

**Australian Council For
International Development**

**National Conference 2016 -
A Future International Development Agenda for Australia**

A Farewell to Alms

***Rethinking development, aid
and Australia's place in the world***

Richard Moore, October 26, 2016

Introduction

Climate change; people movement; economic volatility; and destabilising inequality represent the globalisation of development problems.

Western countries now directly confront these issues in ways they never have before.

But despite their wealth, rich countries cannot just go to the shelf for an answer, either for themselves - or for others.

Development is now less linear, less geographic, less national. Old certainties no longer hold.

We have to start afresh to build new solutions in partnerships we don't control.

Whether we realise it or not, we are all developing countries now.

This changes everything.

It breaks the fundamental logic of aid as a flow of resources, technology and ideas from developed to developing - and a reverse flow of gratitude and subservience.

The institutions, organising principles and culture of official aid - and of government more broadly - are not built for this.

The process of reinvention will be difficult and require tremendous creativity.

Prior to the integration of AusAID and DFAT in 2013, Australian aid had not changed radically since the Jackson Report in 1984. Nor has it changed much since.

The fundamental tenets, templates and tools are very similar, notwithstanding new institutional arrangements, changed sectoral emphases and new delivery mechanisms.

Despite enormous geopolitical, technological and cultural changes, foreign affairs generally, and aid agencies specifically, have been able to make relatively small adaptations to how they work and avoid convulsive disruption - until now.

Major shifts in the context for aid

No doubt you understand the key disruptive trends, because they impact on you directly and because ACFID has been thinking about this for the last few years.

For NGOs, Uberaid has already arrived. To recap very briefly:

- There has been an explosion in the number of alternative providers of money and ideas for development.
 - Almost all of them operating outside the confines of the Western aid club that is trapped in its own decaying universe
- Aid's key client group, poor, low-capacity developing countries, is rapidly shrinking.
 - And poverty is "shape shifting" from rural to urban - and into "middle income" countries
- Disintermediation is removing a key aid agency role for both NGOs and for government providers.

For fifty years, traditional aid organisations were largely able to write the rules - and avoid changing them.

Now power has shifted from aid suppliers to consumers.

This creates both the need and the opportunity to resolve systemic problems in the business.

We must fix the problems, because while old aid may be on the verge of redundancy, a new type of development cooperation is needed more than ever. I will make some suggestions as to what that might look like.

But first, I want to discuss two fundamental challenges that have not received enough attention. I will then point to weaknesses in the way Australia thinks about development and aid that we must tackle if reforms are to be deep and enduring.

1. While development and humanitarian problems have been globalised, governance has not

Almost everyone understands that climate change is a global problem that cannot be addressed adequately at a domestic level.

- A clear majority of citizens want greater and more urgent action, but our parliament cannot deliver it, nor reach wide agreement on what is required.

In the wake of the Syrian civil war, we are realising what developing countries always knew, that conflict can displace millions, fuelling people movement with the power to overwhelm national borders.

- But humanitarian action has become the proxy for political failure to prevent and end conflict, particularly in the Middle East and Africa.

For more than thirty years, international and domestic institutions have driven freer trade and investment.

This has pulled more people out of absolute poverty than ever before, pushed down the prices of many products, fuelled innovation and the wide distribution of entirely new goods and services.

Most Australians have benefitted enormously from proximity to growing Asian markets that provide 20 per cent of our jobs, and a similar share of our national income.

- But not everyone is a winner and inattention to the distributional and political consequences of globalisation threatens the entire enterprise.

I want to stick with this last point for a while as its crucial.

Globalisation has led to manufacturing shifting has to low cost destinations with a depressing impact on living standards for semi-skilled people. So much so that real wages have barely increased in the US for 30 years.

Simultaneously people can see that governments are failing, particularly to manage powerful economic forces:

- The entire regulatory system in the US failed to notice, let alone prevent, the sub prime crisis which morphed into the Global Financial Crisis;
- OECD treasuries have stood by as global corporations use transfer pricing scams to pay Trump-like rates of tax;
- The ultra wealthy have used their market power to inflate their own salaries, pensions and bonuses; and
- There has been systematic exploitation of foreign workers in Australia on lax visas

Citizens understand these things seemingly better than their leaders. And they're getting cranky because the big stuff is not being sorted.

