THE CHALLENGE OF ASIA FOR AUSTRALIAN FOREIGN POLICY

The 1993 Heindorff Memorial Lecture by Senator Gareth Evans, Minister for Foreign Affairs, to the Oueensland Branch of the Australian Institute of International Affairs, Brisbane, Wednesday 15 September 1993

In a few years time, people in the Republic of Australia will look back on the late 1980s and early 1990s as a crucial watershed in Australian history - a period when as a nation we set about. for the first time, to eranole seriously and systematically with our place in the world - and to proceed on the basis that our future lay in geographical reality rather than historical nostalgia,

Over the past half century, there have been many attempts by Australians to connect with Asia. But up until the early 1970s, with certain notable exceptions, Australian policy, never really got beyond the formative stages, and our economic relationships were overwhelmingly with Europe and North America

theless, some genuine attempts at engagement with Asia were made. Immediately after the Second World War, for example, the Chifley Labor Government gave strong support to the establishment of Indonesia's independence. The Menzies Governments, and in particular Foreign Ministers Spender and Casey, played important roles in the introduction of the Colombo Plan and the development assistance programs which followed, as well as in the steady growth of diplomatic relations with both old and newly-emerging Asian nations. Trade relations with Japan were actively pursued in the 1960s: so much so that by 1970 Japan was Australia's largest trading partner, and has remained so ever since. And of course when the Whitlam Labor Government came to power in 1972, it not only took the major decisions to recognise China and end our entanglement in Vietnam, but generally set the conduct of our foreign policy on a more independent and regionally focused or

Until fairly recently, however, it has been difficult to arruse that any really fundamental chance of national mindset was underway. I continue to think that one of the really key conceptual breakthroughs in the way in which we have come to think about our international role came with the Defence White Paper presented to Parliament in 1987 by the then Defence Minister Kim Beazley. That spelt out for the first time in our instoray a coherent policy of defence self reliance - being able to look after out need to rely on our traditional 'great and powerful friends'. The new confidence in our defence capability engendered by the White Paper and its subsequent implementation did, in a very important sense, liberate Australian foreign policy, enabling Australian foreign ministers henceforth to think in a much more free

Bill Hayden's period as Foreign Minister, which coincided with the development and initial implementation of the White Paper, was certainly one of the most fertile and active on record. It saw, among other things, the establishment of a much more balanced relationship with the United States; the beginning of a very active Australian involvement in the international arms control and disammanent debate; the amalgamation of the Departments of Foreign Affairs and Trade into a single new entity; and among other developments in Asia, the establishment of close relations with Vietnam and the initial attempts to break the awful impasse that had developed over Cambodia.

In 1989, not long after I became Foreign Minister, international events erupted in a way which very much consolidated the emerging sense that Australia had to find its basic destiny in its own region - and think quickly and comprehensively about how to maximise that destiny. The collapse of Soviet communism and the end of the Cold War forced a fundamental reassessment, in the Asia Pacific region as everywhere else, of security and strategic realities that had derived from the East-West ideological confrontation. The case became compelling for thinking about regional security relationships in a new way, with countries coming to see that their future security was best guaranteed by building multiple layers of interdependence between nations - finding security with others rather than against them.

We had already been persuaded - certainly by the mid 1998s - about the need to think in new ways about our economic growth in most of the industrialised world, contrasted with the spectacular growth that was beginning to take place to our north; the agonising stop-start of the Unuguay Round; and declining world prices for our traditional commodity exports, all led us to realise that we needed to restructure in a fundamental way the whole Australian economy, to make us more competitive and outward looking

For most Asian countries, the 1980, were a period of unpostalleled prosperity as the pure control or more a year. By the mid 1980, it was not just the Australian Government, but the wholst value and there are still those, described in understanding because it is not because the pure control or more a year. By the mid 1980, it was not just the Australian Government, but the wholst value and there are still those, described in understanding because the pure control or control or positive, in which the pure control or positive in the first pure value where the control or positive, in which the positive is not positive to the property as the pure value where the positive of more than the property and the pure value where the positive is not the pure value where the positive is not the property as the pure value where the positive is not the pure value where the positive is not the property as the pure value where the positive is not the pure value where the positive is not the pure value where the positive is not the property as the pure value where the positive is not the property as the pure value where the positive is not the pure value where the pure value where the positive is not the pure value where value where the pure value where value value where value va

