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AUSTRALIA'S POLICY AND ROLE IN ASIA : IMPERATIVES FOR REORIENTATION

INTRODUCTION

The rapid developments that are taking place in the Asia-Pacific region over the last decade have caught global attention. In terms of economic growth, the region remains the most dynamic as well as one with the greatest potential. Economists predict that the next century will belong to the Asia-Pacific region. According to the International Monetary Fund (IMF) projection, 30 per cent of world GNP will come from East Asian region while the share of the USA would only be about 18 to 19 per cent.¹ Japan which is already the second largest industrial economy in the world will soon catch up with the US in terms of total GNP.² China by way of steadily becoming the world's fastest growing economy with already an enviable GNP of about \$1.2 trillion is expected to become the fifth largest economy by the year 2000.³

With such economic clout, the balance of power after the end of the cold war may soon tilt towards Asia, specifically the East

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1. Donald Zagoria, "Clinton's Asia Policy", *Current History*, December 1993, p. 402.
2. *Ibid.*, p. 402.
3. Gary Klintworth, "Greater China and Regional Security", *Australian Journal of International Affairs*, Vol. 48, No. 2, November 1994, p. 217.

and Southeast Asian region. Following the collapse of the Soviet Union and the scaling down of US military presence in the region of Asia-Pacific, there was an apprehension that a power vacuum might be created in the region. As recently as 1990, the US had some 137,000 troops stationed in the region. However, since the closing of the Subic Bay naval base in the Philippines in 1992 and retrenchment of US army personnel in South Korea and Japan in the early 1990s, the figure has fallen to about 35,000 regionwide⁴.

Exponents of the "power vacuum" theory claim that nature detests vacuum; therefore, when such a situation presents itself, ambitious regional powers would try to grab the opportunity to replace the old vanguards of the post-World War II. If one is inclined to agree with this line of thinking, then which of the countries could be regarded as likely candidates? In 1987, Japan abandoned its post-war policy of confining the country's defense expenditure to one percent of the GNP. This move has caused suspicion among its neighbours especially when Japan for the first time volunteered to play the role of 'peace-maker' in the peacekeeping operations in Cambodia by sending a full military detachment to Cambodia. The other powerful state is China : to many she appears to be the most logical candidate to fill the power vacuum in the region. According to experts, " China is seen to be the one power to contend with the US for regional leadership in Asia in the 21st century".⁵

These dramatic developments in Asia-Pacific which have security, political and economic implications have compelled Australia to revise its foreign policy objectives and also its role in the neighbouring region. From the security consideration of an island-state with paper-thin population (16.5 million) compared to its huge size, which is double that of India, Pakistan and Bangladesh combined, Australia had a persistent fear of external

4. *Asiaweek*, 14 April 1995, p. 21.

5. *Klintworth, op., cit.*, p. 214.

invasion throughout its short history. Prior to Second World War Australia's threat perceptions were vague. However, since 1945 communism emerged as its major enemy. Now, with the break down of the former Soviet Union, has the Australian fear of aggression diminished? From the political and diplomatic viewpoints, will the cessation of cold war reduce its modest but positive presence in the international political arena and force the nation to isolation? And most importantly, what specific measures is Australia likely to take to keep pace with the the rapid developments in Asia?

These and other questions must have remained uppermost in the minds of Australian policy makers while chalking out their country's post cold war role in Asia. Historically, Australians have long had the the perception of being an Anglo-Saxon outpost imprisoned by geography in the 'down under'. However, as the former Australian Foreign Minister Gareth Evans put it, "all that imagery started to fade a little in the context of the reality of the new Asia"⁶ In this paper an attempt will be made to look deeper into this "reality of the new Asia" and see what implication it has for Australia in the post cold war era. In addition, the paper in course of its analysis will try to understand the imperatives that have compelled Canberra to revise its foreign policy objectives in Asia.

The paper has been divided into four sections. The first section examines Canberra's present policy towards Asia, specially if it has continued to pursue its earlier foreign policy, or whether there has been any perceptible shift from that policy. Section two looks into the causes behind Australia's compulsion for a diverse role in Asia. Section three focuses on the Asian and the Australian peoples' responses to Canberra's reorientation. The last section

6. Cameron W. Barr, "Australia to Asia: Won't You Come A-Waltzing?", *The Christian Science Monitor*, 26 May-1 June 1995, p. 11.

tries to review Australia's endeavour to establish closer links with Asia notwithstanding its varied cultural background.

