

## 2022 Development Policy **Submission.**

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**Formulating an Australian international development policy is a study in complexity and imperfection. It involves complex people, with complex information, facing deeply complex choices, with imperfect resources in an imperfect world.**

Faced with this, the greatest risk Government faces is to succumb to the gravitational force of the status quo – foregoing the opportunity to renovate our thinking, imagination, and delivery of Australian development.

The Lab proposes three cut-through questions that should guide Australian development strategy. If Government can answer these positively and enthusiastically, we believe that Australian development will be in a strong position to not only deliver a future-fit policy, but to also implement it and ensure its success. These questions are:

1. Can we see what's coming?
2. Can we focus our efforts?
3. Can we effectively translate policy to practice?

These questions are a distillation from the Lab's analysis of the last 40 years of development program performance, the upcoming challenges that Australian development cooperation must face, and the critical issues that Australian and regional experts think are of most importance to address right now.

This submission is authored by Bridi Rice (Founder and CEO), Madeleine Flint (Senior Analyst), and draws on the expertise of Jason Staines, Isabelle Coleman, Anna Van Vliet, Richard Moore, and over 100 of the best development thinkers in Australia and the region.



**Bridi Rice**  
Founder & CEO



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## One | **Can we see what's coming?**

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**A web of megatrends is changing the face of development. Their interconnectedness means we need a more sophisticated capability to see what's coming, and plan accordingly.**

The last five years have brought a convergence of development challenges – from abstract to urgent – on an unprecedented scale of difficulty. Our ability to plan for, and respond appropriately to, these megatrends will make or break the success of the new policy.<sup>1</sup>

### **What do these future, more complex challenges look like?**

The new development policy process is unfolding at a time when **social norms** and values are being significantly disrupted. This means grappling with how the rising need for decolonising and localising aid will drastically shift the financial flows, practice, and ideology of development in the coming decade.

The policy will target a region where **climate change** is the 'single greatest threat' to livelihoods, the environment, health, and security. This means grappling with the direct multiplier effect that climate change has on existing poverty and inequality, the social and political upheaval caused by the stresses of climate crises, and the pressure for Australia to better address its domestic emissions to be a credible partner in the region.

**Geopolitical tensions** and shifts in global power are underpinning international relations in the Indo-Pacific and development that is not attuned to geopolitical tensions is unlikely to be effective. This means grappling with increasing concerns that China's influence has become a dominant prism through which Australia views foreign policy, and the effect that declines in democratic governance have for human rights.

The new policy must also withstand a landscape that is rapidly changing due to the extreme uptake and **advancement of technology**. This is causing a swift evolution of global connectivity and quickly changing the needs of partner nations. This means grappling with the threat that cybercrime poses for effective governance, the rise in misinformation, and the opportunity to invest in digital infrastructure.

### **What do we do about it?**

At the Lab, we see a critical need to develop more sophisticated capabilities to identify, understand, and sufficiently respond to these megatrends. To do so, the Lab recommends two interlinked courses of action.

One, **establish an open-source development foresight capability funded by the department and/or intelligence agencies**. This could look like an interdisciplinary unit that releases assessments, analyses trends and guides the development program on how it should approach and pivot to development challenges in real time.

Two, **capitalise on the development ecosystem that exists both within Australia and the region**. This could look like finding new ways to glean expertise from different institutions (academia, delivery partners, think tanks), establishing knowledge transfer pathways to and through Government (for example, secondment programs, Chatham House-style dialogues), and public communications to signal the changing priorities and needs of Government, including with respect to research and policy.

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<sup>1</sup> Stay tuned to [devintelligencelab.com](https://devintelligencelab.com) for the release of the Lab's Development and Megatrends Analysis. See Appendix for further details.

## Two | **Can we focus our efforts?**

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**Time and again, the undoing of an effective development policy has been the inability to focus efforts. But *focusing* is difficult to do in a time when everything is urgent, important, and interconnected.**

The ability to focus the program, while overwhelming, can be achieved through making difficult choices, providing solid decision-making mechanisms, and an ability to call on the right insight and voices at the right time.

### **What does lack of focus look like?**

History tells us that we have a focus problem: regional focus, focus on comparative advantage, focus on delivering in the national interest, focus on those most in need – without knowing what the program's focus is, it's impossible to mobilise resources according to priorities.

But past attempts to course-correct, while not ineffective, are unlikely to work moving forward. No longer will a more concise purpose statement or brief references to 'national interest' in a strategy document counter the inevitable scope creep that leads to ineffective Australian development cooperation. In the Lab's 'Review of Reviews' paper,<sup>2</sup> we found that a vague (but not too vague) purpose, an unclear national interest meaning, and unknown measurements in critical areas like comparative advantage led to an ever-expanding and therefore at-times ineffective program.

And this is not a problem faced by Government alone. When put to the top development thinkers in Australia, the task was difficult. The Lab's 'Pulse Check | 2022 Development Strategy'<sup>3</sup> asked a diverse group of practitioners, academics, national security hawks, and former bureaucrats to make these tough choices. While there were choices made, the more interesting finding was that these choices diverged across the different expertise and backgrounds. Consensus is not easily reached.

What the focus of the development policy should be will depend on a range of factors – how you believe development is best achieved, megatrends facing Australia and the region, partner country needs, and more. Regardless of what Australia chooses to prioritise, the most critical action is making the choice. Being all things to all people hasn't served us well in the past, and there's no reason to believe this will change in the future. Once we've decided what we will – and won't – do, we can begin focussing our efforts.

### **What do we do about it?**

At the Lab, we are unconvinced that Australia has the ability to focus the program with its current mechanisms. To tackle this, the Lab recommends the following three courses of action.