If this continues, the problems are going to get much worse for everyone.

Remaking national, regional and global governance must be high on the new development agenda.

2. The managerial advantages of centralisation are rapidly eroding

Centralisation has been the key organizing principle of Australian aid since the 1984 Jackson report that confronted the incoherence of separately run, departmental programs.

Its advantages include the ability to amass expertise and knowledge, provide consistency of approach and exercise a high degree of control over policy and operations.

That is why governments across OECD countries have shaped it that way.

But the diseconomies of administrative scale are growing.

In his book, *The End of Power*, Moises Naim, demonstrates how improvements in global living standards; the mobilisation of almost everything; and shifts in attitudes and

expectations are leaving large centralised businesses, armies and organisations vulnerable to more agile competitors.

While the delivery of Australian assistance has always been decentralised through international bodies, private contractors and non-government organizations, its management remains highly centralised. This is a growing weakness.

Aid is a state owned enterprise, responsive mainly to its government owners.

It is dominated by planning tools and multiple layers of management that are, designed to minimise obvious failure, rather than maximise success.

In 2013, AusAID had more than one thousand pages of guidance to staff, more than 140 management tools and instruments and over 1200 manual processes.

It was managing 5000 agreements, across 35 policy lines to compete with other aid providers, satisfy various constituencies and diversify risk.

This requires industrial strength production lines, ceaselessly in operation. A relentless focus on building aid activities that easily crowds out development policy.

Former World Bank Vice President, Jim Adams observed at ANU last year, that traditional aid is surprisingly weak at the core business of capacity building.

I agree, but actually it is not so surprising.

It is a result of mechanisms built into Western aid management that make it relatively impervious to what the customer really wants. It is 'expat-heavy' and 'local-lite'.

We have been told in evaluations across institutions, geography and time that our capacity building and institutional strengthening approaches yield poor results. But they have not significantly changed.

That is because aid is over-engineered to suit its owners. Every cent can be accounted for and every output described, but deep lasting results are far fewer than they could be if we managed differently.

Instead of recognising these problems, the Western aid club has added to them, making assistance more and more complicated and increasingly unattractive.

It has substituted unenforced regulations and process complexity for a built-in failure to put the customer first.

Last year I returned to Myanmar to undertake a review of aid coordination following a stint working inside the Ministry of National Planning in 2012/13.

Myanmar was said to be the new frontier. The place where the west would show we had learnt all the lessons of the past, where we would do development differently.

We are not. All of the old problems of fragmented, supply-driven assistance remain.

Pushy aid providers, working separately, delivered nearly 5000 workshops, launches and events in 2014/15, overwhelming and disempowering local officials.

If we don't fix the problems, there is a very limited future for what we are offering.

Charity, cash and cargo - Persistent weaknesses in Australian concepts of aid and development

Australia is not well positioned to respond to disruption of the development cooperation business.

There is not a sense in Australian policy circles - nor the Parliament - that development cooperation provides a different and important lens for looking at the world:

- Tools we can use to identify and work on big issues.
- A key structured means of engaging with the region.
- A way of projecting and promoting our values.
- A neighbourhood improvement program.
- A national insurance policy.

Former DFAT Secretary Peter Varghese, conceded in frank and constructive comments earlier this year that pre-integration he had strong views about aid, but they were not always well informed.

The 1997 White paper he steered made almost no mention of development cooperation and that is true of most DFAT strategic documents since.

His experience is a microcosm of the whole.

I attended Senate Estimate hearings for eight years between 2000 and 2013.

In that time, during Liberal Governments and Labor, there was only one member of the Committee consistently well prepared, inquiring, constructive and thorough - Marise Payne.

I remain shocked at the pervasive lack of knowledge and interest in a multi-billion dollar program that is so integral to our relations with the Asia Pacific region.