When one adds together what has been happening across the whole spectrum of Australian external policy - economic and otherwise - it is evident that for the past five years or so we have been travelling at break-neck speed. Many Australians are still coming to terms with the pace of change, So let me take this opportunity to pause - at least for one evening - and ask where have we got to. How deep is Australia's new relationship with its region? What are its most important characteristics? What

It should be acknowledged at the outset that there are always going to be some limitations on the extent to which Australia is, or can be, part of Asia, Geographically - we are not so much in Asia, but alongside it. What we are unequivocally part of is the Asia Feeignen - embracing East Asia, Oceania, North America (and, in some accounts at least, the Pacific coast of Latin America as well), Australia was always conscious of itself as, geopolitically, a Pacific nation - with

long-established and close relationships with the Pacific island countries, and across the ocean to the United States and Canada. The big change of recent years is that Pacific' by itself is no longer adequate to describe either our sense of place, or others' sense of our place; we look out upon the world, and interact with it, not only facing east-north-east, but due north as well Demographically, Australia is overwhelmingly more European than Asian, and will remain so. But it is important to appreciate how rapidly things are changing as a result of non-European than Asian, and will remain so. But it is important to appreciate how rapidly things are changing as a result of non-European immigration over the last twenty years - and in particular as a result of a generous refugee resentlement policy which has meant that we have been easily the highest per capita recipient in the world of Indo-Chinese refugees. There are already over 600,000 Australians of Asian descent and, on present trends, within a

Even with these population trends - and with the ever increasing number of Asian students and tourists living and visiting in our midst - it is certainly the case that Australia will never 'look' quite as Asian as Japan or Vietnam. But it is reasonable to ask the question these days; given the differences in linguistic, ethnic and cultural identity that exist in that buge are of the earth's surface from Japan to Afghanistan, what is it to be 'Asian'? Is there really any self-evident reason why, these days, Indonesians should be seen as having more in common with Koreans than with Australians, or why India should be seen as having more in common with Japan than ourselves:

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Economic Relations

challenges does it pose for us as we make our way to a new century

Australia's most developed connection with Asia is economic, and the story is worth telline in a little detail. At one level we have been doine business with Asia for a very long time, taking advantage in Australia's most developed connection with Asia is economic, and the story is worth telline in a little detail. At one level we have been doine business with Asia for a very long time, taking advantage in Australia's most developed connection with Asia is economic, and the story is worth telline in a little detail. At one level we have been doine business with Asia for a very long time, taking advantage in Australia of the natural fit between our raw materials and the needs of North East Asia as it industrialised: Janua has been our biggest market since 1966, and. as I have already noted, our biggest market since 1970. Moreover, Australian to the natural fit between our raw materials and the needs of North East Asia as it industrialised: Janua has been our biggest market since 1970. Moreover, Australian to the natural fit between our raw materials and the needs of North East Asia as it industrialised: Janua has been our biggest market since 1970. Moreover, Australian to the natural fit between our raw materials and the needs of North East Asia as it industrialised: Janua has been our biggest market since 1970. Moreover, Australian to the natural fit between our raw materials and the needs of North East Asia as it industrialised: Janua has been our biggest market since 1970. Moreover, Australian to the natural fit between our raw materials and the needs of North East Asia as it industrialised: Janua has been our biggest market since 1970. Moreover, Australian to the natural fit between our raw materials and the needs of North East Asia as it industrialised: Janua has been our biggest market since 1970. Moreover, Australian to the natural fit between our raw materials and the region, and many scores of thousands of Asians have studied in Australia

But having realised a decade ago that, by the continued operation of inward-looking protectionist policies, we were profoundly limiting the opportunity to link our economy more comprehensively to the dynamic growth occurring in Asia, we set about a massive program of structural reform. The resulting internationalisation of the Australian economy has seen the pattern and direction of Australia's trade change dramatically over the last ten years. Perhaps most important in all this is that the share of our output exported has almost doubled to 20 per cent.

