lose their sovereignty, lose their voice, they might get pushed over by the big players, and so integration has not progressed as people had hoped. In other words, they reasoned a likelihood of a common market in the short term, "I don't think," nor a common

currency, nor any of those things that people had hoped would occur, but that's not to say that nothing is happening because, as I say, there is a cooperation in a number of areas.

Martyn Pearce: So, certainly some frustrations, as well as some successes. Meg, what is your take on that? What have been achievements or challenges for the Framework over the last few years?

Dr Keen: I think importantly it's narrowed the scope of the regional activity. In the past, the Pacific Plan that you referred to was almost a shopping list for donors. It was very diverse, a lot of different issues, and the agenda was too big to deliver on. The review made that point.

Now, we are focusing on a very discreet number of topics that then allows some traction and a better basis, I think, for collaboration and cooperation. I think that's been important. As Colin said, it's more inclusive, so that we have a greater interaction with a wider variety of people, and that's because of the process of setting the agenda is allowing people to put in their submissions about what is important, and that's been, I think, an important aspect.

Then, this whole integrated theme of the Blue Pacific has come up, and I think that has real resonance in the region. Over 90 percent of this region is ocean and it's fundamentally important to the livelihoods of these people. It's really given a high profile to the oceans, the impact the oceans are feeling from both climate change but economic exploitation and the role in the future is very big positive, if managed well.

Martyn Pearce: Matt, what's your read on that? I mean, despite the frustrations has this been a step-up on the previous agreement?

Dr Dornan: I mean, I think so. I think the problems with the Pacific Plan were clear to everyone — that it did have too many priorities, it was to a large degree driven by bureaucrats within the regional organisations, so I think that idea of actually narrowing the agenda, giving leaders more of a voice was a good one. I mean, it's hard to disentangle these things.

There's been a lot of talk with the new Pacific diplomacy, where Pacific Island countries have really set the agenda in a more robust way than was previously the case. I think the new Framework for Pacific Regionalism has played a part in that but, of course, there are other factors, such a greater attention paid to climate change.

Martyn Pearce: Now, I want to stay with you. One specific goal of the Plan was to lower market barriers and enable a freer movement of people and goods. Looking back over the last few years, has any progress been made in that space?

Dr Dornan: I guess the negotiations around the PACER Plus Agreement have now been concluded. The announcement of the conclusion of those negotiations was greeted with some scepticism in the region. The two biggest economies, PNG and Fiji, did not take part.

I mean, my own view is that that wasn't so much of a surprise. Those economies are very different to the smaller Island economies, so I think in some ways it makes sense for them to actually negotiate separate agreements with Australia and New Zealand.

Notwithstanding that, I think it's very clear that PACER Plus has not lived up to the expectations. It was always billed as more than just a trade agreement. It was a development cooperation agreement. Sure, there are development funds included in the agreement, but I think that really sits to the side and the focus has been on trade.

What OCTA and Pacific Island countries negotiating the agreement always wanted was provisions on labour mobility, and there has been great progress on accessing labour markets in Australia and New Zealand, but they're quite separate to the PACER Plus Agreement. That, of course, means that they can be changed by the governments of Australia and New Zealand should there be a change in their views. I think, in that respect, it's rather disappointing.

Dr Sheppard: Can I jump in here? There is something that Colin mentioned. It was about this equality of all the partners in the new Pacific Plan — sorry, in the new Framework, but Matt, what you've just said is that Australia and New Zealand have this veto-player role, that they can withdraw support for any of the aspects of the economic integration. That doesn't seem particularly equal.

Dr Dornan: Yes, I mean I guess we're talking about two different things — the Framework for Pacific Regionalism is separate to the PACER Plus Agreement, but always this is a challenge with Pacific Regionalism — the fact that Australia and New Zealand are members of the forum, that they're clearly the two largest economies by far in the region, so how they can be included in the discussion without being too overbearing. Yes, that has been an ongoing issue.

Dr Sheppard: It was very diplomatic.

[laughter]

Dr Keen: But also recognising the interests across the Pacific are very diverse, and what they're trying to get out of regionalism will be different. You've got countries of 10,000 people and then millions of people. You've got countries with very rich resources and then those with very limited resources.

You have this huge diversity, so you are going to expect these challenges coming through, and you try and do regionalism and integration. There's going to be an unevenness about it and there's going to be varying priorities and interests. That's just inevitable in the nature of this rather large and very, very diverse region.