A serious pandemic disease outbreak in this region could cause us economic losses of more than \$120bn and severe avian flu could kill 100,000 Australians - more than in all wars.

You would think that those sorts of statistics alone would make us acutely interested in regional development, but apparently not.

This produces a perplexing paradox:

We are a wealthy, successful, trading nation in a region of developing countries, but we do not see value in focusing on international development issues and challenges.

This paradox is an institutional and policy failure, for which we share some responsibility.

We have allowed development to be bundled with aid, and aid to be labelled as charity, rendering it of little interest to the policy establishment.

Trinkets and trivia, cargo and cash - depictions of aid reflect our weak conceptions of development.

We had one of the world's great international development programs in Indonesia until relatively recently, but we've moved to something simpler; risk-reduced, with colour and movement, but redesigned to require less senior engagement.

We struggle to take the long view and work the big stuff, even when it is manifestly in our interests. This is a deeper Australian trait, also seen in business.

Development officials labour on policy-based programs, big picture reforms and building coalitions for change.

Busy Ministers and Ambassadors, dealing with daily crises, often prefer aid giveaways that can be branded and badged, locking in a focus on the small stuff.

Bob Carr delegating aid project inspections to his wife was the nadir for development professionals.

Outside of humanitarian relief, that rightly enjoys wide support in times of crisis, there is ignorance and scepticism. The Lowy Institute's surveys show poor understanding and support for development cooperation.

Often we have connived in this.

- Too much of our own marketing remains 'click bait' advertising reinforcing helplessness, handouts and dependency; and
- Far too much of the limited space we have for discussing development is taken up with simplistic arguments for more money.

In ACFID's 2015 budget document there were 31 recommendations. 28 were direct demands for more money for particular causes.

We've chosen the lowest common denominator and devalued ourselves in the process.

The corporatisation of civil society

The development community has shrunk - not in numbers, but in vision and in impact.

Powerful movements like Jubilee 2000 and Make Poverty History have surged, achieved some great results and then seemingly disappeared.

We have not been able to sustain our own attention, let alone that of policy makers.

The community has fragmented into a myriad of agencies, spruiking bespoke products in a quest for increased market share - chasing grants and providing services.

But collective action has receded.

We are deluding ourselves if we believe that by corporatising, maximising our fund raising and being more efficient and effective at delivering aid projects we have maximised our impact.

And we have put our reputations on the line with some of our fundraising practices.

The, *Campaign for Australian Aid*, has strengthened in implementation, but I see little evidence it is resonating deeply.

That is because we have not tilled the soil.

When it comes to really big picture development issues like trade, conflict and people movement we have largely left the field to foreign affairs analysts, economists and professional commentators whose conventional frames of reference are incomplete.

We need to move into those circles much more determinedly, but to do so we have to produce and present compelling, rigorous evidence and analysis, particularly on the implications of rising inequality.

Our allergy to discussing national interest has removed our ability to help shape it.

We need to fix that.

Australia's Asian ambivalence

Our limited conceptions of aid have even deeper roots that need to be recognised and addressed.

Michael Fullilove and Ken Henry have recently separately observed that we continue to deal with Asia with insufficient depth and continuity.

Despite the region's dynamism, its contribution to our prosperity and the opportunities and risks it poses for our own security, much of the time we focus elsewhere.

Our diplomacy seeks to compensate, and like aid, contributes a disproportionate part of relations with Asia and the Pacific.

But our long reliance on great and powerful friends causes us to over focus on London and Washington - and consequently on the Middle East and Central Asia.

The space we have left is fully filled with attending to issues of trade, security and transactional issues and problems of the day.

Individuals well understand the transformation of Asia, but as a polity we do not.

We must help change that - for our own good - and that of the region in which we live.

The potential power of integrating AusAID and DFAT comes from bringing complementary policy and program elements together to that end.

However that will not happen unless there is a lot more clarity about what we are trying to achieve and a package of fundamental reforms. I have several to suggest.

Ideas for more effective Australian development cooperation

1. Put development at the centre of regionally-oriented diplomacy

The Government has argued that our development work should align with our foreign policy. Indeed it should - and vice versa.