One, **provide points of clarification (both statements and tools) to avoid focus drift within Government.** This could look like defining what national interests the development program serves (through Ministerial statements, Foreign Policy White Paper updates, and the like), providing supporting documentation that defines high-level policy positions and provides decision-making matrices, and providing a clear way to understand what Australia's comparative advantage is and how it is deployed.

Two, **establish new (and increase existing) feedback loops** to easily and rapidly distil the perspectives and critical insights from both our partners and the development community here in Australia.

Three, resist the urge to 'do it all' through a renovated **dynamic and impact-oriented country planning process** (see below).

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<sup>2</sup> Stay tuned to [devintelligencelab.com](https://devintelligencelab.com) for the full release of this report shortly. See Appendix for further details.

<sup>3</sup> Find preliminary analysis on this project at [devintelligencelab.com](https://devintelligencelab.com). See Appendix for further details.

## Three | **Can we effectively translate policy to practice?**

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**Policy is only one part of the puzzle. Regardless of how the new development policy shapes up, there's much more work to do in ensuring its implementation is successful.**

Another lesson we can draw from our past missteps across the program is that assuming a policy will translate into practice in over 20 countries - without serious investment in the systems, decision-making, culture, skills and capability of an implementation phase - is a big mistake.

### **Where does the policy-to-practice gap appear?**

For one, country planning. Where the rubber hits the road on translating policy into practice is through the processing of (1) identifying the development challenges facing a partner country; (2) identifying opportunities to support and assist the development aspirations of local leaders and communities; and (3) allocating Australian efforts, attention and resources to a handful of focuses. When done well, this 'what, where, and how' of country planning guides decisions and efforts to achieve development results. When done poorly, it results in a status quo development approach that is more about what Australia can do and less about the art of the possible. Presently, the country planning process is in flux after the expiration of most Australian country development strategies, and the installation of rapid response COVID-19 planning (which did not involve such extensive assessment). Serious renovation of country planning will be critical.

This also looks like real-time management for effectiveness, since knowing what works matters. And whilst the Office of Development Effectiveness was not without its challenges, it did signal an attempt on behalf of Government to have a clear-eyed look at how Australian development operates, what should change and what should improve. But managing for effectiveness can't be outsourced to an evaluation unit. Senior management's ability to both have, and use, high-level, real-time effectiveness information needs improvement in terms of systems, culture and management skills in the Department, according to former independent reviews.

This gap can also appear where the Government is unable to bring in those surrounding Government delivery in a coherent manner. Development experts in managing contractor organisations, NGOs, think tanks and academia, other Government agencies, and the general public all play a role in making sure the development policy comes to life, and need renewed engagement and dynamic mechanisms to do so.

### **What do we do about it?**

The Lab believes that a renewed approach to implementation is needed. To tackle this, the Lab recommends the following three courses of action.

One, **within six months of the policy's publication, establish an implementation road map.** This could include milestones for refreshed country planning; an alternative to the role the Office of Development Effectiveness once played; establishing a way to both determine, and program according to, Australia's comparative advantage; and determine whole-of-Government coordination of all development efforts (perhaps through Cabinet-mandated responsibility to DFAT or PM&C).

Two, within the same time frame, **kick start renewed capitalisation of the broader development ecosystem** to capture creative thinking. This could look like: issuing an annual research agenda; secondment programs; fora for information exchange and better transparency efforts.

Three, within three years, **conduct an independent review of the development program.**

## Appendix.

# About the Lab's analysis referenced in this submission

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### Review of Reviews

In this paper, the Lab sought to answer the key question, 'What core development challenges have appeared time and again for Australia over the last 40 years?'. To do so, the Lab reviewed a series of independent reviews of the development program from the last 40 years. These were the 2011 Independent Aid Review, the 2006 Core Group Report, the 1997 Simons Report, and the 1984 Jackson Report. This report will be made available at [devintelligencelab.com](http://devintelligencelab.com) in late 2022.

### Critical Trends and Influences Informing Australia's new International Development Policy

In this paper, the Lab sought to better understand and grapple with the dynamic megatrends that are impacting aid and development. To do so, it synthesised CSIRO's Global Megatrends Report to determine four critical contexts that Australia must grapple with, distilled implications for the new policy and sought advice from 35+ experts. A synthesis of this research will be made available at [devintelligencelab.com](http://devintelligencelab.com) in late 2022.

### Pulse Check | 2022 Development Strategy

In this project conducted by the Lab, we asked 50+ Australian-based foreign policy and development experts, and 50+ regional leaders, what was top-of-mind coming into the new development policy – and what tough choices they would make. This included questions on Australia's national interests, strengths, weaknesses, and more. Preliminary analysis is available at [devintelligencelab.com](http://devintelligencelab.com), and full analysis will be released in January 2023.

## About the Development Intelligence Lab

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The Lab is a think tank working on development cooperation in the Indo-Pacific. We're convinced that great development cooperation comes from unusual collaborations, inspired leadership, good natured debate, and cracking analysis.

The gnarly issues fascinate us, and we gather the best from the region, government, and academia to dive deep and unpack what a future-fit development program must deliver. Our fast-growing platforms cut through the bureaucratic noise to deliver fresh and honest ideas, voices and solutions for development leaders. Our people are sharp, curious and collaborative.

Join us for the latest debates over on The Intel, where we pose one question a week that's bubbling away in the development community, with three short and sharp responses. Find the latest ideas over on The Pitch, a pipeline of practical ideas for policymakers. And keep an eye out for our signature Situation Room events which invite insightful conversation in off-the-record settings. Our analysis informs decision making for development leaders of Australian and regional organisations as well as governments near and far.