Dr Sheppard: On that, I'm finding this so interesting. Colin, was a common currency ever really an achievable goal, given what Meg has just pointed out about the incredible diversity or — I was going to say heterogeneity but that's a very academic jargon term — across these nations?

Dr Tukuitonga: Well, I think of a few examples were offered in the development of the Framework as to what might be incremental steps. One of them was a common currency because, I suppose, people felt that maybe a common currency is not as threatening as something else that require people to give up their sovereignty. A common High Court — Supreme Court — was another idea. These were ideas that were suggested.

But, just going back to the membership, the concerns about Australia and New Zealand and their influence on the rest is there is another dimension to this. The smaller Island, developing states, like [?? 0:22:39] of Nauru and others, have the same concerns about the bigger members within the group.

Fiji has too much say, and everything happens in Fiji and Papua New Guinea, so it's common is not just an Australia/New Zealand thing, it's one of the real concerns for the whole community, in terms of, "Do we or do we not? How far do we go with the regional economic integration, given that the resources and infrastructure in Fiji and Papua New Guinea are always going to be superior and they are going to dominate?"

So, it's not just an Australia/New Zealand issue. I just don't see economic integration in whatever form happening in a hurry, because I think--;

I've talked today about solidarity and what the essential ingredients might be, such as good regional leadership as opposed to a national leader with [?? 0:23:52], who is not really advocating for the whole region but rather for his or her country — something not surprising, I suppose, and the issue of trust and confidence is going to be a big one.

Martyn Pearce: This sounds to me, listening to what you're saying there, Colin, a little like some of the question marks that we hear coming up around the European Union.

Dr Sheppard: I was wondering when you were going to make this about Brexit.

[laughter]

Martyn Pearce: I'm not going to touch Brexit, but it does sound like some of the challenges that they are having around economic [?? 0:24:29], around the integration of a single currency. Has the push-back in the Pacific been just at the policy-political-level or has there also been some anxiety amongst people around this push towards greater regionalism?

Dr Tukuitonga: I think it's largely at the leadership-policy-political-officials' level. I think, to be honest, the average person in the island is too busy catching a fish and planting yam to be

concerned about regionalism and is it a good thing or not such a good thing. In other words, I think there is a real issue with awareness in the region and the population about these regional developments.

It's not something that people engage with on a day-to-day basis. People are too busy doing real-world stuff. It's obviously different from Australia and New Zealand, where people do participate in the processes of government, and so on, so that's my guess.

There is clearly a lot of work to be done, in terms of awareness amongst the general population about these issues. I rather suspect that people are reluctant to give up their national and their sense of identity over some obscure phenomenon that may or may not deliver any real benefits.

Dr Sheppard: I think you'd be surprised, Colin, that a lot of Australians don't really care about the day-to-day work of government, either. They're too busy getting along with their own lives.

I want to talk about regional leadership in the context of climate change, and talk about trust and confidence and, I guess, the capacity of a good regional leader to help regionalism and integration along the path.

In 2015, we all remember, Peter Dutton being caught on camera joking about the impact of climate change in the Pacific Islands, and that he said, "Time doesn't mean anything when you're about to have water lapping at your door," and then followed that up with some fairly cynical chuckles.

I want to ask everyone's opinion on this. How that was perceived within the academic communities and the Pacific communities, and whether the, I guess, the Pacific Islands really believed that Australia cares? Is there a sense that Australia has the Pacific Islands' back here? We might start with you, Matt.

Dr Dornan: I mean, clearly it wasn't taken very well in the region. I think it did raise eyebrows, including among Pacific Island leaders.

I think climate change really has been the Achilles' heel in Australia's engagement with the Pacific, so particularly over the last year Australian leaders have made a real effort to engage with the region and — well, I won't go into the reasons; maybe we can discuss that later, but I think despite that — and I welcome [greater? 0:27:31] engagement by Australian leaders with the Pacific.

I do think there has been a neglect of the region, but at the same time, the fact that Australia has — the Australian Government has its stands on climate change, that really makes meaningful engagement very difficult, because this is an existential issue for Pacific Island leaders, particularly those of the [outer? 0:27:52] states, so it doesn't matter how many dollars you throw at the region, it doesn't matter how many times you visit it, if you don't engage on issues around climate change, it's very difficult to have a constructive dialogue.

Dr Sheppard: That's really interesting. I'm going to want to come back on the issue of dollars later in the Pod. Meg, Scott Morrison, our Prime Minister, keeps talking about — or started talking about — the "Pacific family". Doesn't that help to overcome these, as Matt says, existential failures on engagement with climate change?

