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ANNUAL REPORT 2011
THE DEVELOPMENT POLICY CENTRE

Crawford School
of Public Policy
College of
Asia & the Pacific

THE DEVELOPMENT
POLICY CENTRE
ANNUAL REPORT 2011

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MESSAGE FROM THE DIRECTOR

Those who are interested in aid and development issues in Australia often bemoan the fact that Australia lacks the equivalent of the UK's Overseas Development Institute, or the US's Centre for Global Development. It has often been said that Australia is too small, or does not have the critical mass to host such a centre.

When I returned to Australia in 2005, after a long period overseas, first working for AusAID, and then at the ANU, the lack of debate on aid and development struck me. So too did the little attention which the Pacific Island region attracted in Australia.

I was fortunate in 2007 to be offered a position at the Crawford School of Public Policy, ANU, where I had begun my study of economics some 21 years earlier. The Crawford School is a wonderful place and ideal for someone like me with a background in policy. And the economics of the Pacific Island region has always been one of its traditional areas of strength.

In late 2010, together with my colleague Matt Morris, with whom I had worked at AusAID, we launched the Development Policy Centre, with a focus on aid effectiveness, the Pacific Islands and PNG, and development policy more broadly. Although these are still early days, I am proud of what we have been able to achieve in our first year or so – the Development Policy blog, our discussion papers and policy briefs, our ANU website, our many events, and our growing number of staff and associates. You can read about all of these aspects of our work in this report.

Instead of repeating all of that here, I would instead like to thank everyone who has been involved with and encouraging of our new Centre, including the range of organisations which have put their faith in us as collaborators and partners. My colleagues at the ANU, and particularly the Crawford School Director, Tom Kompas, have been generous in their support. I would also like to thank our staff, visiting fellows and research associates, as well as all those individuals who have written blog posts and discussion papers, and who have participated in our many events.

We look forward to your ongoing participation, support and feedback in the coming year, and beyond.

Stephen Howes

Director, Development Policy Centre.

OVERVIEW

Who we are

The Development Policy Centre (Devpolicy) provides a unique Australian and regional meeting place for researchers and those in the government and non-government sector working in aid and development policy.

We research and promote discussion of aid effectiveness, the Pacific and PNG, and development policy. Our discussion papers, policy briefs and reports make our research available for extension and use. Our events are a forum for the dissemination of findings and the exchange of new ideas. Our blog is a platform for debate, analysis and discussion.

We are based at the Crawford School of Public Policy in the College of Asia and the Pacific at the Australian National University, and were established in September 2010.

What we focus on

Aid effectiveness

The Australian aid budget doubled from 2005 to 2011 and is set to double again by 2015. Yet there is a lack of analysis of Australian aid. It is a sleeper as a public and academic issue. A lack of adequate scrutiny and debate increases the risks that this massive expansion in development assistance will not be used effectively. We aim to promote research and public discussion of the Australian aid program to help ensure that the aid program has the largest possible impact on development. We also plan to contribute to global debates.

The Pacific and PNG

The Pacific Island region is one where Australia can make a decisive difference. Papua New Guinea is Australia's closest neighbour, and only former colony, and it is undergoing rapid change. Yet economic and policy issues confronting the region receive little attention in Australia. The Development Policy Centre provides a forum for research and discussion on the challenges and opportunities for the Pacific Island region, including PNG, with a special focus on its links – or lack of – with Australia.

Development policy

Aid is Australia's most obvious tool for development, but it is not the only vehicle for change. Migration policy can have a significant influence on the development process, especially in Pacific Island countries. So too can policies in such areas as trade and climate change. Our research into development policy has a special focus on these areas of policy interaction between developed and developing countries. We also examine a range of important intermediate and development policy issues in line with the interests of our staff and associates

What we do

We have established ourselves as a hub for events, discussion and research on aid and development in Australia, and the region. Our blog (devpolicy.org) is now Australia's leading site for discussion on these issues. During 2011, we published ten discussion papers, two policy briefs, and a major report. We also hosted some 20 public lectures, report launches and seminars, as well as a major conference in February 2011 on the doubling of Australian aid.

We aim to bridge the gap between academic and policy work in the aid and development sector. During our first year, we provided advice and analysis to the Asian Development Bank, the Asian Development Bank Institute, AusAID, the Center for Global Development, the Government of PNG, PNG's Sustainable Development Program, the International Initiative for Impact Evaluation, and the World Bank. As examples, Stephen Howes served on the Australian Government's Independent Review of Aid Effectiveness in the first half of 2011, while Matt Morris has been serving as an Adviser to the PNG Minister for State-Owned Enterprises since mid-2011.

As well as these consultancy and advisory assignments, we collaborate and work with a range of organisations. In 2011 this included many of those listed above, as well as The Asia Foundation, CARE, the Korea Association of International Development and Cooperation (KAIDEC), the Lowy Institute, Oxfam, the Pacific Institute of Public Policy, PNG's National Research Institute and World Vision.

Our output focused on two areas in particular: the scale-up of Australian aid, and development in PNG. Our most significant projects for 2011 related to these areas: the February 5 2011 'Doubling Aid' conference and the 'Rural Poverty in PNG' report, researched and published in partnership with CARE and launched on October 11 in Canberra and November 17 in Port Moresby.

In 2012, we will extend our focus to the rest of the Pacific (in addition to PNG) and to non-aid development policy, including Australian policy on Pacific migration.

PUBLICATIONS

Discussion Papers

The Development Policy Centre's discussion paper series covers a broad range of topics. Available online (devpolicy.anu.edu.au/publications) and through the Social Science Research Network, the series aims to deepen knowledge and discourse among practitioners, academics, policymakers and the public.

In 2011, we published ten discussion papers on topics including natural resources and development, the private sector's involvement in development, innovations in aid effectiveness, health, and poverty.

