

Show me the (development) money!

by Benjamin Day

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According to the giant screen that formed a permanent backdrop to the proceedings, I spent 12 September attending the Development Policy Forum, jointly hosted by the Development Policy Centre, the Australian Council for International Development, the International Development Contractors Community and the Department of Foreign Affairs and Trade, which provided an opportunity to discuss the [new international development policy](#). But for most of the day I felt like I was in a parallel universe.

If I had been required to complete a word association test upon leaving the venue, I would probably have only been capable of muttering “umm, what just happened?” But now that I’ve had the chance to gather my thoughts, I’ve settled on a better answer: “disassociation”.

In case you haven’t heard, Australia faces a challenging strategic environment. The [Defence Strategic Review](#) found that, “for the first time in 80 years, we must go back to fundamentals”. The same document also proclaimed a need to “deploy all elements of our national power in statecraft seeking to shape a region that is open, stable and prosperous”. If the authors of the defence review were convinced that Australia’s new strategic reality meant that their document could not be “just another defence review”, then surely the authors of the new development policy had a similar opportunity. Here was a chance to disrupt the [“cautious consensus”](#) that had formed around Australian aid – an opportunity to swing for the fences.

The feeling of disassociation at the forum stemmed from my sense that the room had essentially decided that the publication of the new policy was a home run (or close enough), that the game was now over, and the focus should now be on implementation. How else to explain the overwhelming positivity? Or the fact that [China was not discussed](#) in any substantive way, yet again, despite the new policy supposedly being a response to the need for “peace, stability and prosperity in the Indo-Pacific”? Or the failure to contemplate how international development policy might integrate with [other tools of statecraft](#)? Or, most egregiously, the unwillingness to broach the disconnect between Labor’s promises to rebuild

Australia's development program and the state of the aid budget?

To her credit, Michelle Higelin, Executive Director for ActionAID, who **introduced Minister Conroy**, pointed out that any “a strategy is only as useful as the resources committed to it”. Yet, after that, I detected little appetite to discuss, let alone unpick, these knotty issues, at least in the public domain. Nobody seemed **especially tense**. Nobody chided Labor for **missing its moment**. Rather, the gathering preferred to revel in being present for the nascent restoration of Australia's development program, delighted to be marching forward, together, into the broad sunlit uplands where development is – and will always be – at the heart of Australia's foreign policy. Of course, the new policy was a “starting point”, and “a lot of heavy lifting” would still be required, but we had started to “put things into action” and would be there for each other in this “collaborative enterprise” as “real partners”, with a “strong commitment to following through”. In short, everybody appeared rather pleased.

Now, perhaps there is a certain logic to this reaction. Maybe, given the circumstances, this was the best policy that the sector could hope for. And, if so, maybe it is best to simply get on with improving the quality of the program through effective implementation. Shoulder to the wheel and all that.

Much more likely, I fear, is that effective implementation will run aground on the shoals of the policy's unresolved tensions. It is the “way the policy struggles with competing impulses, tensely trying to bear their burden”, as **Terence Wood observed**, that leaves me unwilling to go along with the narrative that we are all pulling in the same direction.

One contradiction stands out above the rest. Pat Conroy, in the Ministerial Foreword to the new international development policy, promised to “put international development ... at the heart of ... efforts to deepen our relationships with the region and ... the world”. He deployed a similar phrase while responding to a **post-speech question**, as did Rod Brazier, the DFAT Deputy Secretary responsible for overseeing the development of the policy. But simply repeating something does not make it so. In contrast to its frequent protestations, the government's policy and budget settings categorically demonstrate that development is *not* at the heart of its foreign policy.

For starters, in 2022 **Australia ranked 27th** of 30 OECD countries in terms of its generosity (something Higelin also pointed out). We currently devote 0.19% of Gross National Income to aid, the lowest level in our history. And this ratio is **projected to continue** its downward slide, reaching 0.14% in 2036-37. So, at least on this measure, at least 26 similar countries to us have a development policy that is

more central to their foreign policy than ours.

When we look internally, we can also see just how peripheral development policy is to our priorities. In 2012-13, for every \$1 Australia spent on development, we spent \$5 on defence. Ten years later, we spend just \$1 on development for every \$10 on defence. Projecting forward, we see that the development-to-defence ratio will halve once again: for every \$1 Labor plans to spend on development in 2032-33, it will spend \$20 on defence. What's more, the *additional* commitment **Labour has promised** to make to defence spending in the six years from 2027-28 to 2032-33 (\$30.5 billion) is essentially equivalent to the *entire* development budget across that same six-year period.

Far from moving closer to the beating heart of Australian statecraft, development is moving to the extremities.

Now, I understand that Australia's level of development commitment cannot be measured entirely by money. As was made clear during the forum, the new development policy has much to recommend it. There is a welcome "**shift in how the policy talks about Australia's development partners**", with the commitment to conduct perception surveys especially noteworthy. Labor has also taken some important steps to integrate development into Australia's decision-making apparatus, including via Conroy's dual-hatted role as both Minister for International Development and the Pacific and Minister for Defence Industry, as well as including this position on the **National Security Committee of Cabinet**.

But funding ultimately remains the best reflection of priorities. Just ask any minister sitting around the Expenditure Review Committee table. Alternatively, try this thought experiment: imagine telling somebody within the Australian defence establishment that defence "is moving closer to the heart of Australian foreign policy" while at the same time insisting that its budget is projected to remain level in real terms for the foreseeable future. It is unlikely they would respond by saying how much they are looking forward to capitalising on the prevailing goodwill to "rebuild" defence.

More to the point, our neighbours see the choices we are making. They understand that we are entirely willing to spend huge extra sums on nuclear-powered submarines while being unwilling to invest in development. Given the deterioration in Australia's strategic environment, I understand the rationale for increasing defence spending. One could even mount a convincing case that a significant reduction in the development component of our "international engagement" portfolio is warranted at this time. But if this is indeed the conclusion that has been reached – as the financial commitments imply – then Labor should simply make this case,

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rather than risking a slide into duplicity. If we really want to be a “partner of choice” in the region, as the new policy argues, then we need to shoot straight, both with our partners but also ourselves.

If Labour’s 2023 budget “**clearly signalled its timidity on foreign aid**”, then the new development policy extends this lack of ambition. It cements the “**cautious consensus**” in Australian aid rather than breaking out of it. That’s why I had hoped that Australia’s development community would use the forum to chide Conroy and Labor, at the very least calling them out for failing to “**match [its] ambition with action**” when it comes to funding. For my part, I will remain sceptical that development is truly at the heart of Australia’s statecraft until I see some financial proof. Like Jerry Maguire, the development sector needs to learn how to shout “show me the money!”

Videos of the Development Policy Forum are now available on [Devpolicy YouTube](#).

Read [all Devpol blogs on the 2023 Australian international development policy](#).

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