In 1992, Australian exports reached record levels. What was particularly reassuring about this performance was that it was achieved despite recession in a number of Australia's major trading partners, very subdued world trading conditions generally and continued weakness in world commodity prices. While merchandise exports continued their rise by 9 per cent after a 10 per cent increase in 1991, it was the performance was that it was achieved despite recession in a number of Australia's major trading partners, very subdued world trading conditions generally and continued weakness in world commodity prices. While merchandise exports continued their rise by 9 per cent after a 10 p

This export growth is occurring because we are now shifting into products and markets where demand is growing rapidly. And the Asia Pacific region, particularly East Asia, has been of central importance in this strong trade record. Ten years ago, North East Asian countries between them took less than half of our total merchandise exports; they now take around 60 per cent. These countries now account for eight of our top twelve export markets and six of our top twelve import sources. Last year, despite subdued economic activity in Japan, North East Asia took 43 per cent of Australian exports and remained our largest regional market. South East Asia was our fastest growing market, increasing by 27 per cent in 1992 and also overtaking in the process the EC as our second largest regional market: this represents a very big change from the late 1970s, when the EC share of our exports was twice that of South East Asia

There has also been a broadening in the range of Australian imports from the region, with manufacturers have always been our major imports from South East Asia. A decade ago, petroleum dominated our imports from South East Asia. A decade ago, petroleum dominated our imports from South East Asia. A decade ago, petroleum dominated our imports from South East Asia. A decade ago, petroleum dominated our imports from South East Asia. Since then, the share of oil has halved to account for only around one-third of our total imports from the pair of the region, with manufacturers have always been our major imports from East Asia. A decade ago, petroleum dominated our imports from South East Asia. A decade ago, petroleum dominated our imports from South East Asia. is for these to be more and more from the most sophisticated end of the manufacturing spectrum.

The Australian Government has been supporting in very way we can the new interest by Australian bosiness in our immediate region. An important element in our effort has been the gradual rebalancing in rade promotion resources allocation away from our traditional focus on Europe towards a significantly greater concentration of resources in Axia. The Australian Trade Commissions - or Australia-mount appearance on Europe towards a significantly greater concentration of resources in Axia. The Australian Trade Commissions or Europe towards a significantly greater concentration of resources in Axia. The Australian Trade Commissions or Europe towards a significantly greater concentration of resources in Axia. The Australian Trade Commissions in Jakarta, Tokyo, Bangkok, Senda and Kuala Lumpur. We have increased staff resources at our missions in Jakarta, Tokyo, Bangkok, Senda and Kuala Lumpur. We have increased staff resources at our missions in Jakarta, Tokyo, Bangkok, Senda and Kuala Lumpur. We have increased staff resources at our missions in Jakarta, Tokyo, Bangkok, Senda and Kuala Lumpur. We have increased staff resources at our missions in Jakarta, Tokyo, Bangkok, Senda and Changar and Cha

story is an impressive one. When it comes to Australian <u>investment</u> in the region, however, the story is rather less impressive - bearing in mind that trade growth is hard to sustain at high levels unless it is accompanied by major on-the-ground investment activity. In 1988, the level of Australian investment in Asia was \$7 billion accounts. nting for a mere 9 per cent of total Australian investment abroad; by 1992, the level had doubled to \$14 billion, growing at an annual average rate of 19 per cent, but still only accounting for just over 13 per cent of total Australian investment abroad. While the way in which official statistics are compiled can substantially understate the true level of Australian investment in Asia are not what they might be, and not what they might be, and not what they might be.

The Government is doing everything it can to encourage a more confident approach by Australian business to investment in the region. The East Asia Analytical Unit within my Department has, since its establishment in 1991, produced five major studies on economic forces shaping the region and their implications for Australia – eg Southern China in Transition, and South East Asia in the 1990s. - all of which have been highly publicised and highly regarded in the business to investment in 1991, produced five major studies on economic forces shaping the region and their implications for Australia – eg Southern China in Transition, and South East Asia in the 1990s. - all of which have been highly publicised and highly regarded in the business to investment in 1991, produced five major studies on economic forces shaping the region and their implications for Australia – eg Southern China in Transition, and South East Asia in the 1990s. - all of which have been highly publicised and highly regarded in the business to investment in 1991, produced five major studies on economic forces shaping the region and their implications for Australia – eg Southern China in Transition, and South East Asia in the 1990s. - all of which have been highly publicised and highly regarded in the business to investment in 1991, produced five major studies on economic forces shaping the region and their implications for Australia – eg Southern China in Transition, and South East Asia in the 1990s. - all of which have been highly publicised and highly regarded in the business to investment in 1991, produced five major studies on economic forces shaping the region and their implications for the produced five major studies on economic forces shaping the region and their implications for the produced five major studies on economic forces shaping the region and their implications for the produced five major studies on economic forces shaping the region and their implications for their studies on economic forces shaping the region and their implicat

