A geographically remote country of sixteen and a half million people in a world of over five billion should not get ideas above its station. But although Australia's population size, military power, political authority and economic importance may all be modest in world terms, we do have a profile, as a diplomatically active trading nation, that commands some attention: not only with our traditional friends and trading partners, not only in our own region, but multilaterally and, in the context of our defence contribution to the Western Alliance, globally as well.

While we have to take the world more or less as we find it, and cannot do much about our own defining characteristics, Australia's place in the world is in many ways what we want it to be. How much attention we get in our bilateral and multilateral relationships, and whether that attention is favourable or unfavourable, productive or counter-productive, depends to a significant extent on how we choose to conduct our external relations. Even if we have no alternative but to play the cards with which we are dealt, we still have choices about how to deploy those cards.

For most of Australia's history, those nowadays perhaps rather self-evident assertions would not have seemed so at all. For its first century and a half, Australia viewed the world vicariously as a daughter of Empire. A handful of matters aside, the national interest was more or less indistinguishable from the imperial interest, and choices effectively non-existent: "Great Britain has declared war .... as a result Australia is also at war".

Nor did the situation change dramatically even with the post-War switch of focus to the United States, and Evatt's creation of a genuine External Affairs Department. With only slight exaggeration, one could say that the task of Australian foreign policy was to do the job that successive Australian Governments had decided could not be done by defence policy - namely, ensuring the defence of Australia. A continent that was indefensible required a foreign policy that secured the attention of great and powerful friends who were prepared to defend Australia. The attention of great and powerful friends could best be secured by offering Australia's support in the great matters in which those friends were
weightily engaged. So Australian foreign policy necessarily became driven by the commitment of Australian military forces around the world, in support, first, of British imperial interests and later of American global strategy.

Most of this came to an end with the Vietnam War, and with the giant strides that were taken in the creation of a thoughtful, realistic, non-subservient and genuinely Australian foreign policy by the Whitlam Government in 1972. But I think in many ways the real conceptual watershed occurred only as recently as March 1987, with the tabling of Kim Beazley's Defence White Paper, based in turn on Paul Dibb's defence review a year earlier.

The White Paper, supported by subsequent Budget decisions, spelt out a coherent policy of defence self-reliance, or defence in depth, based upon strategies of early detection, long range sea and air strike capability, highly mobile ground forces, and the joint operation of communications and intelligence facilities with the United States. And it did so in a way which enabled the simultaneous achievement, or advancement, of four fundamental objectives: independent defence of Australian territory; promotion of regional security and stability; capacity to meet alliance obligations; and contributions to global strategic security.

I see the White Paper as a watershed not only in defence policy, but in foreign policy. In a very real sense, the Hawke Government's defence policy has once and for all liberated Australian foreign policy. Our alliance with the United States remains a fundamental pillar of our defence and foreign policy. But it is no longer necessary for Australian foreign policy to begin with the assumption that its first task is to ensure the defence of Australia by attracting the protective attention of great and powerful friends.

As a result an Australian Foreign Minister is now freer to think about his responsibilities a little more systematically, and, may I say, a little more intricately, than has ever previously been the case. It is possible now to contemplate an approach to foreign policy decision-making which involves, not the writing of manuals on how to get one's foot in the door of a protector's office, but rather the case by case weighing and balancing of national interests, and opportunities for influence, across an extraordinarily complex and variegated field. In short, the evolution in our defence and strategic thinking has put into sharp relief the reality that Australia's interests are multidimensional, and that to promote these interests we need policies that are equally multidimensional. And it has made clearer the kinds of choices that are available in the process.

The starting point, in the approach that I have in mind, is necessarily the concept of national interest. It is of course a truism that all foreign policy is, or should be, directed at the protection and advancement of the national interest. But the different elements that make up the national interest, and our capacity to advance it, are not necessarily self-evident at all: they require definition, elaboration and thinking through.
I think it is helpful to group our interests in three broad categories: geo-political or strategic interests; economic and trade interests; and the national interest in being, and being seen to be, a good international citizen - or, to put this another way, our interest in pursuing what Hedley Bull used to call "purposes beyond ourselves". The scope of the first two categories is fairly obvious, the third maybe less so.