DP 1 – *'An overview of aid effectiveness determinants and strategies'* by Stephen Howes, January 2011, pp. 35.

Stephen Howes sets out the various determinants of aid effectiveness. He groups strategies for aid effectiveness based on improving the aid recipient, donor, or the interaction between them.

DP 2 – *'PNG mineral boom: Harnessing the extractive sector to deliver better health outcomes'* by Jane Thomason and Matthew Hancock, January 2011, pp. 37.

Devpolicy Research Associate Jane Thomason and her co-author Matthew Hancock summarise the international experience of healthcare Public-Private Partnerships (PPPs) within the resources sector, using the example of PNG. Extractive industries are actively involved in health service delivery in PNG and the benefits could be set to increase if the key challenges laid out in this paper are met.

DP 3 – *'The Bill and Melinda Gates Foundation: Business versus bureaucracy in international development'* by Ian Anderson, June 2011, pp. 16.

Devpolicy Research Associate Ian Anderson looks at the opportunities and implications of the rise of 'philanthrocapitalism' for Australia's aid program. These new donors provide flexibility in AusAID's programming choices, but recipient countries may also enjoy the flexibility of being able to bypass traditional development agencies.

DP 4 – *'Aid and oil in Papua New Guinea: Implications for the financing of service delivery'* by Aaron Batten, June 2011, pp. 33.

Devpolicy Research Associate Aaron Batten estimates the contribution of future liquid natural gas revenue inflows on the financing of PNG's social services and infrastructure by estimating the elasticities between 1975 and 2000.

DP 5 – *'Does the World Bank have a micro-macro paradox or do the data deceive?'* by Stephen Howes, Sabit Otor and Cate Rogers, June 2011, pp. 27.

Stephen Howes and his co-authors Sabit Otor and Cate Rogers revisit the evidence and cast doubt on the claim that World Bank aid displays a micro-macro paradox, namely, is more successful at the project than the country level.

DP 6 – *'Who receives Australian aid, and why?'* by Satish Chand, July 2011, pp. 34.

Devpolicy Research Associate Satish Chand examines aid allocations and finds that physical proximity to Canberra and the level of funding given by the United States are the main determinants of who gets aid. Being poor does not help countries gain access to Australian aid, but, if they get access, does lead to more aid.

DP 7 – *'The Health Impact Fund: More justice and efficiency in global health'* by Thomas Pogge, August 2011, pp. 22.

ANU and Yale Professor Thomas Pogge describes the motivations for and potential implementation of the Health Impact Fund, which would reward pharmaceutical companies based on the health impact of their drugs to provide incentives for effective research into currently neglected diseases.

DP 8 – *'Improvements in the World Bank's Ease of Doing Business Rankings: Do they translate into greater foreign investment inflows?'* by Dinuk Jayasuria, September 2011, pp. 21.

Devpolicy Postdoctoral Fellow Dinuk Jayasuria tests the effect of improving the investment climate as measured by the World Bank's "Ease of Doing Business" rankings. While improvements in rankings increase foreign direct investment for average countries, the relationship is insignificant for developing countries.

DP 9 – *'Measuring poverty in the Pacific'* by Matthew Morris, November 2011, pp. 22.

Devpolicy Deputy Director Matt Morris takes a practical look at how to measure poverty in the Pacific. While household datasets are limited, there are opportunities to make better use of data and allow analysis to inform policies.

DP 10 – *'Beyond Paris: 11 innovations in aid effectiveness'* by Matthew Morris & Jonathan Pryke, November 2011, pp. 36.

Matt Morris and Devpolicy Researcher Jonathan Pryke describe 11 innovations with the potential to improve the quality of aid recipients and donors, and the effectiveness of their interactions.

Policy Briefs

Our policy briefs are shorter documents, tied to specific policy issues.

PB 1 – *'Patterns and Trends in Australian aid'* by Stephen Howes and Matthew Morris, October 2010, pp. 4.

Stephen Howes and Matt Morris consider recent patterns and trends in Australia's rapidly expanding overseas development assistance. How much aid does Australia give? Where is it spent? What is it spent on? How does Australia compare to other donors?

PB 2 – *'Medical supplies reform in Papua New Guinea: Some conceptual and historical lessons'* by Andrew McNee, May 2011, pp. 5.

Devpolicy Visiting Fellow Andrew McNee sets out lessons for the reform of PNG's medical supply system. Reformers need to be willing to commit to the process over an extended period of time. Donors need to support the process through the direct provision of medical supplies, and resist pressures to end external support prematurely.

Sri Mulyani Indrawati, G20: Issues of importance for developing countries and Indonesia's role, August 23

Reports

Our reports are larger research efforts not intended for subsequent journal publication.

Rural Poverty in Remote Papua New Guinea
Cate Rogers & CARE, October 2011

Of the 6.7 million people living in PNG, approximately 87 per cent live in rural areas. This report draws on a survey of a remote and disadvantaged area in Eastern Highlands Province to provide a vivid illustration of the difficulties of life in rural and remote PNG for a disadvantaged community.

The survey is placed in the context of over forty years of research into poverty in rural PNG, which shows that the poorest places are more likely to be isolated from towns, infrastructure and basic services and provide few employment opportunities. The people living in these communities are more likely to be malnourished, poorly educated and suffer from health problems.

The data collected and the analysis undertaken provide the baseline for a CARE International in project supported by AusAID and conducted in partnership with the district administration of Oburu Wontanara, EHP.

The report is a call to action to government and civil society, and a powerful reminder that these communities should not be overlooked just because they are out of sight.



THE DEVELOPMENT POLICY BLOG

The Development Policy blog is a platform for analysis and discussion relating to our central research areas: aid effectiveness; the Pacific and PNG; and development policy.