That means integration should change our diplomacy as much as our development work. The Brits do integration well.

Development thinking can better inform diplomatic analysis, providing deeper insights into national priorities, adding a longer term perspective and providing what Gareth Evans used to call ballast in relationships - deep, enduring, practical work.

It can also help us avoid expensive mistakes.

In 2003, my team wanted to advise the Minister that the US policy of 'de-bathification' in Iraq would strip out most service delivery capacity and create a highly disgruntled and powerful anti-government force.

That advice was deemed to be insufficiently important to provide to the Government. 13 years later we are all paying a terrible price for that disastrous policy.

If our diplomats were more fully immersed in the long-term development of the region - and in countries' current priorities - there would be more substantial points of connection with counterpart officials.

We would be seen as having shared and enduring interests as well as immediate ones. That would make us better partners. This would help address some of its weaknesses as identified in the 2013 DFAT capability Review.

The Review found that the department is excellent at crisis management; is skilful in advancing government policy in negotiations; and handles consular matters very professionally, but it is overly focussed on the immediate, is not strong in strategic planning and is overly transactional.

The elevation of international development in our diplomacy could be achieved in three ways:

a. Produce a comprehensive and modern, development policy vision

Australia needs a new and more compelling vision for international development that a wider cross section of the community can identify with and support.

The program should be an expression of who we are, where we are going and what we value. It should be the international corollary of the Australia we want to create and embody our values.

In an era of globalisation, it should tightly link domestic and international prosperity. It provides an opportunity to look outward and to engage the community in doing so.

The statement should unambiguously reject charity status for our official development assistance.

It should redefine development as a process involving all societies and citizens - a collective effort at social and economic improvement with both domestic and international dimensions. This would make the program as much about 'us' as 'them', but better still, bring the two together.

This would invite us to reflect more on our own unfinished development business - on indigenous disadvantage; on our constitutional arrangements and on our stewardship of large land and sea resources.

b. Focus overwhelmingly on Asia as others withdraw

The development of Asia is the key to our own future and also to the end of global poverty.

More than 1.2 billion people in Asia still live under the two-dollar-a-day threshold. However they are concentrated in so called "middle-income countries" that most development partners are looking to exit. However:

- a) Asia's continued development is not assured, and even if achieved will generate an abundance of new problems and challenges.
- b) Poverty and the problems of development are no longer restricted to the poorest countries - they require working much more widely.
- c) Asian development is the engine of global development. Its population of 4.5bn combined with average growth of around 7% is fuelling global opportunities,

including for countries in Africa and South America. Deepening and sustaining Asia's development may be one of the best strategies there is for global development

- d) The increasing aid concentration on a smaller and smaller number of countries, particularly in Africa is ignoring absorption limits and risks having perverse effects on local incentives as aid becomes too dominant.

Australia should stay the course with Asia as others exit, with the ability to build and share deep knowledge about poverty reduction in lower middle-income countries and fragile states.

This would represent a much better international division of labour than trying to crowd into already busy development spaces in other regions.

Our assistance should, however, look different - and be different. As Minister Bishop says, it should not substitute for failure to raise - or wisely spend - local revenue, instead it should assist with both.

It should de-emphasise finance and put the stress on policy and technical capacity. It should be more genuinely joint cooperation in a spirit of true partnership.

... and work differently in the Pacific

Aid has long been "the fall guy" in the Pacific and a more mature and well-integrated international development policy would change that. We over-rely on aid and then complain it has not delivered development.

Pacific development requires us to reconstruct our economic and political relations with Pacific states. There is diplomatic heavy lifting involved that we have been avoiding

We need to offer greater labour market access, support for sustainable region-wide resource management of fisheries and under sea mineral development and consider political arrangements that strongly encourage more shared sovereignty. And after that, smaller states will still need old-fashioned help with keeping the lights on.

c. Focus on shared regional problems in large flagship programs and partnerships

To be more effective, we need to settle on some big, regional challenges and assemble deep expertise and knowledge to be a genuine regional leader, with a 10-20 year horizon.