Dr Keen: Well, I think these are words, and action is what matters: how you look after your family, what are you actually doing. So, we have this barrage of activities with the step-up, but it's a bit early to see how that's going to play out on the ground. It will matter.

I mean, the comments you were talking about, the recent OECD report that's been in the papers saying it doesn't look like Australia is going to meet its commitments, that's obviously a worry for islands that are amongst some of the most vulnerable countries in the world but, on the other hand, there is a need for a lot of partnership and assistance, and that's going to matter.

So, how are you helping with when the impacts are going to come, and they are going to be more severe, and they are going to be more frequent? What is your family or what are your neighbours doing to help you out?

Now, to be fair, Australia puts a lot of its donor funds and assistance into adaptation and preparedness for disasters, and a number of the announcements are about that type of assistance, so if it makes a difference on the ground, that matters to the person who gets hits by a cyclone.

Dr Sheppard: Is it making a difference?

Dr Keen: I think it has. I mean, we are one of the first responders after cyclones, and tsunamis, and all sorts of climatic events. We do have the maritime and naval facilities, which get in there quickly and they help to coordinate.

The problem with these disasters — and I'm sure Colin can talk more about it — is if there is very fast response initially and then everybody fades back, and a family is there for the long-term — you need to be there after that disaster for the three, four, five years it's going to take to recover your homes, your water, you food system. That's what we'll be judged on and I think that's where we really need to step-up — it's in that partnership, as well as our own actions, obviously, internationally.

Dr Sheppard: And I do want to ask Colin that: what can the Pacific Islands do when Australia and New Zealand either don't turn up — they're not the first responders, or they trickle away?

Dr Tukuitonga: Well, I think Australia and New Zealand fronts are always first responders in this part of the world. There's never--; If we look at these major disasters in the last few years, Australian Defence Forces were in there big time early on, so there is question about that, I don't

think but, as Meg says, the issue is when the visibility dies down people will go on and [crosstalk 0:30:49] to the next thing: SBC is still there, by the way.

And I think it's important to point out that Australia is one of our largest funders, and we, at SBC, are involved in adaptation, mitigation, food security, work, water security, public health — a whole range of things funded by the Australian government, which appears to me to be a disconnect between the politics and the day-to-day stuff.

So, people in Pacific, for example, are a bit grumpy that Australia and New Zealand are not the big brothers that they are supposed to be in the family, and to give the little guys a hand they could do more, I suppose but, actually, if you dig underneath, they fund us — Australia and New Zealand fund us to do a whole lot of things that address climate change.

That's what I mean by a disconnect between the politics and the day-to-day stuff, because Australia does spend and achieve quite a bit through and with us and, indeed, other regional organisations.

Martyn Pearce: Can I just return to something that Matt talked about in Peter Dutton's comment? Matt, you mentioned there was some consternation from regional leaders in the wake of that comment. Colin, you are one of those regional leaders.

[laughter]

How did hearing Peter Dutton say that make you feel? What was your response to that?

Dr Tukuitonga: Well, I think the response was one of disappointment — an influential person making statements that will have impact and not actually being fully aware of the situation. I mean, it's a concern shared with everybody else who is sceptical about climate change, because it's real, and people's lives are being affected, and villages are being relocated, and so for. When influential people, like others further north, make statements like that, of course people are going to be disappointed.

I want to say again: I think there is a general disappointment in the region with both Australia and New Zealand, because if you talk about family you talk about everyone helping everyone else, and Australia hasn't perhaps stepped up to the mark that people had hoped. New Zealand has changed in more recent times and that's encouraging for people.

Dr Sheppard: I'm really interested in that difference between words and actions and I wonder, Colin — while we're putting you on the spot, was what Peter Dutton said more or less disappointing than when Melissa Price, the Environment Minister, said to Anote Tong, the former Kiribati President, "I know why you're here: it's for the cash."

Dr Tukuitonga: Yes, I think that's really offensive, that latter statement.

Dr Sheppard: More offensive than [crosstalk 0:33:41]?

Dr Tukuitonga: I suspect so. I think people--; I mean, without talking about specific individuals — I might get into trouble.

I think, in a way the bigger mentality that was sprung on Mr Tong was extremely disappointing for people, because it's obviously a conversation that involves a whole lot of stuff rather than money and Mr Tong, President Tong, was one of the key champions on climate change in the region, and for someone to make a statement like that to Mr Tong, I think was dreadful.