Since its first post on September 1, 2010 to the end of 2011, we published more than 260 posts from over 100 contributors. Over that period, the number of posts published increased from three a week to one a day and our readership grew enormously. Blog posts are also shared through social media (Facebook and Twitter) and via email, and are often cross-posted. Below is a list of our most popular posts for each month from commencement to the end of 2011.

Oct. 31 2010 *'Seven patterns and trends in Australian aid'* by the Development Policy Centre

How is the rapidly expanding Australian aid budget distributed? Governance is the biggest spending area, but the environment and infrastructure are growing. The shares of aid going to technical assistance and multilaterals are declining, and the average project size has fallen.

Nov. 16 2010 *'Climate finance: An insider's account'* by Bob McMullan, former member of the UN Secretary General's Advisory Group on Climate Change Finance

Bob McMullan highlights key findings from the Advisory Group's report, reflects on lessons learnt and details some future steps. He describes how \$100 billion might be raised through various taxes including international transactions and transport fuel taxes.

Dec. 11 2010 *'Cash on Delivery: A new approach to aid'* by Richard Curtain, public policy consultant

Cash on Delivery aid is a new proposal for improving aid effectiveness by only paying for verified results. Richard Curtain describes how the donor should take a hands-off approach to the actual delivery of aid, and only pay for incremental units of progress.

Jan. 11 2011 *'Aid to schools in Indonesia'* by Marc Purcell, Executive Director, Australian Council for International Development

Marc Purcell defends Australian aid to schools in Indonesia after Robert Cannon's critical opinion piece in *The Australian*. From building schools to improving the quality of education, our aid is making a real difference.

Feb. 20 2011 *'Development policy of the future and why we aren't ready'* by Todd Moss, Vice President for Programs and Senior Fellow, Center for Global Development

Todd Moss identifies three key trends in development: fewer poor countries, the growing importance of non-traditional donors, and the end of scaling-up in aid financing. This will cause a shift in focus towards value-for-money public goods and non-aid tools, which Moss believes we aren't ready for.

Mar. 11 2011 *'Aid mythbusters: low overheads'* by Terence Wood, PhD candidate, Development Policy Centre

Terence Wood busts the myth that reducing overhead costs is synonymous with improving aid, and lays out the harms it can cause.

Apr. 27 2011 *'Are scholarships good aid?'* by Matt Morris, Deputy Director, Development Policy Centre

With AusAID's funding of scholarships at \$153 million and set to increase, Matthew Morris calls for a genuine, evidence-based, discussion on how to improve the effectiveness and value-for-money of aid-funded scholarships.

May 10 2011 *'Aid budget 2011-12: highlights'* by the Development Policy Centre

This post tackles the often-neglected task of reporting on and analysing the aid budget. The aid budget is growing fast, focusing on governance and education, and scaling-up aid to Indonesia and PNG.

Jun. 9 2011 *'60 years of aid, what have we learned?'* by Terence Wood, PhD candidate, Development Policy Centre

From Harry Truman and the founding of the World Bank, to new innovations in aid, Terence Wood considers what we should have learnt in 60 years of providing aid: to focus on poverty reduction; adopt an evidence-based approach; be mindful of fads; have reasonable expectations; and commit for the long term.

Jul. 19 2011 *'After the Review: how to make sure the Australian aid program saves lives'* by Garth Luke, Senior Researcher, World Vision Australia

Garth Luke calls on the Australian Government to live up to its commitment to saving lives by refocusing on health, an area where the knowledge and technology exists to prevent significant suffering, yet a funding gap remains.

Aug. 12 2011 *'The quiet revolution in Australian aid: a blog for Tim Costello and Aid Watch'* by Stephen Howes, Director, Development Policy Centre

Despite the claim that over 40 per cent of Australian aid goes to Australian companies, only 21 per cent of 2009-10 aid went to private contractors. Stephen Howes discusses changes in modes of aid delivery and calls for the debate to move on.

Sep. 6 2011 *'Challenges for the final 1% until there's no polio in the world'* by Chris Maher, Acting Director of Polio Eradication Research, WHO

The global burden of polio has been reduced by 99 per cent over the last 23 years, but the areas where it remains are remote or difficult to work in. Chris Maher discusses the progress and challenges remaining in eradicating the final 1 per cent.

Oct. 5 2011 *'Australian aid to fragile states – the success story of Zimbabwe'* by Joel Negin, Senior Lecturer in International Public Health, University of Sydney

After the Aid Review call for more aid to fragile states, Joel Negin takes Australian aid to Zimbabwe as a case study. He finds that the Zimbabwe program demonstrates the impact of a focused and well-funded strategy in a difficult and fluid environment.

Nov. 3 2011 *'Where have all the evaluations gone?'* by Stephen Howes, Director, Development Policy Centre

Stephen Howes queries the low output from AusAID's Office of Development Effectiveness, which in the two years preceding this post had published only a single evaluation—the Annual Review for the 2008-9 year.

Dec. 8 2011 *'Fiji's 2012 budget: a good budget in difficult times'* by Matthew Dornan, Postdoctoral Fellow, Development Policy Centre

Matthew Dornan summarises and reviews Fiji's 2012 budget. He commends economic policies and the proposed tax reform, but believes the budget fails to adequately address public sector reform issues and the problems faced by the National Provident Fund.

The Aid, Pacific and Development Buzzes

The Development Policy blog is also home to our weekly 'buzz' digests. These provide updates on recent news and debates in aid, the Pacific, and development.

The Aid Buzz has been published once a month since September 2011, and summarises the latest developments in the Australian aid scene.

The Pacific Buzz commenced in September 2011 and is published fortnightly. It is written in conjunction with the Pacific Institute of Public Policy (PIPP) and covers politics, economics, development and research in the Pacific and PNG.