I. AUSTRALIA'S POST-COLD WAR POLICY IN ASIA: SHIFT OR CONTINUITY?

Defining Australia's Present Foreign Policy Objectives

Before going into the details of a country's foreign policy objectives, it is perhaps necessary to define its national interest. In the case of Australia, its national interests are quite transparent: First, Australia's geo-political and strategic interests at the global and regional level is to safeguard its sovereignty and political independence. Therefore, it has to ensure that countries in its proximity remain peaceful, stable and well-disposed, or at least neutral towards Australia. An Australian Defense White Paper (1989) stated that although traditionally such neighbouring states as Indonesia, Papua New Guinea, New Zealand and the countries of South West Pacific as well as the nearby ocean areas were considered to be within Australia's sphere of influence, presently countries of north-east Asia, Indo china and South Asia are also regarded to be areas of strategic interests.⁷ Australia's current foreign policy is based on multidimensional security arrangement in which it would like to employ all the components of Australia's network of relations in the region - military and political capability, diplomacy, economic links, assistance with development and so-called non-military threats, and the exchange of people and ideas.⁸ Thus, it holds a broader understanding of security, one that encompasses not only politics and military but also economics, socio-culture, environment, human rights etc.

7. Gareth Evans and Bruce Grant, *Australia's Foreign Relations in the World of the 1990s*, Melbourne University Press, 1991, p. 33.

8. *Ibid.*, p. 38.

Second, as with any progressive country, it is in Australia's national interest to promote trade and economic interests abroad. As a major commodity producer in the world with growing exports, its prime objective is to secure free access of its primary products to world market which at times becomes difficult to penetrate due to trade restrictions, non-tariff protective measures, competition from subsidized exports etc.⁹ With this objective in mind, the Department of Foreign Affairs and the Department of Trade were amalgamated into a single entity, a move that was a clear indication of its foreign relations priority. It was also apparent that Canberra wanted to mobilize international political influence in support of its international economic objectives, namely to safeguard its exports and expand economic opportunities for its industry, to create a perception of Australia as an attractive place to invest, and of the Australian government as a partner with which to cooperate at governmental level.¹⁰

Third, Australia wants to be seen as a good international citizen. It would like to be active in tackling such 'non-military' threats to security as global environmental problems like the ozone layer, international health problems such as AIDS, international narcotic trade, unregulated population flow, human rights, education, development schemes, etc.

Based on these national interests, Australia's foreign policy objectives have been set as: (i) maintaining physical integrity and sovereignty; (ii) contributing to the fullest capacity for global security; (iii) pursuing trade, investment and economic cooperation; and (iv) making a realistic contribution to good international citizenship.¹¹

9. *Ibid.*, p. 34.

10. *Ibid.*, p. 38.

11. *Evans, op. cit.*, p. 34.

Australia's Current Policy in Asia

Australian leaders on several occasions have made it clear that they would like to see a future closely linked with its neighbouring region. They believe that the security perspective in Asia is generally favourable specially due to the move towards democracy and the fusion of some of the region's points of tensions. In the light of these changes, Australia wishes to see the region develop itself economically rather than dissipate its energy and resources in the military field.

Thus, from the security perspective, the Australian defense policy is said to be aimed towards finding increasingly deeper defense relationship and strategic partnership with regional countries. Positive steps have already been initiated. The ASEAN (Association of Southeast Asian Nations) countries joined Australia's major military exercise, Kangaroo '95 while Singapore has based its air force flying centre at RAAF Base, Pearce. Canberra is also trying to strengthen regional security through the ASEAN Regional Forum (ARF) which held its first ministerial meeting in 1994. In fact, it appears that almost all the 'old ASEAN six' have more significant defense ties in terms of training and exercise with Australia than with any other country, including among themselves.¹²

Australia's economic links with the region define another foreign policy objective that demands special attention specially at a time of global economic interdependence. Share of export to Asia has increased by around one-third since the early 1980s. Japan and Korea are its largest export markets and ASEAN countries rank second if counted together. Presently, Australia supplies almost half of East Asia's coal, iron ore and beef and half of its wool and aluminium ore.¹³ There has also been economic

12. *Far Eastern Economic Review (FEER)*, 17 August 1995, p. 26.

13. Paul Keating, "Australia's Place in Asia", *Asiaweek*, 31 March 1995, p. 26.

reforms within the country: tariffs have been dismantled, foreign exchange control has been deregulated, as well as a widespread programme of industrial and microeconomic reforms have been introduced. The effective rate of industry protection in Australia is now one third of what it was in the early 1980s, and by 2000, the average trade weighed tariff will be just 2.9%.¹⁴

The socio-cultural link with the region is likely to become Canberra's most challenging foreign policy priority. Contemporary Australia appears to thrive on ethnic and cultural diversity. Concepts such as 'enmeshment with Asia', 'Asianization of Australia', and even a common 'Australasian' identity are often heard in the current Australian literature. Australians seem to agree with the line of thinking that cultural relations help attain political and economic objectives and in 1987, the Australian Overseas Information Service was amalgamated with the Department of Foreign Affairs and Trade, signalling the increasing importance of public diplomacy in Australian foreign policy. In recent times, Canberra has been found emphasizing immensely on the implementation of cultural programmes which among others include academic exchanges. Australia's socio-cultural policy is expected to improve the country's image in Asia where it is supposed to have an 'image problem'.¹⁵

Is Australia's Current Policy a Shift from its Post-1945 Policy?