Dr Sheppard: And when we talk about trust and confidence, they're not strong signs of trust and confidence.

Dr Tukuitonga: No.

Martyn Pearce: I want to turn now to another big issue affecting the Pacific, which is public health. Non-communicable diseases, such as heart disease, cancer, chronic lung diseases, and diabetes are the leading cause of death in the Pacific Islands — something like 70-75 percent of all of deaths in the Pacific Islands can be attributed to these.

DFAT is supporting governments in the Pacific, to help them improve health outcomes. As they recognise it because the Island nations are small and dispersed these good health services can be hard to come by. Can you tell us about some of the ways that Australia is helping Pacific Island nations to battle these types of diseases?

Dr Tukuitonga: Australia, New Zealand and others are funding SBC, and WHO and others, to develop a number of programs. There are two parts to this. One is to encourage local production consumption to get people to go back to fresh fish, and taro, and staples instead of rice and flour, and then there is the bigger issues of imported, processed foods, which is really the issue in the region: people are sucking on soft drinks, and rice, and noodles, and tin fish, and all that stuff.

That's clearly the issue that involves trade and involves awareness and programs for communities' policy: better treatment, better access to drugs, anti-smoking policy, tax on soft drinks, tax on--; There is a whole range of stuff.

Australia, in some areas, have been leading the interventions in communities, in food programs in schools, for example, and in communities, so a lot. Australia funds a lot, at least as far as I know through SBC, and they will have direct bilateral support in all of the countries, as well.

Dr Keen: I think also importantly the recent on one important aspect is the quality of the medicine coming into the region and assisting with some of that testing. You're sourcing medicines from all around the world and you want to ensure quality, and that people are getting the medicines they think they are are having the impact and the effect that they should, and so there is an

initiative that's recently been announced, where we will — Australia will — assist with that quality assurance. I think that will be of value in the region, as well.

Dr Sheppard: Now, on this Pod before Christmas, I thought I was being very cute and provocative when I asked, "Why should Australia give money to the Pacific, anyway? We are tax-payers and what's the justification for money going offshore?" Now, I was obviously being contrarian and I feel very chasten today as we talked about things like drug testing, Meg, that's incredibly important.

This is obviously a priority for Australian development as Australia's age [?? 0:37:24] budget. At the end of last year, the current Prime Minister, Scott Morrison, promised a $2billion-infrastructure, financing facility for the Pacific. We have a lot of ongoing funding agreements with the SBC and with individual countries.

Matt, what's your opinion about whether this development money actually helps tackle issues on the ground? Are we spending money well?

Dr Dornan: I think, generally speaking, we are. One can always point to an example of an Aid Program that hasn't been effective, but—

Dr Sheppard: That's fun to do that.

Dr Dornan: Well, and it's done very, very often in the media, but I think, overall, the Aid Program is evaluated regularly. It has a robust evaluation framework, and we know from that that individual projects and programs are achieving the objectives.

There's been a lot of public opinion surveys about what the Australian tax-payer wants to do and, generally speaking, Australian tax-payers believe that we spend far more on foreign aid than we actually do and, in terms of what is spent, overwhelmingly the Australian tax-payer wants aid money to be spent to combat poverty.

That's not about supporting Australian business or even Australia's strategic or geopolitical interests, so I think a realistic conversation should acknowledge that the Australian tax-payer supports aid that combats poverty, helps people to access health and education services, and so forth, and if we look at evaluation data, the evidence is clear that aid is being spent well.

Dr Sheppard: I think there is a sense in Australia that it's been targeted more carefully now and that, you know — not to buy into this rhetoric of the family too much because it doesn't really mean anything if we're not actually delivering on the ground, but there is a sense in Australia, I think, it is our backyard — these are our neighbours and our friends. And so, it's nice to see that connection, I guess, between the rhetoric and the policy.

Meg, earlier you talked about the importance of the ocean in the Pacific and what we might call the "blue economy" — that something that binds the Pacific is also something that is fundamental to economic growth in the Pacific. Can you talk a little bit more about that?

Dr Keen: Well, I think that's a classic example where regional activity makes sense: fish don't stay within national boundaries — they move around. Tuna is a pretty good example of that, so collective action matters. For some of these small island states, a third of their GDP is dependent on the tuna fishery. It matters that these fisheries are managed well, and then you have the money for health, education and all those things.