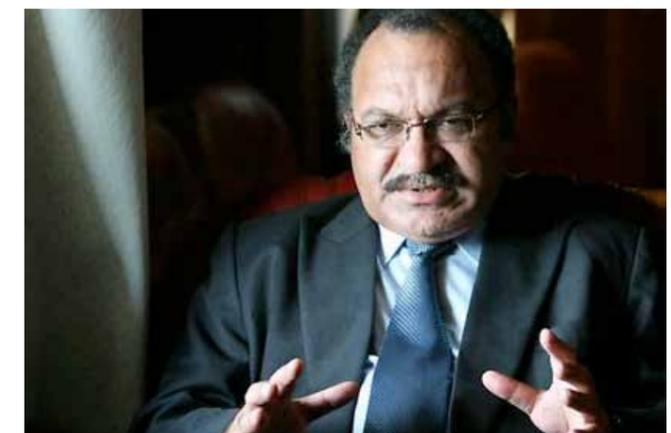
The Development Buzz has been a fixture of the blog since April 2011. It is a monthly wrap of research, events, commentary and debates on global development practice and policy.



Richard Marles, Rural Poverty in Remote Papua New Guinea: Report Launch, October 11



Julia Newton-Howes, Rural Poverty in Remote Papua New Guinea: Report Launch, October 11



Peter O'Neill, Revitalising the PNG-Australia relationship, October 12

EVENTS

In 2011, we hosted or co-hosted 21 events that ranged from a conference on aid, to research seminars, report launches and sell-out lectures by prominent speakers such as World Bank Managing Director Sri Mulyani Indrawati, Nobel Prize Laureate Michael Spence and the Papua New Guinean Prime Minister Peter O'Neill.

All of our events are now shared with a global audience through video or audio recordings made available online via the Crawford School website.

1. Doubling Australian aid

February 7

The 'Doubling Australian Aid' conference was a highlight of our calendar in 2011. The conference drew a capacity crowd, and was attended by four of the five panel members of the Independent Review of Australian Aid.

After a long period of decline and stagnation, Australian aid doubled between 2005 and 2011, and under the current bipartisan consensus, will double again by 2015. The Independent Review of Aid Effectiveness was commissioned by the government to review the first doubling, and make recommendations for the second.

The 'Doubling Australian Aid' conference was held to ensure that the Review built on the best and most recent evidence base available. Topics covered included: the determinants of aid effectiveness; the rapidly changing aid landscape; project and country-level case studies; and the future of aid in the Pacific. Australia's leading aid researchers were among the speakers, as were a number of highly experienced aid practitioners.

Many of the speakers were Devpolicy staff and associates, including Stephen Howes, Matthew Morris, Cate Rogers,

Margaret Callan, Ian Anderson, Aaron Batten, Sean Burges, Satish Chand, Erik Olbrei, Jonathan Pickering and Nik Soni.

2. Recent shocks and long-term change in the Samoan economy

February 8

John Gibson, Professor of Economics, University of Waikato, presented his research on recent shocks and long-term change in the Samoan economy.

3. Africa: Innovations in aid and development

February 10

Todd Moss, Vice President for Programs and Senior Fellow, Centre for Global Development, shared his insights into innovations in aid development in Africa.

4. Measuring poverty and gender disparity

March 21

In collaboration with the Centre for Applied Philosophy and Public Ethics and the ANU Gender Institute, we hosted a half-day forum to discuss the ongoing work on the multi-country, interdisciplinary effort underway at the ANU to design and test measures of poverty and gender disparity.

5. Poverty in numbers and scaling-up aid: Research from the Brookings Institute

March 28

Lawrence Chandy, Brookings Institute Fellow, addressed questions around levels of poverty in the world today based on his recently published paper, 'Poverty in Numbers'. Johannes F. Linn, Senior Fellow, Brookings Institute and Senior Resident Scholar, Emerging Markets Forum, provided an overview of his new research on scaling-up aid.

6. Preventing recurring food crises

April 29

Shenggen Fan, Director General, International Food Policy Research Institute (IFPRI), spoke on the recurring threat of global food crises, and reforms to avoid them, including: bio-fuel policy reform; accelerated establishment of social safety nets; and a global, physical grain reserve.

7. IDA: The path ahead

June 21

Axel van Trotsenburg, Vice-President for Concessional Finance and Global Partnerships, World Bank, discussed the latest International Development Association (IDA) replenishment round and the challenges for the next three-yearly replenishment.

8. The Independent Review of Australian Aid and the Government's Response

July 11

The report of the Independent Review of Aid Effectiveness was submitted on 29 April 2011. This was the first independent public review of the overseas aid program that the Government has commissioned since the Simons Review in 1996. The Government released its response to the findings and recommendations of the review in July.

The Development Policy Centre invited Sandy Hollway, Independent Aid Review Chairman, to discuss the Review and Peter Baxter, AusAID Director General, to discuss the Government's response. Tom Kompas, Director, Crawford School, chaired the proceedings.

9. Climate change and fiscal policy: Report launch

July 12

Launched at the ANU's Asia-Pacific Week, this World Bank report by Stephen Howes and Leo Dobes, Adjunct Associate Professor, Crawford School, focuses on the use of fiscal policies for mitigating and adapting to the effects of climate change, with a particular focus on the developing economies of APEC.

10. The Bill and Melinda Gates Foundation: Business vs. bureaucracy in international development

August 11

New forms of aid, including 'philanthrocapitalism' such as The Bill and Melinda Gates Foundation, are rapidly altering the international aid architecture for health. Ian Anderson, aid professional, economist and Devpolicy Research Associate, presented his research into the Gates Foundation, and its implications for the Australian aid program.

