

A shot at the title: why DFAT should change its name

by Cameron Hill

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Photo Credit: *Nathan Fulton/DFAT*

Speaking at the Australasian AID Conference last November, the Minister for International Development and the Pacific, **Pat Conroy**, declared that an “effective development program [is] critically important to advancing our national interests”, that “this government takes international development seriously”, and that “we’re putting [development] at the heart of our engagement with our region”.

Back in 2013, **the then Labor opposition condemned the abolition** of the former Australian Agency for International Development (AusAID) and its merger with the Department of Foreign Affairs and Trade (DFAT) by the newly elected Abbott government. After losing the 2016 election, **Labor subsequently conceded** that it “couldn’t unscramble an egg” and that, rather than trying to recreate AusAID, it would “work with the changes that have been made”. Minister Conroy has said the **focus for the Albanese government** is now on “working closely with DFAT on capability and leadership to ensure that it is a world-class development agency, equipped to deliver a development program for the 21st century”.

With a new, whole-of-government international development policy and a ten-year “future capability plan” both imminent, the question will inevitably arise as to whether this ambition for a “world-class development agency” should be explicitly reflected in DFAT’s title. One starting point for the government might be to look to Australia’s three Westminster donor peers that have also merged their diplomatic and development agencies – the UK, Canada and New Zealand.

The Johnson government in the **UK abolished its standalone aid agency**, the Department for International Development, and merged it with the renamed Foreign, Commonwealth *and* Development Office (FCDO) in 2020. The merger was followed, however, by the **largest aid budget cut in UK history** (over 20%, or around US\$4 billion), the controversial decision to **cut the UK’s legislated commitment in ODA** (official development assistance) as a proportion of gross national income from 0.7% to 0.5%, and an ongoing period of **rolling chaos under Johnson’s two successors**. In the wake of the merger Andrew Mitchell, the **current minister, has**

publicly lamented the UK's demise as a "development superpower".

In the case of Canada, the conservative Harper government abolished the Canadian International Development Agency in early 2013, the **same year that the Abbott government eradicated AusAID**. Canada's Department of Foreign Affairs and International Trade **was renamed** as the Department of Foreign Affairs, Trade *and Development* (DFATD). Aid was cut in 2014 before starting to **increase again with the election of the Trudeau government** a year later, from which time DFATD (still the agency's **formal title in law**) was rebranded under the more generic "**Global Affairs Canada**".

New Zealand integrated its aid and diplomatic agencies earlier than Australia, the UK and Canada. In 2009 the short-lived **NZAID, created in 2002, was abolished** by the Key government and integrated back into the Ministry of Foreign Affairs and Trade. Unlike its three peers, however, this change was not accompanied by large aid cuts. Real **aid spending remained fairly steady** under the Key government and then started to increase with the election of the Ardern Labour government in 2017.

Like Australia, none of these three countries has attempted to "unscramble the egg" (although the **UK opposition leader has seemingly committed** to doing so should Labour win government). And each has taken a different bureaucratic path to integration and to the question of the title of their merged agencies. These paths have not neatly reflected ideological predispositions. In the case of the UK and Canada (under Harper), conservative governments added "development" to the title of their integrated agencies whilst downgrading aid. On the other hand, centrist or progressive governments like Trudeau in Canada and Key and Ardern in New Zealand have maintained or increased aid without seeking a titular reference to "development" in their portfolio.

Given these variations, would there be any benefits to a name change in Australia and, if so, what might these be? I argue there would be three benefits.

Perhaps most importantly, adding development to DFAT's title would more accurately reflect the Department's full suite of accountabilities. Notwithstanding the cuts over the last decade, the aid spend still represents DFAT's single biggest budget line. Acknowledging this in DFAT's title would **bolster the government's commitment** to "ensuring quality, accountability and transparency in our development program".

Indeed, despite the current turmoil within FCDO, the UK has managed to maintain a much more robust accountability and transparency ecosystem in the form of bodies like the **Independent Commission for Aid Impact** (ICAI) and a **dedicated**

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parliamentary committee. The retention of ICAI by the Johnson government stands in stark contrast to the sudden and inexplicable dissolution of DFAT's Office of Development Effectiveness and the Independent Evaluation Committee by the Morrison government in 2020. And despite its fall in Publish What You Fund's 2022 ratings (dropping from "very good" to "good"), FCDO continues to outperform DFAT (which sits at the lower end of "fair") in international comparisons of aid transparency, as do Canada and New Zealand.

Second, a name change would also help give effect to the bipartisan "all forms of statecraft" language that both Labor and the Coalition have adopted to highlight the importance of development, alongside diplomacy and defence, to Australia's efforts to shape the emerging regional order. In the UK, this framing drove the 2021 "integrated review of security, defence, development and foreign policy". This is an exercise for which the Albanese government does not currently appear to have the appetite but which, properly conceived, could help clarify a sensible division of labour between these very different policy instruments, as well as lay out a medium-term framework for their resourcing.

At the very least, a name change would reflect the fact that, as DFAT routinely notes, 22 out of 26 of Australia's regional neighbours are developing countries. And it might (retrospectively) restore some level of policy ambition to the AusAID-DFAT amalgamation. In contrast to the substantive reform agenda that drove the Hawke government's 1987 DFA merger with Trade (and the name change that followed), the 2013 merger has been characterised by one analyst as little more than "an expression of political disdain".

Finally, updating DFAT's title would send an important message from the top about the seriousness of the government's determination to better value development skills within DFAT and build "a resource and capability base to revitalise and strengthen Australia's approach to international development". Putting the name issue to one side, it is this commitment that will be the real test as the government finalises the new international development policy and the capability plan. In a recent submission to the government on the new policy, Terence Wood and I have proposed several specific recommendations to strengthen development resourcing and capability.

Almost a decade after the agency's demise, it is clear that Labor won't be attempting to re-create AusAID. It has presumably made this decision on the basis that the time, cost and effort involved would simply be too high, and the change would be too disruptive. And, as colleagues have pointed out, there have been tangible benefits from integration in areas like Pacific migration and labour mobility.

But the government has set itself some very high ambitions when it comes to renewing development as a key part of Australia's international engagement. These ambitions suggest that a "business-as-usual" approach won't be enough. While far from sufficient, changing DFAT's name would still represent a good start.

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