Two innorrant additional initiatives designed to specifically encourage Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 million 'Australian business to venture north were announced as part of the major \$61 milli existed, the Centre will establish in the process strong linkages with similar research and analysis institutes in Japan and elsewhere, which have Iong been backing trade and investment activity in the region by those countries. The other initiative purticularly worth mentioning is our funding an imagural National Trade and Investment Quilook Conference in November, which will be the largest and most important such meeting ever held in Australia, bringing to the country a number of leading basis and political figures and focusing, again, particularly strongly on opportunities in the immediate region.

More generally, Australia's trade diplomacy in recent years has also been sharply focused on Asia. The most visible manifestation of this was our initiative in launching the Asia Pacific region and around the world as the Asia Pacific region and around the Asia operates as a very useful counterweight to some of the dangerous pressures for division between North America and East Asia, particularly between the United States and Japan.

AFEC has already grow, must produce the continuous production of the ferrifisting, beyond its cautious beginnings as a kind of regional EGZ. In cention is understanded to the continuous production of the ferrifisting, beyond its cautious beginnings as a kind of regional EGZ. In cention is understanded to the ferrifisting, beyond its cautious beginnings as a kind of regional EGZ. In cention is understanded to the ferrifisting, beyond its cautious beginnings as a kind of regional EGZ. In cention is understanded to the ferrifisting, beyond its cautious beginnings as a kind of regional EGZ. In cention is understanded to the ferrifisting, beyond its cautious beginnings as a kind of regional EGZ. In cention is understanded to the ferrificial to a must be the ferrificial to a multiple common reconstance development. The emphasis now is on wear part and in the ferrificial to a multiple common reconstance development. The emphasis now is on wear part and in the ferrificial to a multiple common reconstance development. The emphasis now is on wear part and in the ferrificial to a multiple common reconstance development. The emphasis now is on wear part and in the ferrificial to a multiple common reconstance development. The emphasis now is on wear part and in the ferrificial to a multiple common reconstance development. The emphasis now is on wear part and in the ferrificial to a multiple common reconstance development. The emphasis now is on wear part and in the ferrificial to a multiple common reconstance development. The emphasis now is not understance and in the ferrificial to a multiple common reconstance and in the ferrificial to a multiple common reconstance and in the ferrificial to a multiple common reconstance and in the ferrificial to a multiple common reconstance and in the ferrificial to a multiple common reconstance and in the ferrificial to a multiple common reconstance and in the ferrificial to a multiple common reconstance and in the ferrificial to a multiple common reconstance and in the ferrificial to a

Early last year, Australian Prime Minister Paul Keating proposed periodic meetings of APEC leaders as a way of injecting more political momentum - or 'horsepower', as he put it - into the organisation. Now that suggestion has come to life with President Clinton's very welcome plan to host an informal leaders meeting in Seattle this November, a subject at the top of the agenda in the Prime Minister's discussions with the President in Washington this week.

Regional efforts of this kind are of course supplemented by trade diplomacy at the global and bilateral levels. May I say here that I continue to be amazed by the number of media and other commentaries which suggest that we are pre-occupied with APEC to the exclusion of everything else, or - in a variation of the themer - that we are unhealthily obsessed with GATT and the Uruguay Round when we should be focusing on specific country by country market access problems. The truth of the matter, of ously preoccupied, as we must be, with trade policy at all three levels - global, regional and bilateral. To paraphrase, and extend, President Johnson's immortal line, in this business you have to be able to walk and talk and chew gum at the same time.

say Round as still representing the most important topogratunity to provide a broad and comprehensive framework for world trade, and to avoid the development of global trade-diverting trade blocs. We remain committed to the Round - and in particular to our role as Chairman of the Cairns Group of fair agricultural trading nations (which includes four ASEAN nations) because the potential benefits, if agreement is reached, simply cannot be obtained through regional or bilateral means alone: a GATT agreement is the equivalent of successful simultaneous bilateral negotiations with over one hundred different countries in hundreds of different goods and services areas

