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Health security: part two

By Stephen Howes 23 November 2017

It is striking that a government that merged AusAID so deeply into DFAT that Heads of Mission are now the chief aid decision-makers has subsequently created two aid centres within DFAT that have very distinctive and separate identities. The innovationXchange has very little DFAT (Department of Foreign Affairs and Trade) branding on its website, and the new Indo-Pacific Centre for Health Security has none. It's an odd way to run an aid program.

In my <u>first post</u> on the new Centre and the equally-long-named program it is responsible for implementing – the Health Security Initiative for the Indo-Pacific Region – I questioned the coherence of singling health aid out for cuts and then giving a small amount back for a new health initiative. The cut in *annual* aid health funding between 2013-14 and 2017-18 is \$260 million, almost equal to the budget of the new initiative over *five* years.

In this post, I put those questions of intertemporal consistency aside, and look at how the funds will be spent, and whether the new Centre should have been set up within DFAT, as it has been, or outside the department.

One reason for setting up a new centre would be to promote a new focus on global medical research, something which the Australian aid program has only dabbled in to date. In my recent <u>paper</u> with Camilla Burkot, we prosecuted the case for an increase in global medical research funding, and argued that a dedicated centre – outside of DFAT – should be given the responsibility for overseeing a scaled-up spend on medical research. So a key question for me is: how much of the focus of the new centre is on research?

When you look at the language around the new health security centre and initiative, the main focus is in fact on operations. The centre is charged with the goal of "driving change and innovation in health security policy and practice." (In passing, note how over-ambitious this goal is. At best, aid programs can nudge and facilitate. They can drive very little when it comes to recipient policy and practice.)

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Medical research is just one of four components under this overall goal. It is included under "accelerating access to new products." The other three are "promoting global and regional cooperation", "capitalising on Australia's strengths", and "catalysing international support." There is some social science research under the objective of "capitalising on Australia's strengths", but otherwise the other three are all operational objectives, some of them very bilateral in nature. For example, under "catalysing international support," the new centre is going to help countries learn where they are falling short in relation to their health regulations and veterinary performance, and then help them find money from a "range of sources" to meet these needs.

If you look at the numbers on research, as opposed to the language, the situation is perhaps more promising. \$75 million is earmarked for global medical research, to be spent through Product Development Partnerships (PDPs), international organisations that focus on new global medical products. There is also \$16 million for social science research. That's \$91 million in total for research, nearly all of the \$110 million in costed proposals, but only one-third of the total size of the initiative.

Importantly, PDPs are already getting \$10 million a year from the aid program, so the new money for medical research is only \$5 million a year. While welcome, that falls short of a serious step-up in global medical research.

In summary, it is not clear how much the new health security initiative will be focused on research, as only one-third of the initiative is costed. It is encouraging that a large amount of what is costed so far is for research, but discouraging that research seems to play a fairly minor role in the centre's objectives. This also suggests that further announcements will be for operational rather than research funding.

Overall, one would have to say that the new centre is not research-oriented enough to justify its establishment outside of DFAT. However, while large parts of the Centre would need to be kept within DFAT, it would still be worth considering hiving off the research components to a separate organisation. The \$16 million allocated to a call for research under the heading "Stronger systems for health security" reminds me of the Australian Development Research Awards (ADRAs) that I helped establish in AusAID in 2007. Discontinued after its final \$33 million round in 2012, there is no information on the DFAT website about the ADRAs today more recent than a listing of the 2012 guidelines and grants (topics only; no results at all). Information about another earlier Australian aid health research initiative, the Health Knowledge Hubs, which ran from 2008 to 2013 at the cost of tens of millions of dollars, is even harder to come by. I wonder what sort of information there will be in five or ten years' time about the health security research produced with this new funding.

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Research is a long-term, specialist endeavour not suited to the hurly-burly of any government department, let alone to one whose remit is as wide as DFAT's.

The argument for keeping research within DFAT is presumably that it can then carry more influence with the department, but this is misconceived. As a 2015 Office of Development Effectiveness <u>review</u> found, DFAT policies and practices will be influenced by "short-term analysis and applied research directed at specific program or investment-level design and implementation", not by the "longer-term, 'global public good' and policy-focused research" this new initiative is funding.

Consistent with the arguments in our <u>medical research report</u>, the research components of the Health Security Initiative for the Indo-Pacific Region would be more sensibly handed over to the Australian Centre for International Agricultural Research (and that organisation renamed as the Australian Centre for International Research) or given to a new Australian Centre for International Health and Medical Research. Either solution would ensure that the health and medical research ambitions of the new initiative are well managed and consistently pursued not just for a year or two but over the much longer period of time needed to make a real contribution to new and useful knowledge.

The new health security initiative and centre certainly take us forward with regard to responding to the challenge of scaling-up on global medical research, but only to a staging post. A more effective and durable solution still awaits.

The first post in this two-part series can be found <u>here</u>.

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