To be honest, it's what it is: probably the best managed tuna fishery in the world. It supplies a large portion of the world's [?? 0:40:16] in the Pacific island countries again, about a third of the world's tuna comes from there, so yes, it's important for the islanders and it's important for the world, too, that this tuna is managed well.

There are economic benefits for the countries, and they have been very successful in managing these tuna fisheries, so that they've increased the return to their economies from the fisheries by a huge amount, like six-, seven-time fold from about seven or eight years ago, so this has been a huge success.

Really important, as well, when we start to talk about climate change and the economy and livelihoods, are the coastal fisheries. They are not as well managed. They're complex to manage because most of them are under customary tenure, not under national governance, but if you want to know where the crisis in the future lies in the Pacific, these coastal fisheries are key.

They're supplying countries anywhere between 50 to 80 percent of the protein, so imagine if those coastal fisheries collapse — that's sustenance, that is your protein source, so we need really do need to focus on these coastal fisheries. We have to think critically about the trajectories of climate change; they will be degraded. It's kind of reality, no matter what we do, because it's the external; pressure is on them.

How do we handle that? Can we diversify the food sources? Can we diversify the economies? Can we adjust the coastal fisheries? Artificial reefs, FADs —these artificial devices where the fish can congregate? What are we doing — and this where, if we're really a family, we need to be working and are working very closely with the islands, to really critically analyse where the risks are and how we are going to respond, because that's key to poverty, that's key to health, and that's key to the future of the Pacific Island countries.

Dr Sheppard: I mean, that's a classic collective action problem — that if everyone dips into this common pool of fish, then there will be no fish for anyone.

Dr Keen: The ones that migrate — that's certainly true, so the tuna fish you have a problem of the commons but actually phenomenally well managed in the Pacific. It's the world leader in tuna management.

And then, organisations like the SBC are working on coastal fisheries — and I'm sure Colin has something to say about that — and partnering with Australian agencies, like ACR, to really critically think about these issues, but we don't have a lot of time. Things are moving quickly and if ecosystems collapse, they're very, very difficult to bring back again. Colin, do you want to add to that?

Dr Tukuitonga: Well, just on the tuna fisheries: all but one species of tuna is in pretty good shape. We do all the science and stock assessment, so world-class scientific work from SBC, which everyone uses to make decisions on, except the big eye, the Japanese favourite — that's marginal, and our advice has always been to lay off [?? 0:43:23] tuna, but for the most part it's been well managed.

Australia puts in a lot of money into the foreign fisheries agency, with patrol boats and aircraft surveillance, so they do support the tuna surveillance work in the region big time.

On coastal fisheries, yes, I guess we, I used to say, have been focused on food security for the rest of the world and neglected food security for the Pacific. More recently, we've developed programs for sustainable management of the coastal resource. This is what people rely on for the most part, but it's over-fished, over-done — too many people on coastal areas relying on the sea, so we've had to put in place, with those communities, measures to try and conserve fish and marine life, but the experts tell me regardless of what we do there is not going to be enough wild fish to sustain Pacific communities, so we have to look elsewhere.

For example, aquaculture, prawns, Tilapia, Rabbit fish are proving to be reasonably successful in the Islands as a supplement, and we've signed recently a fairly substantial program with the European Union to help us help the countries manage their coastal fish resource more sustainably. I mean, climate change is just going to make life more difficult — it already is, so this is a really important development for us. It's one of the most important pieces of work for us at the Pacific community.

Dr Sheppard: I mean, regionalism is showing a lot of signs of success, though, so if we can maybe finish on a slightly positive note — I'll start with Matt, but to all of you, if you could give policy makers across Pacific one piece of advice on how to better tackle development issues and the problems that we've talked about today, what would that be?

Dr Dornan: I guess, I'm an economist, so I will focus my answer on the economics. I think, particularly for the smaller Island states, there are immense challenges ahead: growing

population — Kiribiti is a case in point, rapidly growing population, limited resource availability, limited land availability, so I would say that, for those countries, they should be looking overseas at what opportunities are available.

There has been headway made in terms of labour mobility arrangements. I think, really, that is the future for those countries. We already have many examples of small Island states that have done quite well out of special arrangements with larger developed economies, such as [?? 0:46:10], so I think looking to those opportunities, trying to ensure that their citizens are able to take advantage of those opportunities.

Dr Sheppard: Uh-hm. Meg?