We have also continued to pursue a complex bilateral trade policy agenda which has achieved - to take just a handful of examples-significantly enhanced access for Australian need to the ROK; a major expansion across the board in our commercial relations with Taiwan; the reduction of turiffs on Australian need for the ROK; a major expansion across the board in our commercial relations with Taiwan; the reduction of turiffs on Australian need for the ROK; a major expansion across the board in our commercial relations with Taiwan; the reduction of turiffs on Australian need for the ROK; a major expansion across the board in our commercial relations with Taiwan; the reduction of turiffs on Australian need for the ROK; a major expansion across the board in our commercial relations with Taiwan; the reduction of turiffs on Australian need for the ROK; a major expansion across the board in our commercial relations with Taiwan; the reduction of turiffs on Australian need for the ROK; a major expansion across the board in our commercial relations with Taiwan; the reduction of turiffs on Australian need for the ROK; a major expansion across the board in our commercial relations with Taiwan; the reduction of turiffs on Australian need for the ROK; a major expansion across the board in our commercial relations with Taiwan; the reduction of turiffs on Australian need for the ROK; a major expansion across the turiffs on Australian need for the ROK; a major expansion across the turiffs on Australian need for the ROK; a major expansion across the turiffs on Australian need for the ROK; a major expansion across the turiffs on Australian need for the ROK; a major expansion across the turiffs on Australian need for turiffs on Australian need for the ROK; a major expansion across the turiffs on Australian need for the ROK; a major expansion across the turiffs on Australian need for the ROK; a major expansion across the turiffs on Australian need for the ROK; a major expansion across the turiffs on Australian need for the ROK; a majo

Australia's recent commercial success in Vietnam is a classic case of trade following the flage. The trade and investment activities of Australian companies in Vietnam during the 1990s, when most other countries were oursuine a policy of isolation, continues to bear fruit. The Vietnamese made no secret of the fact that their decision late last year to award to a BHP-led consortium the multi-billion dollar project to develop the Dai Hung offshore oilfield was not uninfluenced by these consideration

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Political and Security Relations

If I may shift the focus from trade to more traditional diplomacy, Australia in recent years has also of course been concentrating a great deal of its efforts in Asia and the Asia Pacific.

Our most ambitious project has been to bring to Cambodia, through the United Nations peace plan, the prospect at last of a durable peace - after more than twenty awful years of war, civil war, genocide, invasion and civil war again. From where we stand now, it looks as though we have succeeded. Of course we did not do it alone, but we took the risk and we picked the right time. We did so primarily out of an uncomplicated sense of humanitarian concern for the Cambodian people. But our preparedness to risk our prestige in pursuit of a primary regional security goal, and to do so in close cooperation with our regional friends, especially Indonesia, established a new type of Australia in the minds of the nations of the region, an Australia staking out ambitious goals and pursuing them in a sustained and sophisticated way

This has helped us in developing more mature and multifaceted relations with a number of major regional countries - including Japun, China, Korea and Indonesia, The most visible of these improved relationships has undoubtedly been with Indonesia, where an immense amount of effort - through exercises such as the Timor Gap Treaty negotiation - has gone into putting the kind of ballast into the relationship that will enable it to come through some of the storms that will perhaps inevitably blow up

More generally, the credibility that we established through our Cambodia diplomacy - and our regional efforts in initiatine AFEC - have given us some credentials on the really big issue of the Asia Pacific region's overall security environment. Coupled with many individual exercises in bilateral security dialogue and defence conceration, and in regional security environment for example, our Chemical Weapons Regional Initiative, we have also been working regionally and in a less high-profile way to encourage a new regional security dialogue process in response to the uncertainties generated by the end of the Cold War.

A few years ago, when I first floated the possibility of the evolution in the Asia Pacific region of a new regional architecture - modelled very loosely on the emerging CSCE in Europe - to respond to new security realities of the post-Cold War world, I met with a less than enthusiastic response from my US counterpart Jim Baker: why did we need any new multilateral approaches when our old bilateral alliance structures had served us so well for so long? But times have changed, in Washington and everywhere else. What seemed very radical propositions just three or four years ago have now become almost the regional orthodoxy. The most important development has undoubtedly been the creation of the new ASEAN Regional Forum on security issues in Singapore two months ago - a forum that brings together not only the members of ASEAN and their traditional dialogue partners but also most of the other major regional security players like Russia. China, and Vietnam.

