



Media Release

Canberra Consultancy firm partners with Deakin University in support of Development Aid in the Pacific

CANBERRA, July 06, 2011 — Against the backdrop of Foreign Minister Rudd's release today of the results of the Independent Review of Aid Effectiveness Review, a Canberra firm announced that it is teaming with Deakin University to conduct research that seeks to improve development outcomes in the Pacific, where the Australian government spends \$ 1.1 billion annually on official development assistance.

The term 'subsistence affluence' is still used to describe a popular view of living conditions in the Pacific – a vision of a tranquil paradise where the residents might not be overly rich, but have decent living standards.

But that is simply wrong.

It is also the reason Deakin University's Alfred Deakin Research Institute (ADRI) has partnered with Sustineo, a Canberra-based firm with a specific focus on social and economic development, to help ensure the future development of Pacific island nations.

The research project, which has been funded by an Australian Research Council Linkage Grant of \$153,222 over four years, is called "Supporting Pacific Development".

"While no one dies of hunger in the Pacific, it is in deep trouble from a development perspective," says Professor Mark McGillivray from ADRI, former Chief Economist of AusAID and Chief Investigator of the Project.

"In recent decades the region has experienced the lowest and most volatile economic growth of any region of developing countries, including sub-Saharan Africa."

Poverty is increasing in the Pacific and approximately 2.7 million people, one-third of the region's population, live in poverty, without the income to satisfy their basic human needs.

"These conditions are of significant and growing concern among the international donor community, Australia and New Zealand included," Professor McGillivray said.

"Australia has committed itself to helping Pacific Island countries achieve the United Nations Millennium Development Goals (MDGs), and over the coming years will more than double official development aid to the region."

However, at current rates of progress the best performing Pacific countries will achieve no more than three or four of the seven developing country MDGs.

"The Pacific can be expected to, and will almost certainly display, the worst MDG performance of all regions in the world. This is very troubling to not only Australia and New Zealand but to all of the many nations providing aid to the Pacific Islands, made all the worse by the fact that, relative to the size of their economies, these countries receive among the largest amounts of aid in the world."

Against this background, the research collaboration between Deakin and Sustineo looks at rich country support specifically for development in PNG and the Pacific through their efforts in these seven drivers: aid, trade, migration, private investment, security, the creation and dissemination of new technologies, and the promotion of environmental sustainability in the region.

The research aims to produce a multidimensional index that will rank the 22 donor countries that are members of the OECD Development Assistance Committee (DAC) on the basis of these seven drivers of development. The index, called the Supporting Pacific Development Index (SPDI) will provide an overall summary assessment, as well as rankings based on each of these drivers.

"The SPDI will then highlight and give due credit to those DAC donor countries that are doing the most for development specifically in the Pacific," said Dr David Carpenter, Principal Consultant – International Development at Sustineo.

"It will also show which countries are doing the least, highlighting the areas in which they do particularly poorly relative to others.

"As such it not only provides an analysis of rich country support but also a basis for policy advocacy, holding rich countries to account for their often repeated public commitments to support development in poor countries, in this case in the Pacific."

For further information please contact

www.sustineo.com.au

<http://www.deakin.edu.au/research/stories/2011/06/22/supporting-meaningful-development-in-the-pacific>

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