Dr Keen: I'll go for a different angle. I think it's the people-to-people connections. I think it's how we share information, how we support each other, how we support education. We haven't talked about cyber security, the new digital age. That's going to be all about transferring, understanding, about how you monitor, evaluate what's going on, but also how you support it. That's livelihoods. That's the future, and we have to make sure the next generation is prepared for that. It goes to this labour mobility, which has already been spoken about, but that's people-to-people relationships.

The things that really make labour mobility work well is when you get communities close with each other and you get a sense of trust about who is coming, who is doing the work, and then reciprocal relationships when there are disasters or other things going on. We need those exchanges, and then that deals with the kind that you are talking about, where people are sceptical about poverty or why Australia should be in the region.

Once you know the region, and you know the people, and you know the challenges that are there, and you know what Australia could offer should the partnerships be strong, the information flows be strong, then that's got enormous potential, and I think that's a really important platform. We should never forget, with all the other things that are important: infrastructure, dollars, et cetera, in the end people are the key to unlock potential.

I mean, most countries could do with more social capital, more trust, more information, and we've got to do that together; we've got to get the flow going together for it really to get those additional benefits.

Dr Sheppard: And, Colin, last bit of advice?

Dr Tukuitonga: Ooh, I think that we actually know a lot. We have a lot, we can do a lot more for ourselves. I think there is a tendency to look too much and too readily to outsiders. I think we can do a lot ourselves and then try to identify where the gaps are, and then seek that specific input from outside. I think we've got to move on from where we were as nations.

Pacific Island communities do have a lot to offer themselves. It's to try to work with what we have as opposed to always expecting something from outside, set our own agenda and drive it forward ourselves. We have a lot of skill and resources to move a lot of this forward.

I think we made an excellent start on climate change at the global level. I think people didn't expect the Pacific Islands to have made the kind of impact they did in Paris. We've just got to keep that going and then apply what we've learned from that, to things like NCDs, for example, so believe in ourselves and do a lot more ourselves, I think.

Martyn Pearce: Well, this has been a really fascinating discussion. We've covered a lot of ground [?? 0:49:15] Pacific itself, covered a lot of topics and raised some very serious challenges and some opportunities, as well, so I'd like to thank each and every one of you for your contribution. Matt, thank you.

Dr Dornan: Thank you.

Martyn Pearce: Meg, thanks very much.

Dr Keen: Thank you.

Martyn Pearce: And, Colin, thank you so much for your time.

Dr Tukuitonga: Thank you.

[interlude music 0:49:33-0:49:38]

Martyn Pearce: Welcome back and thanks, once again, to our guests for a really fascinating discussion. Jill, very briefly, what's your key message that comes out of that? What resonated with you?

Dr Sheppard: Well, it feels like a cheat answer, because the topic was regionalism in the Pacific, but I didn't realise just how committed these Pacific nations are to regionalism, and I found it fascinating because — and we touched on this later in the interview, with Meg —there is a real collective action problem here.

Working together isn't easy and it's not often rational to work together to solve problems. Often, it makes more sense to go it alone, and so, with something like fisheries, if every country dips into, say, the tuna who are migrating from country to country, then there is not enough for everyone and the fisheries will die.

We call this the tragedy of the commons in Game theory, and it comes from the basis that if you have, say, a common field in the middle of a town and everyone puts their cows on there in an unlimited kind of way, that the cows eat all the grass and then the commons are no good for

anyone — the paddock is dried up and it's of no use to anyone, and the same could happen for the tuna fisheries.

Now, these are really sticky problems. These are, in some context, insurmountable, but the Pacific Island nations and the Secretary of the Pacific Community are working to get around all these problems. There is so much good, I guess, so many good stories that are coming out of it that we talk about. We talk about the Aid failures, we talk about government coos, these sorts of things, but we don't focus enough on the positives.

Martyn Pearce: Well, we certainly covered some of the positives today. You've heard Jill's thoughts there. Listeners, what did you think of the discussion? Let us know. Send in your feedback, your questions, your comments — whatever you want to say. Again, hit us up on Twitter, @APPSPolicyForum, join in the pod gang — doing the gang sign again--

Dr Sheppard: I'm ignoring it again.

Martyn Pearce: -on policyforumpod on Facebook, or send us an email, podcast@policyforum.net.

If listening to today's discussion has wet your appetite for exploring development issues further, then perhaps you might want to check out one of Crawford's development policy degrees?

You can find them at crawford.anu.edu.au/study and just check out to see what's on offer, but if you are a bit of a commitment-phobe or if the idea of doing Masters or a PhD sounds a bit much, then a much easier way to get your head around some of the issues playing out on the Pacific is to head over to Crawford's brilliant, brilliant DEV Policy blog, which provides daily fresh aid and development analysis, and research, and policy comment, covering Australia and the Pacific. You'll find them at devpolicy.org.

