

## **Putting Theory into Practice: International Development and Australian Economic Assistance to Papua New Guinea and Southeast Asia, 1945-75**

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Following the end of the Second World War, Australia became part of an international movement that was marked by recognition of the role of governments in providing economic assistance to poorer parts of the world. These poorer areas, alternately called "underdeveloped", "less developed", or "developing", had generally been under colonial rule prior to 1945, and were often seen to contain "backward" or "primitive" peoples. In the post-war period, the decline of colonialism and the rise of the United States helped to produce what has been termed by some historians as the "Age of Development".<sup>1</sup> This historical context is crucial to understanding Australian colonial and foreign policies in the decades following the Second World War. Australian academics and policymakers sought to devise ways to improve the standards of living of people living in the regions to Australia's north.

For Australian policymakers, the absence of development in Papua New Guinea (PNG) and Southeast Asia resulted in environments that were politically and socially unstable. Economists and other academic experts throughout the West argued that the promotion of economic development throughout the "underdeveloped" world would promote political stability in those countries as well as encourage economic growth in the "developed" nations. These observations interacted with Cold War imperatives to produce an impetus for economic and technical assistance. Australian policymakers engaged with this process, through the establishment of the Colombo Plan in 1950 and through the escalation of funding to PNG from the 1940s onwards. By the early 1960s, Australia had provided around £370 million in economic assistance, with over half of this amount going to PNG. While the assistance to PNG should not be considered foreign aid along the lines of programs like the Colombo Plan, its developmental nature provides a crucial link between the two forms of assistance. Nevertheless, this funding was guided by more than just developmental considerations, as political expediency often guided the types of projects that were selected. Still, the Australian response to post-war developmentalism highlights the continuities between these supposedly "new" ideas and earlier colonial practices.

The study of the history of development is a relatively new phenomenon, emerging out of the end of the Cold War and the increased recognition of the

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<sup>1</sup> Gilbert Rist, *The History of Development: From Western Origins to Global Faith*, 3rd ed. (London; New York: Zed, 2008), 71.

specific political, cultural, and social origins of developmental theory and policy. Post-World War II attempts to improve the standards of living of people living in PNG or Indonesia were guided by theoretical approaches that were clearly informed by Western experiences of development. For example, there was Walt Rostow's Stage of Development theory, which was at the heart of the dominant modernisation paradigm of the 1950s and 60s, and which posited that all societies progress through to the "Age of High Mass Consumption".<sup>2</sup> Australian scholars engaged with these ideas, incorporating Australian experiences into their analysis. As such, Australian experiences of development were just as influential when considering approaches taken in PNG or through the Colombo Plan. For instance, Australian expertise in agricultural improvement was often called upon in developmental programs in the poorer regions to our north. Therefore, a closer reading of Australian colonial policy in PNG and foreign aid policy towards Southeast Asia is informative of Australia's own developmental history.

The study of Australian developmental policy also allows for a more complex discussion of other policy interventions. For instance, the Colombo Plan, which was informed by developmental considerations, is already regarded as a key component of Australia's post-war engagement with Asia. By examining the place of development in the Plan's conception, we gain a more complex and detailed understanding of the engagement process. As the central responsibility of Australia's colonial rule in PNG, development featured prominently in the history of that country since 1945. Indeed, as Australia's largest aid recipient, development continues to hold a prominent place in Australia-PNG relations. Development, which often manifested itself in foreign aid policy, again allows for insights into the broader nature of Australian colonial policy, as well as the post-colonial experiences of PNG.

Development continues to be a "problem" for policymakers, as seen in continued debates over aid spending levels (an issue that goes all the way back to the early 1960s with pressure to commit one per cent of Australian GNP to aid) as well as commitments to UN Sustainable Development Goals. While development studies is now an accepted part of academia, historians have an important role to play in informing policy formulation. Developmental policy regularly undergoes periods of reinvention, where old ideas are treated as innovative and new. Closer study of the history of development will help to draw out the continuities between the new and the old, and help to inform policies that do not simply repeat the failures of the past. In this way, we can be guided by the approach suggested by the historian of British colonial development policy, Joseph Hodge. In a detailed survey of the historiography of development, Hodge concluded with a recommendation:

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<sup>2</sup> W. W. Rostow, *The Stages of Economic Growth: A Non-Communist Manifesto* (London: Cambridge University Press, 1960), 4.

"Historians are not in the business of predicting what will happen, but what we *can* do is examine the historical context and complexities of current policy prescriptions more deeply, which, if nothing else, will alert those interested enough to listen to the potential pitfalls and ramifications of certain actions."<sup>3</sup>

Both historians and policymakers alike should take up Hodge's call. My study of Australian attempts to promote development in PNG and Southeast Asia between 1945 and 1975 highlights the ways that the place of development in policy was moderated by political expediency. This continues to be the case today, as Australian interests often take precedence over the developmental needs of recipient countries. Indeed, the study of the history of development in itself demonstrates the way that the concept is rooted in self-interested notions of the West. By obtaining a greater understanding of this concept and its origins, we are better able to take up Hodge's call, and identify the ways that Australian aid policy can avoid the "pitfalls" of the past.

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<sup>3</sup> Joseph Morgan Hodge, "Writing the History of Development (Part 2: Longer, Deeper, Wider)," *Humanity: An International Journal of Human Rights, Humanitarianism, and Development* 7, no. 1 (2016): 160.