Cultural and Human Relations

Effective engagement of the kind Australia is now seeking with Asia cannot be pursued only at diplomatic and business levels: it has to involve broad based people-to-people contact and it has to involve efforts by countries to get inside - as it were - each other's minds

ents have, therefore, established a number of well-resourced foundations to foster better

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Effective engagement of the kind Australia is now seeking with Asia cannot be pursued only at diplomatic and business levels: it has to involve broad based people-to-people contact and it has to involve efforts by countries to get inside - as it were - each other's minds

Successive Australian Governments have, therefore, established a number of well-resourced foundations to foster better UOTE ALIGN="JUSTIFY">But agreement at the level of high principle doesn't necessarily make it easier to advance human rights issues around Asia, I think we have in Australia over the last few years learned an important lesson - that what matters is the result at the end of the day, not the size of the drum that is beaten along the way; and in that context, that how something is said is as likely to determine the nature of a response as much as what is said. It is not a matter of denying our traditions or our values to tread, on occasion, a little more softly than one might with Europeans and North Americans: it is just a matter of learning the business of normal neighbourhood civility

It has to be acknowledged that - in all our efforts to build in the region not only cultural and human relations but economic and political relations as well - the forging and shaping of impressions that countries and peoples have of each other is the product of generations of history. This is of ocurse true of Australia and the other countries of our region. Given the wide cultural divide that, in the past, characterised our respective approaches to the world, and gave us markedly different lenses through which we might view one another, one could never have expected fundamental change to occur overnight. But it is my own judgment that there has been a very rapid evolution in recent years, at all levels of Australian society, away from crude stereotyping towards a much more sensitive awareness and understanding of the complexity and significance of Asian societies, and a similar movement - although slower to penetrate below the most actively involved elites - in Asian attitudes towards

We are very conscious of the distance that remains to be travelled in changing regional perceptions of us: a Hong Kong survey not so long ago had 23% of respondents identifying us as a 'developing' country! Part of the answer is simply the passage of time: given the level of our current activity and involvement in the region, it is only a manter of time before the more sophisticated images of us that are now widely held by senior political and economic decision makers in the region percolate down to publics at large. But we can help the process along.

Later this year, as part of our public diplomacy the Government will launch a \$21 million <u>Market Australia</u> campaign to promote Australia as an advanced economy which, in addition to great strengths in mining and agriculture, is drawing on its high-tech base to produce high value-added goods and services for the booming Asian markets. The campaign won't deny the fact that Australia is a first-rate supplier of minerals and energy commodities, farm products and beach resorts, but it will make the point that we are much more than that. It will emphasise the new complementarities that exists with the dynamic Asian economies and their burgeoning middle classes, which position as so well to do business with them. It will emphasise the new complementarities that exists with the dynamic Asian economies and their burgeoning middle classes, which position as so well to do business with them. It will end to a four-five and bottom and specialist areas including science, engineering, software development, into Asian neighbours that Australia possesses a well-educated workforce, competitively priced in many technically skilled, professional and specialist areas including science, engineering, software development, into Asia are expanding dramatically as an ever increasing percentage of Australians were either born in Asia or have Asian-born parents. neering, software development, information technology, telecommunications, education and

Australia and the Asia Pacific Community.

In looking now at where Australia stands overall in relation to Asia, it is clearly the case that we have travelled a very great distance. Happily, we have now reached a stage in our history where our place in the world and our future coincide with our geography. We are a multicultural nation of the Asia Pacific region, comfortable with that fact and enthusiastic about the future. While conscious that with a population of just over 17 million, one twentieth of our ASEAN neighbours alone, we should not get exaggerated notions of our capacity for influence, we are a major regional economic player, and we are increasingly being seen as a significant regional player, in particular because of our contribution to the establishment of new region-linking organisations, especially APEC on the economic side and the ASEAN Regional Forum on the politics-security side.

If there is any central governing theme in our foreign pleme in our foreign policy relations with our region, it must be for us to reinforce in every possible way the emerging new sense of Asia-Pacific regional community which is being reflected in these regional organisations. Not the least of the attractions for us in doing so is that this is a community of which we are unequivocally seen to be a part: when it comes to the Asia-Pacific we are neither a fringe dweller nor an interloper, but a mainstream partner. This is a theme, of course, that Paul Keating has taken up with a vengeance since he became Prime Minister, and has been pursuing with enormous effectiveness in his own series of visits around the region

There will always be some people, however, who will see this kind of attempt to build linkages between different nations of many different cultural traditions, and to create a larger sense of community embracing them all, as misconceived and destined to failure. Let me conclude by addressing this theme