11. The next convergence: The future of economic growth in a multi-speed world

August 17

We are now midway through what is likely to be a century of high and accelerating growth in the developing world and a new convergence with the advanced countries—a trend that is set to reshape the world. In the 2011 Crawford Oration, co-hosted by the Development Policy Centre, Michael Spence, winner of the Nobel Prize in Economic Sciences, explained the causes of this dramatic shift and its implications for developed countries.

12. G20: Issues of importance for developing countries and Indonesia's role

August 23

The Development Policy Centre, in association with the Australia Indonesia Institute and the ANU's Indonesia Project, hosted World Bank Managing Director Sri Mulyani Indrawati. The former Indonesian Minister of Finance spoke to a capacity crowd on her first-hand experience within the G20 during the financial crisis.

13. PNG in transition: Economic and political update

August 25

With a new government, court challenges, upcoming elections, and a booming economy, the pace of change in PNG has never been faster. Matthew Morris, Deputy Director, Development Policy Centre, and Erik Kwa, Associate Professor of Law, University of PNG, and long-standing observer of PNG politics, provided the first public analysis of the country's economic and political developments following the change of government on 2 August 2011.

14. Improving access to climate financing for the Pacific Islands

August 30

In collaboration with the Lowy Institute, Nic McClellan, journalist and Pacific researcher, discussed the key results from his recent Lowy Paper on climate financing and the Pacific.

15. Is Australian aid fair dinkum?

September 13

The Development Policy Centre co-hosted this 'One Just World' forum with World Vision, IWDA and AusAID. Speakers debated the Independent Review of Australian Aid Effectiveness and the Government's Response. Panel members were: James Batley, Deputy Director-General, AusAID; Stephen Howes, Director, Development Policy Centre; Julia Newton-Howes, CEO, CARE Australia; and Derek Brien, Director, Pacific Institute of Public Policy.



Derek Brien and Stephen Howes, Is Australian aid fair dinkum? September 13

EVENTS

16. The future of PNG and the role of Australia

September 21

Sir Rabbie Langanai Namaliu served as Prime Minister of Papua New Guinea from 1988 to 1992, and was Speaker of PNG's National Parliament from 1994 and 1997. Sir Rabbie spoke on the relationship between PNG and Australia and the need to realign this partnership as PNG strengthens and develops.

17&18. Rural Poverty in Remote Papua New Guinea: Report launch

October 11 — Parliament House, Canberra

November 17 — National Research Institute, Port Moresby

This report by Cate Rogers of the Development Policy Centre and CARE draws on a survey of a remote and disadvantaged area in Eastern Highlands Province to provide a powerful illustration of life in rural and remote Papua New Guinea for a disadvantaged community.

The Hon. Richard Marles MP, Parliamentary Secretary for Pacific Island Affairs, launched the report in Canberra at Parliament House, and the Rt. Hon. Sir Mekere Morauta, Minister for Public Enterprises, Government of Papua New Guinea launched the report at PNG's National Research Institute in Port Moresby.

19. Revitalising the PNG-Australia relationship

October 12

Shortly after becoming Prime Minister of Papua New Guinea, the Rt. Hon. Peter O'Neill delivered a public address at the Crawford School, hosted by the Development Policy Centre. Mr O'Neill discussed his plans for revitalising the PNG-Australia relationship, and his vision for economic development and improved government service delivery in PNG.

20. 'Banking on Aid': Report launch and discussion

October 27

The Development Policy Centre hosted the launch of the 'Banking on Aid' report by Manna Gum and Oxfam Australia, which examines the relationship between AusAID and the multilateral development banks – specifically, the Asian Development Bank and the World Bank.

The launch was followed by a panel discussion with: Jonathan Cornford, Director, Manna Gum; Matthew Morris, Deputy Director, Development Policy Centre; Jessica Rosien, Advocacy Manager, Oxfam Australia; and Paul Wojciechowski, Assistant Director General, Multilateral Policy and Partnerships Branch, AusAID.

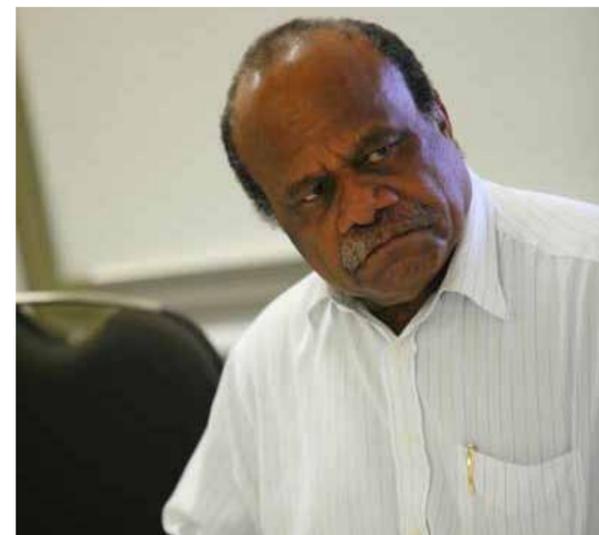
21. World Development Report 2012: Gender Equality and Development

November 8

In an event co-hosted with the ANU Gender Institute, Andrew Mason, Lead Economist and Regional Gender Coordinator, World Bank East Asia and Pacific Region, presented the key findings of the World Development Report 2012 on gender equality. Dr Sharon Bessell, Senior Lecturer, Crawford School, ANU and Ms Gillian Brown, Principal Gender Adviser, AusAID, provided their perspectives on the report.



Sandy Hollway, The Independent Review of Australian Aid and the Government's Response, July 11



Sir Rabbie Namaliu, The future of PNG and the role of Australia, September 21

PROJECTS

The Development Policy Centre undertook the following research and consultancy projects in 2011:

Learning from Asia's aid successes:

Stephen Howes and Steve Smith explored the lessons that can be learnt from the experience of successful Asian economies as aid recipients in a report written for the Asian Development Bank.