Our overriding geo-political or strategic interest is the defence of Australian sovereignty and political independence. That has both a regional and a global dimension. As to the first, we do have a direct interest in ensuring that the countries around us remain peaceful and stable and well-disposed, or at least neutrally-disposed, toward us. The regions of primary foreign policy interest are essentially identical to those identified in the Defence White Paper, as respectively, the "zone of direct military interest" (which includes Australia's territories and proximate ocean areas, Indonesia, Papua New Guinea, New Zealand and other nearby countries of the South West Pacific) and the "area of primary strategic interest" (covering the eastern Indian Ocean, and the rest of South East Asia and the South West Pacific). In other words, regional foreign policy considerations are well mapped on the same concentric-ringed chart that appeared in the Dibb Review and the Beazley White Paper. I hardly need to add that it was not merely fortuitous that my first major overseas visits as Foreign Minister, made just after I was sworn in, were to the South Pacific and South East Asia respectively.

Our other major geo-political interest, which we in fact share with everyone else, is the avoidance of global nuclear war. As I said in my speech to the United Nations General Assembly on 4 October:

Nuclear disarmament and arms control are not matters exclusively for those great powers which currently possess nuclear weapons. For if there is a nuclear conflict, it is not just the peoples of the nuclear weapon states who will suffer. The peoples of the world will be devastated. As the potential victims of nuclear catastrophe, the people of all nations have the right to demand real progress and the eventual elimination of nuclear weapons. They have the right to demand that the nuclear arms race not take new forms, including its spread into outer space.

In the economic and trade sphere our overriding interest, as a commodity producer with growing exports in services and high technology products, is in trying to secure a free and liberal international trading regime. We need a stable, rational and equitable system that allows us reasonable market access, but all too often the international trading environment diverges from this model, restricted by tariffs, non-tariff protective measures, competition from subsidised exports, so-called "voluntary" restraint arrangements, or straight out
political influence. Our stake in a secure international economic environment also encompasses international banking, investment and technology flows, our transport links and communications - and the whole complex web of bilateral and multilateral arrangements that help or hinder them as the case may be.

The third group of national interests I identified were those involved in being, and being seen to be, a good international citizen. Global environment problems like the ozone layer require global solutions: so do international health problems like AIDS, or the international narcotics trade, or unregulated population flows, or those other unhappy phenomena being increasingly referred to these days (though more for graphic impact than conceptual clarity, I suspect) as "non-military threats to security". We have a role to play in all these areas, just as we do in other fields of international action such as decolonisation, peacekeeping, and the whole arms control agenda.

Part of our role in all of this involves an extension into our foreign relations of the basic values of the Australian community: values which are at the core of our sense of self and which a democratic community expects its government to pursue, and values of which in this, our Bicentennial year, we both take stock and celebrate. It is proper, if for no other reason than to maintain our own sense of worth in pursuing ends that are inherently valuable, to seek improved standards worldwide in human rights and equal opportunity; to work for an end to apartheid in South Africa and racial intolerance everywhere else; to try to remove the barbarism of the death penalty; and to assist through substantial aid programs the economic and social development of those countries struggling with debt, poverty or national calamity. In the longer term the evolution of just and tolerant societies brings its own international returns - in higher standards of international behaviour, and in the contribution that internal stability makes to international stability and peace.

In terms of the domestic returns from the pursuit of these kinds of objectives, whether there are any more concrete spin-offs than a warm inner glow is somewhat conjectural. Although I don't pretend that there will not also be occasions when taking a principled stand carries costs for us, including commercially, I do believe that an international reputation as a good citizen in the kinds of senses I have mentioned enhances any country's overall standing in the world, and that there will be occasions when this reputation will prove helpful to us in pursuing our other international interests, including commercial ones.

It is one thing to define and clarify foreign policy interests in this way, but quite another to advance them: interests, in the real world, are not the same as influence. But it also has to be recognised that influence in turn, is not something that is necessarily quickly or easily measured. It involves assessing, in the first place, the potential or prima facie capacity for exercising influence a country has in pursuing that particular interest - the assets it can deploy; but then also taking into account, on the other side of the ledger, the various constraints, internal and external, that in practice stand in the way of that capacity being
applied. Actual opportunities for influence in pursuing an interest are, in the diplomatic marketplace, what is left over when capacities are discounted by constraints.