In each case we should be able to convince our own citizens that cooperation is worthwhile because we have shared interests.

By concentrating our assistance it will encourage greater co-investment from public, private sources and multilateral sources. It will gain greater political and policy attention from regional leaders. This would raise our profile, visibility and influence.

Possible areas of focus could include themes such as Asian Pacific health security; regional frameworks for people movement; protecting biodiversity; improving fresh water management; pro-poor sustainable urban development; educational and economic empowerment for women and girls; managing inequality; and inclusive development in the Pacific.

One new and important theme would be to look to increase the stake of younger people in their societies, economies and polities.

With momentous change occurring in the region there is potential for instability if aspirations are thwarted. Older leadership cohorts may need assistance in making room for the next generation so that an Asian spring is followed by an Asian summer.

Some of these large, multi country programs could be led by consortiums of NGOs, in partnership with officials and the private sector, especially where they are focused on pioneering new ways of creating opportunities for the poor.

2. Drop the aid language and baggage for a relationship of equals

Aid language is patronising, dated and destructive.

In fact, the 'Foreign Aid' brand is so damaged it should be retired.

When we say that it is 'foreign' that implies it has nothing to do with us. When we describe it as 'aid', people hear charity. Our partners hate it.

Even the language of 'giving' is insidious. It sets up a power relationship at odds with the notion of working together; cooperating - co-investing if you like.

The donor/recipient mindset is a real barrier to collaboration and a huge disadvantage in a more competitive environment.

Duterte's Chinese defection is the latest, but not the last Asian rejection of perceived neo-colonialism. We need to strip development cooperation of features that feed that phobia - and there are many.

Changing our language is needed to break out of the charity mould and to see development as something that we all have an interest in.

But that is not enough by itself. We also have to change the ways in which we work.

Cursory consultation and no objection processes render developing partners passive observers of the aid juggernaut.

Development cooperation officials need to undertake planning directly with counterparts in joint teams and taskforces. That process had started in Indonesia, Timor and the Philippines, but was discontinued. It needs a new licence.

Every step in the management process should be undertaken jointly - strategies, activity prioritisation, implementation and assessment. This means slower, less predictable pathways, but deeper partnerships and more sustainable results.

3. Decentralise, devolve and delegate in a management sea change

Aid providers don't have all the answers - they never did - but to please their business owners they spend years trying to tie everything down in complex, rigid documentation.

They try to force delivery partners, who often have more knowledge and skills, into highly restrictive activity designs, prepared behind closed doors.

Australia needs a decisive shift into development partnership models that allow others more latitude to make decisions and to change course in the light of local circumstances.

That requires higher levels of trust in the private sector, community organisations, multilateral partners and especially the international officials we work with.

Due diligence and up front verification of capacity become essential. The focus is then able to shift to the delivery of results, not accounting for inputs.

This is a huge management shift that would require bi-partisan agreement and perhaps also a revision of institutional arrangements for development cooperation management.

4. Establish a small, technical, design and delivery agency working to DFAT

DFAT is, and should remain, predominantly a policy department. Rather than trying to force it to devote enough time and attention to program delivery matters, these might be vested in a small agency, purpose-built to be expert and innovative and to take a systems approach to partnering.

This is not a proposal for 'AusAID-lite' - but perhaps 'GIZ-lite' - the German technical agency. The organization would not determine policy, but would advise on technical and implementation issues. It would act as DFAT's agent.

It would be a locus of key skills and expertise, including in procurement and development management. Part of the organization's brief would be to adopt innovative approaches requiring less up-front design and more adaptive management during implementation.

It could also be tasked with assisting other government departments and instrumentalities in understanding development lessons and applying them. That might allow us to make greater use of latent expertise in Australian public, private and community based organisations, including local government.

5. Create entirely new capacity building models with much greater local ownership

An early and important job for a new technical agency would be to thoroughly review international development capacity building experience, particularly from the point of view of organisations, countries and communities being assisted.

This would help Australia improve the impact of its own programs and contribute greatly to global development knowledge.