Asia's environmental and climate change challenges:

Stephen Howes and Paul Wyrwoll researched the environmental and climate change mitigation challenges facing Asia in two reports written for the Asian Development Bank Institute.

Australian Independent Aid Effectiveness Review:

Stephen Howes participated as a panel member of this review, appointed by the Foreign Minister, which submitted its findings and recommendations in April 2011.

Training for public servants:

Stephen Howes, Matthew Morris, Jonathan Pryke and Andrew McNee provided training programs and/or material for AusAID and other departments in relation to aid effectiveness.

Impact evaluation opportunities in Fiji:

On behalf of the International Initiative on Impact Evaluation (3ie) Matthew Morris explored opportunities for undertaking impact evaluations in Fiji.

Poverty and aid policy in the Pacific:

Matthew Morris and Margaret Callan provided advice to AusAID on various aspects of aid to PNG and the Pacific.

'Cash for oil' opportunities in PNG:

Matthew Morris wrote a review for the Centre for Global Development on how the idea of using resource windfalls to finance cash transfers might play out in PNG.

Advice to the PNG Minister for State-Owned enterprises:

Matthew Morris has been advising the PNG Minister for State-Owned Enterprises, the Rt. Hon. Sir Mekere Marouta, since August 2011.

PNG Sustainable Development Program Review:

Stephen Howes completed a review of the PNG Sustainable Development Program, co-authored with Eric Kwa, University of PNG.

LECTURES AND PRESENTATIONS

Over the course of the year, the Development Policy Centre staff gave a number of lectures and presentations.

Stephen Howes

- > Presentation on the role of aid at an ANU forum on 'The Economic, Social and Environmental Determinants of Human Development and Health Equity', April 4.
- > Lectures on the changing case for climate change mitigation and on aid effectiveness at the University of Adelaide, May 4.
- > Presentation on aid effectiveness to the 7th Nossal Institute Global Health Forum on 'Non-communicable diseases and development in the Asia-Pacific region', August 31.
- > Address on the management of PNG's resource boom at the Lowy Conference on 'The Pacific Islands and the World: Realising the Pacific's Potential', September 5.
- > Participation in the panel discussion "Is Australian aid fair dinkum?" at Old Parliament House, September 13.
- > A presentation on aid effectiveness at Griffith University, September 23.
- > Gave a series of lectures to the Korea Development Institute, Korea's Economic Development and Co-operation Fund and the Busan National University on aid effectiveness, hosted by the Asia Foundation and KAIDEC, October 13-14.
- > Participation in the launch for the G-FINDER 2011 report into international funding of medical R&D for diseases of the poor, December 8.
- > Participation in ANU Post-Durban UNFCCC Seminar, December 12.

Matthew Morris

- > Presentation on aid innovations at the 'Doubling Australian Aid' conference, February 7.
- > Economic update at 'PNG in transition: Economic and political update', August 25.
- > Participation in the 'Banking on Aid' report launch and panel discussion, October 27.
- > Presentation of paper (with Jonathan Pryke) on aid innovations to an international workshop in Busan on November 28 to coincide with the Busan High-Level Forum, which he attended.
- > Presentation of aid innovations paper to Crawford School graduate students.

Andrew McNee

- > Guest lecture on the experience with sector-wide approaches in health to Crawford School graduate students.

DEVPOLICY RESEARCHERS AND STAFF

Director



Professor Stephen Howes

Stephen has a PhD in economics from the London School of Economics. He served in various positions for a decade at the World Bank before becoming AusAID's first Chief

Economist in 2005. In that capacity, he led and participated in major policy initiatives, including the Core Group Report, which led to Australia's last White Paper on Aid (2006) and Pacific 2020. After leaving AusAID in 2007, he worked on the Garnaut Climate Change Review in 2008, and then joined the Crawford School of Public Policy, ANU, where he is Professor of Economics and directs the International and Development Economics teaching program.

In 2009-10, he participated in an official review of the PNG aid program, and in 2010-11, in the Australian Government's Independent Review of Aid Effectiveness. He serves as a Board member for the Pacific Institute of Public Policy and on the Advisory Council of the Asian Development Bank Institute.

Stephen's research interests relate to aid effectiveness, and international climate change policy. With co-authors, he is currently completing reviews of the Kalimantan Forest Carbon Project and of the Pacific Seasonal Workers Pilot Scheme.

Deputy Director



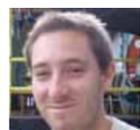
Matthew Morris

Matthew has a background in aid and developing country economic policy making. He worked for several years in the PNG Treasury, and has worked in senior positions

for both DFID and AusAID, most recently heading DFID's economic team in India. While at AusAID, he wrote and contributed to a number of influential reports, including the 2008 Pacific Survey and the 2008 report Tracking Development and Governance in the Pacific. In the last year, Matthew has continued to act as an advisor to AusAID and to the PNG Government.

His research interests revolve around the management of resource booms, and innovation in relation to aid.

Postdoctoral Research Fellows



Matthew Dornan

Matthew joined the Development Policy Centre in December 2011 on the completion of his PhD. The topic for this was the energy sector in Fiji, with a focus on the use of renewable

technologies for rural electrification and as a risk mitigation measure against oil price volatility. His PhD also looked at the political economy of policy implementation and reform in Fiji. Previously, Matthew worked in Fiji, Nauru, Kiribati and Tuvalu

as part of an Australian Government technical assistance program. He has also worked on climate change adaptation issues as part of AusAID.

In his work at the Centre, he will examine aid flows and regional integration issues in the Pacific Islands, as well as continue his research into energy challenges facing the Pacific Island region.



Dinuk Jayasuria

Dinuk joined the Development Policy Centre in January 2012 after two years working for the World Bank Group as an evaluator focusing on the Pacific. Previously, he worked

for the International Federation of the Red Cross, AusAID, Price Waterhouse Coopers and the ANZ. Dinuk holds a PhD in Economics from the ANU which involved undertaking evaluations in the Solomon Islands and Sri Lanka.