Kipling's 19th century prescription - East is East, and West is West, and ne'er the twain shall meet' - has plenty of 20th century echees. One of the most currently controversial of those echoes is evident in the very recent, and highly publicised, article by the American scholar Samuel Huntington in the journal Foreign Affairs, entitled The Clash of Civilizations?". This postulates that, in the aftermath of the Cold War, world politics is entering a new phase in which the great divisions, and the dominating sources of conflict, will be cultural - with potentially bloody fault-lines developing along the boundaries between the major civilisations, identified as Western, Confucian, Japanese, Islamic, Hindu, Slavic-Orthodox, Latin American and (possibly) African

Australia comes in for special attention in Huntington's thesis: unlike most of the rest of the world, we get a whole footnote paragraph to ourselves! This follows a passage referring to 'torn' countries like Turkey, Mexico and Russia, where, Hungington says, history, culture and traditions are non-Western, but the leaders badly want to make them Western. Australia demands attention because it is a peculiarity, a 'torn country in reverse'.

Although it has been a full member not only of the West put also of the ABCA [America, Britain, Canada, Australia] military and intelligence core of the West, its current leadership are in effect proposing that it defect from the West, re-define itself as an Asian country and cultivate close ties with its neighbours. Australia's future, they argue, is with the dynamic economies of East Asia. But, as I have suggested, close economic cooperation normally requires a common cultural base. In addition, none of the three conditions necessary for a torn country to join another civilisation is likely to exist in Australia's case

The three conditions referred to are that the country's political and economic clite has to be enerally supportive of and enthusiastic about this move, its public has to be willing to embrace the convert. Professor Owen Harries, who Huntington quotes approximately in his article, puts Australia's position even more starkly in another article which recently appearance in The Australian's position and the dominant errouss in the recipient civilisation have to be willing to embrace the convert. Professor Owen Harries, who Huntington quotes approximately in his article, puts Australia's position even more starkly in another article which recently appearance in The Australian's position and the dominant errouss in the recipient civilisation have to be willing to embrace the convert. Professor Owen Harries, who Huntington quotes approximately appearance in the recipient civilisation have to be willing to embrace the convert. Professor Owen Harries, who Huntington quotes appearance in the recipient civilisation have to be willing to embrace the convert. Professor Owen Harries are the convert. Professor Owen Harries

...if Huntington is right in identifying...an emerging Confucian-Islamic challenge to the West as a central fact of the new era, it means Australia is living on the edge of the most dangerous 'fault-line' in the world - and is the softest Western target on that line

I would certainly very much want to disagree with Huntington's assertion that the three conditions he sets for a country to 're-define its civilisation identity' cannot, and will not ever, be met in the case of Australia

But more than that, it seems to me - and, I know, a great many other people in this region - that his basic chesis is quite fundamentally flawed. While it is, of course, the case that what Huntington describes as 'civilisations' are very important in defining what are still very im

Common Islamic roots did not stop Iraq invading Kuwait, nor most of its Arab neighbours joining with the Western retaliation; common Confucian roots haven't stopped endless conflicts in that continent; and common Western heritage hasn't stopped not only bloody conflicts like that in Northern Ireland, but serious trade disputes between Europe, the United States and countries like Australia. The notion of a Confucian-Islamic challenge to the West seems based on nothing much more substantial than China's alleged willingness in recent times to assist certain Islamic states in the production of certain weapons of mass destruction - an unhappy development, unquestionably, if confirmed, but hardly the evidence on which one should build any theory of civilisation-based conspiracy

The notion that a country like Australia is inevitably destined, because of its history and culture, to remain an outsider in its own region seems to me to be at odds with all recent experience. It is at odds with economic and political developments as they are evolving in the region, and with attitudes as they are evolving both within Australia and the region at large

It is a matter of more than merely passing academic interest who is right in all of this. What happens with Australia's effort to come to terms with its region may prove to be significant not just for Australia and those with whom we are now interacting so constructively: maybe we do have here something of a test case, one of not merely regional but potentially much wider global significance.

Maybe if Australia gets right its relationship with Asia - as I think we age getting it right - we will have made a point that will reverberate around the rest of the world as we move into the 21st century; that it is genuinely possible for countries of vastly different background to work together cooperatively and constructively, not only for our mutual profit and security, but for the pleasure of each other's company