The evidence suggests fundamental changes are needed requiring stronger commitment and leadership on the developing country side and longer, joined up fully integrated programs under local control on the partner side.

6. Be a more hard-headed multi-lateralist - but also a creative plurilateralist

Multilateral institutions are very slow to change to respond to new circumstances - if UN organizations comprise Exhibit A, then the International Monetary Fund and the Bretton Woods institutions make up Exhibit B.

Not least due to our own efforts creating APEC, shaping the G20 and the East Asia Summit, the Asia Pacific has institutional arrangements that work reasonably effectively for foreign relations, trade, and economic governance.

However there are huge deficiencies and opportunities in other areas including management of people movement and migrant labour; humanitarian preparedness; and health security.

We need new machinery, but we cannot just overlay new arrangements on the existing system. We need to be much more selective about what we support to provide space for what needs to be built.

We should start again with a zero-based budgeting exercise, with finite limits on the number of organizations we are willing to be part of - certainly not the more than 260 that reportedly exist.

We should then aggregate monies currently going into miscellaneous co-financing and trust funds and use it as leverage to have more strategic relationships with those institutions - where we influence policy and strategy not project designs.

We should not be held back by existing institutions, or the need for unanimity. We should strike out with others where needed in development "coalitions of the willing".

7. Create an Australian Fund for International Development

Australia should base its development cooperation on the scale and nature of regional and global development problems and what we are willing and able to do to address them.

This might take more money - or conceivably, at least in some years, it might take less - though there is no doubt at around \$1 in every \$400 we earn, we can afford to spend more than we currently do. We need a longer-term, more consistent approach and to shift discussion and debate away from aid volume for its own sake.

We also need to reduce the aid spending driver without making allocations more vulnerable to diversion to other purposes.

The development cooperation budget could be invested in an Australia Fund for International Development with monies drawn down according to annual budget measures. An international, Future Fund.

Unspent funds would remain in the overall pool for reallocation in subsequent budget processes. This would also reduce the end of year artificial balancing act that is extremely time consuming and results in sub-optimal last minute choices to balance the books.

8. Move the Office of Development Effectiveness to the Department of Prime Minister and Cabinet

There is a place for self-regulation and in a business as complicated as this, internal efforts to build a learning culture are very important.

That said, given the multiple drivers pulling development cooperation in different directions and also that it now sits in what was a non-program department, historically

ambivalent about development cooperation, more independent external scrutiny is required.

The Office of Development Effectiveness can play a big picture role in overseeing policy and programs and assessing performance.

As a locus of development expertise and thinking it would also add considerable value to the international division of the Department of Prime Minister and Cabinet that is already well served by military and traditional foreign policy expertise.

Practical steps forward

DFAT White Paper

The Foreign Affairs White Paper offers a chance to articulate why and how Australia should rethink international development, and to set some key principles and parameters.

However, it is too big a job to be entirely subsumed into that process. It is also too early in the integration process and too big a leap for a department that as Development Policy Centre's last aid stakeholder survey made clear, has lost development skills and strategic direction.

A separate process is needed. Not an internal review, nor a small panel of experts.

All of the previous reviews since Jackson - including the Simons Review that I worked on - made useful, incremental improvements, but left the superstructure largely intact.

The times require a complete rethink. The Government can make its appetite clear for something more adventurous and so can we. We should seek to shape a process that is more inclusive, consultative and innovative, but also rigorous and challenging.

ACFID Ahead of the Curve

As you know, ACFID has been busy trying to generate ideas.

Following an open call for papers, an initial round of think pieces has been produced on the future of Australian aid.

Ideally, central features of a new consensus would emerge in an iterative process, culminating in a new vision with widespread civil society support. This would be a source of ideas for government, and potentially provide a new template.

Parliamentary Committee on International Development

This year, at the Development Policy Centre Australasian Aid Conference, Bob McMullan and I separately put forward proposals for a Parliamentary Committee to increase development dialogue, knowledge and scrutiny.

This in turn could be a driver of increased departmental and media focus.