In his work at the Centre, he will work on quantitative studies and impact evaluations relating primarily to aid effectiveness and Pacific development.

Visiting Fellows



Margaret Callan

Margaret joined the Development Policy Centre as a Visiting Fellow in January 2011. Prior to this, she worked at AusAID on a number of bilateral aid programs in Southeast

Asia and the Pacific, most recently as Assistant Director General for Papua New Guinea. She continues to serve as an adviser to AusAID, and is currently engaged in a review of the Strongim Gavman Program, under which Australian public servants work for the PNG Government. Margaret's research focuses on measuring the contribution of the private sector to development. She has developed a new methodology for this, which she plans to apply in PNG.



Andrew McNee

Andrew has worked in senior roles in health and development, both in Australia and overseas, for more than 20 years. He has held senior positions at ACT Health and

AusAID, and has consulted for a range of governments in the region. Andrew worked for eight years in PNG where he headed AusAID's health sector program before moving into a range of advisory roles with the PNG National Department of Health and the National Economic and Fiscal Commission. He has also worked for the United Nations Population Fund in Vietnam, and for an NGO in Nicaragua. Andrew's research interests include institutional development and change, health system incentives and performance, and cultural influences on health systems.

Andrew completed a discussion paper on health SWaPs (Sector Wide Approaches) published in 2012, and has been an active developer of a PNG budget analysis and expenditure tracking project.



Robin Davies

Robin joined the Development Policy Centre as a Visiting Fellow in January 2012. He was previously a senior executive at AusAID.

Until December 2011 he was head of AusAID's International Programs and Partnerships Division, with responsibility for multilateral, NGO and volunteer programs, partnerships with other bilateral donors and the private sector, climate change and environment policy and programming, and the Australian Civilian Corps.

As head of AusAID's Sustainable Development Group from 2007 to 2009, Robin was Australia's representative in negotiations leading to the establishment of the multilateral Climate Investment Funds in 2008, and oversaw the development of a series of Australian climate change funding initiatives. He was a member of the G20 Development Working Group from its establishment in 2011. He served as AusAID's country director in Indonesia from 2003 to 2006 and as the agency's first permanent representative to the OECD Development Assistance Committee in Paris, from 1999 to 2002. He has represented Australia on the boards of the UN World Food Programme and the International Fund for Agricultural Development.

Robin's research at the Development Policy Centre will focus primarily on multilateral development policy.

Program Manager



Cleo Fleming

Cleo has a background in program coordination and event management in the higher education and non-government sectors, as well as editorial experience at

universities in Australia and Japan. She holds a Master of International Development, RMIT University and a Graduate Diploma in International Relations, Monash University. At the Centre, Cleo is responsible for our day-to-day operations and manages our events and outreach activities.

PhD Students

The Centre encourages the involvement of PhD students based at the Crawford School or elsewhere working on topics relating to aid effectiveness or development in PNG and the Pacific.



P p  Khennavong

P p 's research focus is on the politics of foreign aid and the role of non-traditional donors in an aid dependent country operating under a weak state, in this case, Lao PDR.



Alicia Mollan

Alicia's research focus is on public perceptions of US aid to Pakistan, looking at the 'hearts and minds' policy in the foreign aid context and whether aid can obtain leverage over security and economic reform.



Cate Rogers

Cate's research examines persistent poverty and risk management in the Pacific, with a focus on rural Papua New Guinea. Before commencing her PhD, Cate was the Director

of Evaluation at the Office of Development Effectiveness at AusAID.



Terence Wood

Terence is a PhD candidate in the State, Society & Governance in Melanesia program at ANU. His research focus is institutional form and function in Solomon Islands, in

particular, how formal institutions interact with informal institutions and other societal traits.

Graduate Researchers

The Centre is fortunate to have attracted a number of high calibre graduate students to work on various aspects of our work.



Ashlee Betteridge, June 2011 –

January 2012. Ashlee edited the Development Policy blog, writing several posts, and significantly developing our social media presence. In 2011, she completed her Master in Public Policy at the Crawford School, ANU.

In 2012 she will commence voluntary work with Plan in East Timor.

Danielle Hay, January – July 2011.

Danielle provided research assistance to the Centre while completing her Masters in International Development Economics at the Crawford School, ANU.



Jonathan Pryke, June 2011 – ongoing.

Jonathan commenced working with the Centre while completing his Master of Public Policy/Master of Diplomacy at the Crawford School and the College of Diplomacy, ANU.

He has subsequently turned down offers from the graduate programs of the departments of Climate Change, Treasury and DFAT to remain with us in 2012. He has been involved in all aspects of our work, from the Devpolicy blog and events, to research and training.



Paul Wyrwoll, January 2011 – ongoing.

Paul commenced working with the Centre after completing his Master in Environmental and Resource Economics, in relation to Asia's environmental and climate change problems.

He will continue with us for the first half of 2012, as well as teaching at Crawford, before heading to Vietnam.



Kathryn Zealand, December 2011 –

ongoing. Kathryn is currently studying for the Master in International and Development Economics at Crawford School, ANU. At the Centre she has contributed to the Devpolicy

blog as an editor and author and is undertaking research into aid effectiveness.

DEVPOLICY ASSOCIATES

Centre Associates

The Development Policy Centre's associates form a network of researchers and professionals based at the ANU, elsewhere in Australia and overseas, who interact with, contribute to and support the Centres' work. As of January 2012, our research associates are:



Emma Aisbett

is a Lecturer at the Crawford School and Research Fellow at the Research School of Economics, ANU. Her research focus is on how globalization can be used to support sustainable development.