Now, each week at the end of the podcast, we answer some of your questions, respond to some of your comments that have come in, and the first one that I want to have a look at is a piece that written by Kim Rubenstein, which was called "Stripping away more than just a citizenship", and it looked at the case of Neil Prakash.

Kim writes that "no matter what the reasons, stripping an Australian (…) citizenship tarnishes the integrity of the rule of law." On Twitter, we asked the question, "Is the Australian Constitution being undermined by lack of clarity?" and we had a comment from Ray [Nadvi name sp? 0:53:18] on Twitter, who said, "No, it's because it's a 19th century load of rubbish." — I think Ray [Nadvi name sp? 0:53:26] is talking about the Constitution there rather than of our Twitter comment — "it's a 19th century load of rubbish written by those with vested interests to cling to power."

What do you reckon, Jill, is the Australian Constitution still fit for purpose?

Dr Sheppard: What a question. There is something to that, absolutely. Now, the problem of constitutional change and constantly updating constitutions is that they reflect a certain period. They might reflect, as that guy [?? 0:53:52], at any given time — something that the Australian Constitution has done very well, and the Twitter commentator obviously doesn't agree with this, is that it has been very robust.

It's quite a short Constitution. It's hard to change. It's not overly prescriptive. We don't have a bill of rights, which is obviously highly controversial, but it sets out the basics — the very basics of how we run government in Australia.

We have a world-class political system. We export the way that we run democracy to a lot of places around the world and not in a kind of "Let's invade and then install democracy," but in a "We help governments around the world best manage their institutions" *[way].*

We're world leaders in this and it's something that we don't take much pride in because who really cares about executive procedure, for instance, but our Constitution is the base of that. I am quite conservative on this front. I think that, if we start tinkering with things, we'll get unintended consequences.

Martyn Pearce: If it ain't broke, don't fix it.

Dr Sheppard: There's a fair argument that it's broke, though. This is the problem. I absolutely accept that argument that there is a lot about our Constitution that is out of date, and that is restrictively difficult to update given our requirements for constitutional amendment, but it's also pretty bloody good.

On this case, I think, on this front, I think, near enough is good enough. I also think that Kim Rubenstein is spot-on with regard to her comments, and that she is a brilliant ANU academic.

Martyn Pearce: It's a terrific piece and I would thoroughly recommend people giving it a read.

The next one I want to talk about is last week's podcast on Australia's environmental performance, where we spoke to three experts from the OECD about their recent environmental performance review. It was very interesting to hear — it has actually been referred to in our interview today.

On the podcast, the panel looked at the political tools that may be best used to steer the nation in the right direction and discussed the need for improvement in how to better inform and engage civil society in central issues around environmental performance.

We had a comment from Mark Zanker on our brand new Facebook policyforumpod group--

Dr Sheppard: He's doing the gang sign.

Martyn Pearce: -and Mark wrote: "I found this depressing. I see little room for optimism. Most people forget things very quickly in the 24/7 news cycle. What worries me apart from the Darling river fish kills are the other catastrophes happening all around, like the dieback of over a thousand km of mangroves in the Gulf of Carpentaria 2 years ago, the dieback of eucalypts in the Monaro that people like Charlie Massy are trying desperately to recover from.

No one sitting in an airconditioned office in Canberra, as I did for 30 years as a public servant can know anything unless they go out and look. Get down amongst the weeds - go and experience 50 degree temperatures on the Menindee to Pooncarie Road - I have and it aint pleasant. Also, the most impressive speech at Davos was given by Greta Thunberg - she speaks the truth, the house is on fire and we are doing f-all about it."

What do you make of all of that, Jill?

Dr Sheppard: I mean, he is bang-on. I try very hard to be optimistic. I'm a bit of a Pollyanna in a lot of senses, I think with regard to climate change, I think with regard to declining trust in democracy. These are the two things that are getting pretty hairy in terms of getting to the point where we won't be able to return.

I don't see, like Mark, much room for optimism in our political responses to climate change and to environmental degradation, generally, in Australia. I talked about this last week in the interview with the guys from the OECD that there are very intensely competing incentives here. One is for protecting future generations from environmental disaster and one is to get re-elected in the next three years.