On the face of it, our capacity to exercise any real influence on matters of global war, peace and disarmament is so limited that any attempt to exert it would be Quixotic. But our hosting of the joint facilities, especially Pine Gap and Nurrungar with their unique intelligence gathering, arms control and disarmament verification, and early warning functions, gives us the access and opportunity to regularly put views at the highest level to the United States administration. That, together with the thought and effort that has gone into developing and articulating arms control strategies, and the highly visible role we have played in multilateral forums in promoting nuclear nonproliferation and other disarmament objectives, for example the outlawing of chemical weapons, has made us highly respected interlocutors on these subjects, not only in Washington, but in Moscow, Beijing and around the globe. At the end of the day we have nothing like the clout of the main nuclear players at the table, but nobody could argue, given the nature of the issues involved, that the game is not worth the candle.

At the other end of the scale of geopolitical interests one comes across situations where our influence is rather less than it may appear at first sight. Take Fiji. Australia has significant strategic and security reasons, quite apart from human rights value preferences, for wishing to see a stable, prosperous and racially harmonious Fiji. And by any objective measure we bring solid assets to the bilateral relationship. Australia is far and away Fiji's largest economic partner. We have the largest military capacity of all countries of the South Pacific region. We have an extensive network of people-to-people links, through tourism, business, education and official visits, and a long history of work together in the Commonwealth and South Pacific Forum.

But there are constraints which prevent the full utilisation of these assets. There was never any question of deploying our military capacity, not just because nobody ever asked us to, but because the situation demanded a political, not a military solution; no major group has sought the continued application of economic sanctions, official or unofficial; and nobody has reacted very warmly to the notion of using aid funds, whether regular or supplementary, by way of either carrot or stick. Our oral encouragement to those advocating the resumption of constitutional democracy and Western liberal values has been of at best marginal utility; the very characteristics that may at first sight seem influential - our disproportionate size, wealth, state of political and economic development, and liberal democratic tradition - make it easy to paint us as uncomprehending, domineering and patronising, however carefully we may tread (and I think it is fair to claim our touch has been measurably lighter than New Zealand's throughout).

Another very significant constraint in Australia's response to the evolving situation in Fiji has been the reaction of its Pacific island neighbours, whether Melanesian, Micronesian or
Polynesian. Very few appreciated, let alone applauded, the military means by which Fiji’s indigenous nationalism asserted itself; but anyone who believes the political end thus achieved was itself perceived as wholly unacceptable, has not spent much time with an ear to the ground in the Pacific. In an environment where Australia has identified its interests in its relationship with its South Pacific neighbours as best served by a strategy of "constructive commitment", involving a spirit of partnership rather than dominance, mutual respect for sovereignty and national individuality, and the development of shared perceptions of regional strategic and security interests, it would be self-defeating to ride roughshod over that kind of reaction.

In the conduct of trade and economic relations, Australia can lay claim to several advantages such as a relatively high GDP, an impressive standard of education, and a well-developed communications system. While our manpower base remains small, we have a huge stock of sought-after resources, a sophisticated industrial and technological base gradually emerging from several lifetimes of protective sheltering, and an increasing willingness to take our economic chances domestically and internationally in a free market environment. But, particularly in the arena of multilateral trade negotiations, these assets do not of themselves give us any particular influence.

Accordingly, in pursuit of such crucial national goals as a fair international agricultural regime, one which exposes producers in Europe, the United States, Japan and elsewhere to the realities of a market place in which for once we can hold our own, we have had to judge how best to maximise our influence. Since Australia is only one - and not among the biggest - participant in the MTN round, we cannot depend solely on our own advocacy to secure a successful outcome. Saying it should be so would not make it so.

We concluded that the most effective way of coping with this gap between what we wanted and what we have the capacity to achieve was to build a coalition of allies: a group of agricultural traders that could become a real "third force" in the MTN after the United States and the European community. So we did just that, and set about under John Dawkins, as then Trade Minister, tying together an otherwise extraordinarily disparate group of Latin Americans, East Europeans, South East Asians and old Commonwealth countries. The Cairns Group coalition has achieved considerable progress, with both the US and the EC openly suggesting that it could provide the way through the present early and mid-term deadlocks.

Holding the Group together for the remainder of the Uruguay Round, as national self-interest and domestic political necessity come up hard against the broad-based ideal of genuine market reform, is not going to be easy. But as an exercise in pursuing vital interests with limited assets, it has been an object lesson in doing more with less.