Ian Anderson

has over 20 years international development experience with AusAID, where he was most recently Principal Advisor (Designs and Programs). During this time he was seconded to the World Bank and the Asian Development Bank.



Aaron Batten

is currently working for the Asian Development Bank in Port Moresby. Prior to this he worked with the Malawi Ministry of Finance. His PhD from the ANU investigated the fiscal effects of foreign aid in PNG.



Sharon Bessell

is a Senior Lecturer in Public Policy at the Crawford School. Her research interests include children and childhood, and gender, with a focus on Southeast Asia, the Pacific and Australia.



Derek Brien

is the Executive Director of the Pacific Institute for Public Policy in Vanuatu. He has worked in a number of countries in the Pacific and specialises in improving social awareness and debate on policy issues.



Sean Burges

is a Lecturer in International Relations at the School of Politics and International Relations and a Senior Associate of the Australian National Centre for Latin American Studies, ANU.



Satish Chand

is a Professor of Finance at the University of New South Wales and an Adjunct Professor at the Crawford School, ANU. He has worked as a consultant for the Asian Development Bank, the International Monetary Fund, the World Bank and various governments in the Asia-Pacific region.



Björn Dressel

is a Senior Lecturer at the Crawford School and an Associate Investigator for the Fragile States working group at the Centre of Excellence in Policing and Security (CEPS), ANU.



Ron Duncan

is an Emeritus Professor at the Crawford School, ANU. His research is currently focused on the binding constraints to growth and His current research focus is the binding constraints to growth and 'clientelist' politics in the Pacific.



Colin Filer

is the Convener of the Resource Management in Asia-Pacific Program, ANU. His research interests include the social context, organisation and impact of policies, programs and projects in the mining, petroleum, forestry and conservation sectors.



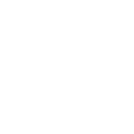
Tamara Haig

is the Principal of DevDAS, a provider of international development services to development agencies.



Kate Higgins

is a Senior Researcher at the North-South Institute. Her interests include growth, inequality, aid, fragile states, the MDGs and the post-2015 framework. Kate previously worked for AusAID and for the Overseas Development Institute.



Malcolm Holmes

is an independent consultant working on budgeting issues, particularly those relating to medium-term budgeting in Asia. Until 2000 he worked for the World Bank.



Viktor Jakupec

is a Professor of Education at the University of Potsdam. He worked as education consultant and team leader for Asian Development Bank and World Bank funded projects in Asia. His current research is focused on political economy analysis and impact assessment for aid development.



Patrick Kilby

is the Program Coordinator for the Masters of Applied Anthropology and Participatory Development Program, ANU.



Peter Larmour

is a Professor of Public Policy at the University of the South Pacific. His research interests include South Pacific politics and government, corruption and anti-corruption, and policy transfer.



Sango Mohanty

has a background in Human Geography and Development Studies and currently coordinates the Master of Applied Anthropology and Participatory Development Program, ANU.



Joel Negin

is a Senior Lecturer in International Public Health at the University of Sydney and maintains an ongoing appointment at the Earth Institute at Columbia University. He focuses on health and development in sub-Saharan Africa and the Pacific.



Annmaree O'Keeffe

is a Research Fellow at the Lowy Institute for International Policy. Previously with AusAID, her various positions included Ambassador for HIV/AIDS and Deputy Director General.



Erik Olbrei

has 20 years international development experience. He is currently conducting research into climate change, focusing on the challenges Indonesia faces in reducing emissions arising from deforestation.



Jonathan Pickering

is a PhD candidate at the Centre for Applied Philosophy and Public Ethics, ANU. He previously worked for AusAID, most recently on a program to reduce emissions from deforestation.



Ben Reilly

is a Professor of Policy and Governance at the Crawford School, ANU. His current research includes democratisation and political engineering in the Asia-Pacific region, and post-conflict democratisation.



Nikunj Soni

is Co-Founder and Chair of the Pacific Institute of Public Policy. He has held a range of senior positions in the region including as the Director General of the Ministry of Finance in Timor-Leste.



Charles Tapp

is the Senior Adviser for Fundraising for the Education for All Fast Track Initiative, a global partnership for education based in Washington DC. Prior to this he was the CEO of CARE Australia.



Kathy Whimp

is a PhD candidate at the ANU with a focus on fiscal decentralization. She has extensive experience as a development professional, especially in PNG and the Pacific.



Scott Wisor

is a Research Fellow at the Centre for Applied Philosophy and Public Ethics, ANU. He previously served as the Senior Field Organiser for the Sudan Divestment Task Force and as the International Coordinator for the Genocide Intervention Network.



Charles Yala

is a Research Fellow at the University of New South Wales. His research focuses on the economics of land tenure, customary land tenure reform, development planning, competition policy and economic reform.

DEVPOLICY FUNDING

A substantial portion of the costs of running the Development Policy Centre are provided by the Crawford School of Public Policy, to which it belongs. In addition, in 2011 (end December 2011) the Centre raised some \$220,000 in funds through contract work for specific projects with AusAID, the PNG Sustainable Development Program, the Asian Development Bank, the Asian Development Bank Institute, the World Bank, and others, as well as grants from the Research School of Asia and the Pacific, ANU.



Matthew Morris, Banking on Aid: Report launch and discussion, October 27



Michael Spence, The next convergence, August 14

DEVPOLICY'S FIRST YEAR BY THE NUMBERS

published **265**
contributions on the blog from **98** authors

hosted **21** events, conferences and seminars

published **17** discussion papers, policy briefs
and reports

been followed by 1,035 Twitter users and made
1,860 'tweets'

attracted **2,079** newsletter subscribers

had **248** people sign up for daily emails
from the Devpolicy blog

gained **214** Facebook fans

grown from a team of **2** to over **10**
and a network of **27**

had **578** comments posted to the blog...
328 of which were not spam

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