Now, I'm in no way suggesting that we get rid of our electoral cycle, that we stop having elections, but we see this come out in opinion polling that, particularly people from 20 to 40 in Australia, who otherwise have very moderate views, are more inclined to say, "Let's get rid of elected governments and put in someone who can get stuff done," so I find these issues really, really closely related and I don't know what to do about it.

Martyn Pearce: You are actually involved in some research along those lines, right?

Dr Sheppard: Yes, absolutely. I run quite a few big survey projects on behalf of the ANU and we are regularly finding — recently I released the Australian Values Survey, and we're in the process at the moment of preparing data to release for what's called The Asian Barometer Survey, and we're finding in each of these that people in Australia, who we would normally expect to be fervent supporters of democracy — and they still are, on most fronts, but are increasingly likely to say, "It's okay just to have a strong-arm leader, maybe for a little while. Maybe we should listen to more experts than the politicians."

Now, this is a fundamental problem, because once we start losing trust and losing our belief that our elected representatives do actually represent us in some way, that they can go off to Canberra, turn up in Parliament and we can delegate our trust in them to make good decisions, then the kinds of skeletons of democracy start to break apart, and I don't know what underpins that without it.

Now, there are plenty of political scientists around the world who are really catastrophising this. I think it's — well, I don't like to sort of prescribe an answer, but if politicians got their head out of the sand and actually start to respond on issues like climate change, we will start to see that trust restored, but at the moment there is a strong sense that policies driven by the electoral cycle, it's an attitude and belief that is born out with a lot of policy evidence. There is a way out of it, but it's not easy.

Martyn Pearce: It'll be very interesting to see how it plays out over the next few months. Mark, thank you so much for that comment — really nicely thought through and well expressed. It covers lots to talk about here.

The third and final thing I want to touch on is, over the last couple of weeks, across our various social media platforms, we've been reaching out to get some suggestions and ideas about things that we might cover on future podcasts. You can jump on to the Facebook group and let us know your thoughts.

We've had some really excellent suggestions so far, and I just want to go over a couple of those. Victoria Taylor [name sp? 1:01:06], on Twitter, said that we should look at the tension between private and public good in managing natural resources. I think that's very topical in light of the Royal Commission into the Murray-Darling Basin, so thanks for that, Victoria.

James wrote to us and said that we should have a look at the issue of electric vehicles in Australia in light of the [Centre? 1:01:24] Report last week. I absolutely love that idea and I'll be keen on doing something on policy around self-driving vehicles, too. It's a policy minefield.

Mark Zanker, again, on our Facebook group, suggested we do a Pod looking at the sometimes-conflicting messages that come out from our experts where, for example, some economists might promote, as he says, "developing oil and gas reserves for economic development while climate scientists say just to reduce CO_2 emissions."

I really like that idea about conflicting ideas and distrust of experts. It makes me think of the Michael [name? 1:02:00] comment about how people have had enough of experts. What do you reckon, Jill, any of those ideas take your fancy?

Dr Sheppard: Well, often I've had enough of experts and I think that hits on something really important; that there is not one right suggestion or right solution to any problem. Something that

I love about the Pod is that we get people on who disagree and who look at things from a different perspective. Today, Matt Dornan, was looking at things from the perspective of an economist and Meg is looking at thing from the perspective of someone who's worked in government, who's interested in regional security issues.

It's fascinating and it's tough. It's really tough. You have to get down in the weeds and coming up with the best solution to anything is sometimes easier if you don't ask experts. It's another minefield, isn't it, and I think that would be a great podcast topic.

Martyn Pearce: Well, we really appreciate those ideas and, please, do keep coming in. They are not, dare I say, academic in nature. It's not theoretical. We are genuinely looking and thinking about how we might cover those in future podcasts, so this a really good opportunity for you to have influence on the topics, and ideas, and issues that we cover.

I want to say a huge thank you again to everyone who has commented. A reminder to keep sending those comments in. That includes suggestions for future episodes of Policy Forum Pod. You can reach us at @APPSPolicyForum on Twitter, join our policyforumpod Facebook group, or just drop us a line on email, podcast@policyforum.net.

If you've enjoyed today's episode, then can I ask a little favour? Could you please share it with someone who hasn't yet heard us? We really appreciate all the support that our fantastic listeners give us and the more we can get the word out about the Pod the better.

We'll be back with another Policy Forum Pod next week, but until then from me, Martyn Pearce, cheerio.

Dr Sheppard: And from me, Jill Sheppard, thanks for listening.

[closing music 1:03:55]

[audio ends 1:04:13]