In pursuing good international citizenship objectives, the asset that matters most is,
simply, credibility, and here we start with a reasonably strong asset base. This includes a strong internal tradition of western liberal democracy (if not an absolutely ideal constitution); a very strong record of commitment to multilateral institutions and codes, symbolised early on by Dr H V Evatt's passionate devotion to the UN, and in particular to the Universal Declaration of Human Rights, adopted by the General Assembly during his Presidency forty years ago this week; a continuing leading role in the international campaign against apartheid, an important legitimate touchstone of moral credibility in most of the developing world; and a longstanding willingness to accept the resettlement of more than our fair share of the world's refugees, particularly those from our own region.

All of this helps us get results when we go out pursuing good citizenship causes, whether it be the commutation of death sentences passed on Buddhist monks in Vietnam; the development of a regional consensus behind a new international Chemical Weapons Convention; or the promotion of new international strategies to cope with the Greenhouse Effect.

But here, as elsewhere, there are constraints. For a start one has to be acutely conscious of the likely impact of a given initiative, particularly in human rights related matters where the life or health of individuals may be concerned, and that is not always easy to assess. The object of these initiatives, which is not always appreciated by those who preach or practise feel-good politics, must be not to satisfy a domestic constituency or some other perceived political imperative, but to get positive - and not counterproductive - results.

Another important constraint is that our opportunity to influence events depends, in this area more than anywhere else, on keeping our domestic house absolutely in order. Our ability to secure advances in the areas of human rights, refugees or development assistance rests on our being, and continuing to be seen to be, a liberal democracy with a solid record at home; a country which articulates and applies human rights and similar principles with absolute consistency and impartiality; a country which puts our money where our mouth is when it comes to aid delivery. We won't achieve much if in our national policies on Aboriginal affairs, immigration or the like we are seen to be indulging in double standards. Hypocrites are not only disliked, in international relations as elsewhere, but - if they are our size - they are ignored.

In the preceding pages I have been trying to give some examples, across the broad sweep of our national interests, of the foreign policy decision making process at work, at least as I understand it. It is a matter, in short, of first identifying the relevant national interests - what it is one is trying to achieve, or protect, and why; then assessing the available opportunities for influence in pursuing them, which involves weighing up both of the assets and constraints sides of the ledger; and devising strategies accordingly.
I don't pretend, of course, that any of this is very new. Thucydides's treatise on the Peloponnesian War employed exactly the same concepts when he argued that the policies and actions of states and their relations with each other were determined by the synergy of their interests and power. The point I want to make is simply that, hurled as I now am into foreign relations not as a mere interested spectator but a practitioner, I find this little bit of conceptual apparatus in fact very helpful, not just for the purpose of rationalising and writing it up after the event, but for decision making itself.

It is not as easy as it may sometimes seem to untangle means and ends; real interests, lesser interests and non-interests; real and apparent constraints; and productive and counter-productive opportunities for influence, when events are tumbling headlong around you. If one is going to exercise careful, consistent judgment, thinking effectively both in reaction to events and in anticipation of them (and Foreign Ministers and their advisers have to do this day in and day out, coping with problems that usually do not present themselves in neat and elegant packages), then it helps to have a simple, systematic checklist of considerations to work through as each new circumstance arises.

My emphasis on the importance of being able to disentangle the complex interrelationships between interests and influence, is really just another way of stressing the importance of effective political management to a successful foreign policy. This is because, at the end of the day, it is upon the management of the givens and the intelligently anticipated that interests are advanced, constraints minimised and influence nurtured. Effective political management does not mean all our endeavours will succeed. It involves making sensible judgments and retaining flexibility: the sorts of adjustments we have made, I think successfully, in our relations with the South Pacific, the United States, Japan and China, to give a few examples - adjustments that can accommodate change, minimise frictions and keep expectations realistic.

Part of effective political management is to get the machinery and the institutional structure right. In this respect, the amalgamation of the Departments of Foreign Affairs and Trade - which is now bedding down very well in practice - was a sensible and overdue step because no effective foreign policy framework can afford to be functionally divorced from questions of trade and international economic policy.

It is also important to have the diplomatic resources to secure timely and authoritative advice on developments in countries of importance to us and to have a team of professionals who can identify the significant trends and anticipate where change is likely to impact on Australian interests. In this regard, I think we are in good shape in terms of quality both in Canberra and at our many posts abroad, but quantity is becoming a problem. Stuart Harris's "Review of Overseas Representation" makes the point very
effectively that the kind of multidimensional foreign policy we have been pursuing in recent years, and which I have been trying to here describe, will need more resources in the future, not less. Some of this can be coped with by flexible institutional structures, evolving to meet continually changing circumstances, but we are fast coming to the limits of the art of the possible in this respect.