To be most valuable, it should be big picture and development policy focussed, with development cooperation as an important subset of issues, rather than the sole focus.

Annual Development Policy Caucus

The development community finds it difficult to speak loudly, clearly and credibly on a small number of big issues. Existing fora are diverse and inclusive, but largely involve us talking to each other.

There is a gap for something focused on producing a small number of specific recommendations to government for immediate action.

This might involve an annual convention of a small number of senior figures whose experience, credibility and acumen in development and foreign relations give them profile and influence.

Working the night shift

We all have our day jobs and responsibilities to our members, supporters, employees and shareholders. But we have more to do - and it will have to be the night shift.

Just as we need to locate our work within the wider frame of foreign and domestic policy, we need to locate this analysis within a political universe that needs fixing.

Our existing institutions are struggling and risk being overwhelmed.

Rebuilding trust is critical so that we have the ability to solve problems. As Financial Times and BBC commentator, Martin Wolfe, recently observed, without it the West is lost.

Thirty years ago, after one of the most tumultuous decades we have ever faced, the Hawke/Keating government convinced us to forgo protectionism, increase productivity and growth and importantly share the benefits.

In our telling of the story, we rightly remember the big economic reforms, but forget about how they were made palatable and possible

- The creation and defence of Medicare; the Accord; the Button car plan; the higher education contribution scheme; compulsory superannuation etc.
- Growth with equity.
- We could do much worse than apply it to the global agenda.

At the time I dismissed the value of seeking consensus. I was wrong.

There is a big job for us in trying to recreate it to deal with the challenges we face.

Our party and parliamentary systems are essentially late 19th century institutions, overdue for reform. They magnify rather than reduce division.

We have the means to reconnect citizens with the state, but vested interests across the political spectrum need to be forced to make more room.

We have the tools to offer people more direct involvement in policy making through citizens juries, issues based conventions, deliberative processes and conditional plebiscites. We will need them.

Despite what some will say, this is our business as development people, because trust and consensus building are essential to getting things done - and there is a lot to do.

And as I said at the outset, whether we like it or not, we now directly own many international development and humanitarian problems.

As yet, Australia is not willing to concede that, instead opting for policies that protect us temporarily, but don't deal with the underlying problems.

We have already moved decisively in the direction of Fortress Australia in our refugee and border protection policies - and in our initial response to ebola.

But this mentality can also be seen in the extent to which security issues have come to dominate foreign affairs, domestic discourse and the retelling of the Australian story.

A rising tide of protectionism is building internationally because of a failure to engage with globalisation's losers and craft policy that deals with both international and domestic equity.

'Beggary-thy-neighbour' policies now pose the biggest threat to international order, peace and prosperity since the Second World War.

Consequently, international development analysis and insights must be right at the centre of both international relations and domestic debate.

It is our job to join them up. Tony Abbott did, but not in the right way.

I don't see it as a coincidence that the abolition of AusAID and aid spending cuts were amongst his first orders of business.

It was a nod to the sizeable constituency that sees the downside of globalisation - and seeks protection in withdrawal, walls and wars.

Perhaps not surprisingly, it is Malcolm Turnbull who has been putting an alternative vision, much more in the Liberal traditions of Spender, Street and Peacock.

Several of his major domestic speeches have started by locating Australia in this region and have identified its promise - and challenges. We should pick up his call and turn it into a national conversation.

That requires a new development activism that critiques the world we live in and offers practical well thought through proposals for the world we want to see.

By activism I do not mean a campaign against the government, nor an 'Occupy DFAT' movement, but rather constructive, evidence-based engagement with opinion leaders and policy makers.

1960s and 70s activism was often about smashing things that needed to be smashed.

Now we need people all over town, meeting in pubs, clubs, supermarkets and schools - on Facebook and twitter - plotting how to save government - often from itself.

Building the centre sounds anodyne until you realise that without it, little can be done. I'm with Noel Pearson on this.

Without greater consensus we are facing a night shift - a descent into the dark.

To prevent it, we are going to have to work the night shift.

To link international and domestic development and move them centre stage.

This is a farewell to alms - and a call to arms.