Informed and vigorous public debate can also contribute to the successful management of foreign policy. This Government more than most has encouraged such debate and sought to widen the dialogue among government, academia and non-government organisations. The latter in particular make important contributions to humanitarian and development assistance programs, to our international human rights initiatives, and to discussion of arms control and disarmament issues.

Probably most important of all to effective political management in foreign affairs is developing a sense of priorities, and a resource allocation strategy to match. This is always easier said than imposed, in the untidy world we inhabit, but something that has to be done in an administrative and decision making environment where resources are always limited.

In terms of the interests/influence matrix that I have been describing, priorities tend to define themselves as those issues where a major interest coincides with at least some opportunity to influence its achievement. While not underestimating the need to maintain a proper understanding of everything significantly affecting our vital interests, there is not a great deal of point in devoting major resources to the pursuit of an interest, however inherently important (or fashionable), which you know you are never effectively going to be able to advance; nor is there much to be gained, conversely, in devoting a great deal of attention to something which is attainable, but inherently trivial.

From this kind of perspective, our highest foreign policy priorities can perhaps be spelt out roughly as follows: contributing to regional peace and stability in the South Pacific and South East Asia, through regular contact and cooperation with both indigenous and major external players; maintaining effective working relationships with our nearest strategically significant neighbours, Indonesia and Papua New Guinea; tending our alliance relationship with the United States; maintaining effective relations with our major trading partners, especially in North East Asia; expanding export markets through the freeing up of international trade, especially in agriculture; working for nuclear non-proliferation, and arms control generally; and seeking to advance human rights values through bilateral representations and, where appropriate, by joint action.

To list priorities in this rather mechanical way, however, is to miss some of the essentially
dynamic flavour of foreign relations. Ultimately successful foreign policy, like successful policy anywhere else in government, is about the effective management of change. And this means not only reacting effectively to the unpredicted, but riding effectively the waves you do know are coming.

It is obvious enough that there are a series of major new world developments occurring, imminent or likely - to the implications of which for Australia we should now be allocating priority resources, or at least thinking time. I am thinking, first, of the general movement toward a more fluid, less ideologically divided and certainly less bipolar world. Secondly, there is the apparently (though not necessarily) inexorable move toward world economic dominance by the Asia-Pacific region - a region led by Japan, economically if not politically, but highly pluralistic in character, and one in which, despite our geographical association, we still don't have much more than a toe and finger hold. And thirdly, there is the possible (although at this stage hopefully unlikely) movement towards trade-restrictive economic blocs in Europe and North America if the GATT/MTN process falls into a hole, which would create a huge problem for Australia especially if we cannot negotiate any compensatory role in a comparable regional bloc of our own.

This is not the occasion to try and place an order of probability on these various possible developments being carried through, or to try and analyse in detail their implications for Australia if they are. My focus today has been more on the underlying dynamics of Australian foreign policy decision making, as I understand them, rather than the substantive content of those decisions.

But what one can at least say is that, if we are indeed on the threshold of a "Pacific Century", then Australia is, if not entirely poised to take advantage of this historic moment, at least no longer trapped in attitudes towards its own region that are dictated by fear, suspicion and ignorance.

We approach a potentially major new era in our region harbouring no secret Monroe Doctrine. We should welcome the evidence that our region is becoming more open, less ideologically divided, particularly because in other parts of the world a form of closed regionalism is possibly emerging. We should welcome the opportunity to play a part, as one nation among many, in a framework which is likely to be neither one-world, nor a bipolar world dominated by nuclear giants, nor a traditional form of power rivalry in which one gain is always at another's expense, but a possible equilibrium in which power is shared, change is managed with political skill and the resulting prosperity is widely enjoyed.

But that is all to leap ahead, and it is time to conclude by returning to where I began. I see Australia's place in the world evolving, here as elsewhere, within the framework of a foreign policy that is focused on security, economic and humanitarian interests, but a
framework in which those national interests are pursued by reference to a realistic assessment of the influence that Australia can wield through maximising its assets and managing the many constraints in its way.

No nation's foreign policy can mould the world in its image. A sensible foreign policy takes the world as it is, knows what it wants, and tries as best it can to ensure that the currents of change flow in its direction, and Australia's should be no exception.

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