In terms of strategic importance, Asia was and still remains Australia's top concern. A threat from its neighbourhood was always a likelihood, specially since the bombing of Darwin by the Japanese military force in the early 1940s. In fact it was World

14. *Ibid.*

15. See, for details, Rosaleen Smyth, "Managing Australia's Image in Asia", *Australian Journal of International Affairs*, Vol. 49, No. 2, November 1995, pp. 223-236.

War II that shifted the country's defense concern away from Europe towards South East Asia. The fall of Singapore and the bombing of Darwin were events that brought home to Australia the realization that it was in their part of the world that their future had to be secured.¹⁶ It was from such a threat perception that the originates of 'Forward Defense' came about. Regional arrangements such as SEATO, ANZUS etc. became the pillars of Australian security. Hence, from this perspective, Australian threat perception has changed very little over the decades. The end of the cold war did not necessarily mean the disappearance of external threat to its security emanating from its Asian neighbours. But, the obsessive security concern that had originated during Vietnam war appears to have reduced to the extent that it is no longer regarded the key Australian foreign policy concern.

What has changed, however, is the perception of Australians towards the Asians. Asian culture and values are gradually beginning to have a positive impact on mainstream Australian culture just as it did in the aftermath of earlier waves of European migration. In 1980, over 315,000 Australians visited Asian countries. In 1993-1994 the number had grown to 826,000 or 36% of total departures.¹⁷ More and more emphasis on Asia is being put in the education system. Similarly, more Asian students are being encouraged to study in Australia which resulted in an increase of over 30% a year. In the business sector also increasing number of Australian companies are searching for markets in north Asia. Thus, Australia's increased engagement in this region is the active side to the country's post-Cold War foreign policy in Asia which was best summarized by the former Prime Minister, Paul Keating:

16. Gareth Evans, *op. cit.*, p. 22.

17. Keating, *op. cit.*, p. 27.

Australia's economic, strategic and political interest now coalesce in the region around us... and finding a place for ourselves in Asia is also finding our identity. Asia is no longer the 'far east'. It is the 'near north.' The White Australian policy and the barrier of protection is all behind us...our respect and enthusiasm for cultural diversity has become a defying element of Australian national sentiment. Today the Australians want to see their exposure to the world as an opportunity rather than a threat.¹⁸

The "White Australian Policy" mentioned by Keating was first introduced in 1901. It was not only the cornerstone of Australia's relation with the non-European part of the world but also of Australia's national identity. In those years as well as the years well after the Second World War, Australians perceived the Asians as inferior to their own culture, one that they took pride in because of its European heritage. Due to poverty, illiteracy and high population of most Asian countries, Australians also feared that they may be overwhelmed by immigrants of an 'inferior race' into their comparatively less inhabited country that also had one of the highest standard of living in those years. It is perhaps from such prejudices and fears that the 'White Australian Policy' came into being. According to this policy, Australia should be homogeneous white British nation and the strictest measures were to be taken to protect their society against the inter-mixture of coloured people.¹⁹ However, in doing so, relationship between the two continents never developed. The Asians viewed Canberra's 'White' policy as nothing but a racial insult. The Australian Prime Minister, J.B. Chifley in 1949 tried to justify the country's immigration policy by saying that,

18. *Ibid.*, p. 26.

19. See, for details, Neville Meaney, "The End of 'White Australia' and Australia's Changing Perception of Asia 1945-1990", *Australian Journal of International Affairs*, Vol. 49, No. 2, November 1995.

This country was and is aware that, sooner or later, trouble and misery result when people of different races, living standards, cultures and historical backgrounds live side by side in the same community.²⁰

The above comment sharply differs from the publicly stated views of the former Keating administration. The question is when and why has there been an attitudinal shift in government policy? History shows that one explanation for relaxing the 'White Australian policy' was the rising international pressure and criticism of racism in the 1950s and 1960s by the newly independent Afro-Asian countries. By participating in the Vietnam war, the then Labour government of Gough Whitlam had taken a major step changing the fundamental orientation of its foreign policy. The next conservative Liberal Prime Minister Malcolm Fraser continued Australia's pursuit of a positive policy towards Asia by allowing Vietnamese boat people and other Asian migrants into the country. Subsequent Labour Prime Minister Bob Hawke emphasized ties with Asian countries as a complement to the country's western links, but it was the former leader, Paul Keating who is regarded as the architect of the reorientation school. In 1991, while taking over the new administration, Mr. Keating asserted bluntly: "We have to turn to Asia. Full Stop".²¹

II. IMPERATIVES FOR REORIENTATION

Australia's ambition to be integrated with Asia was more than a search for identity or a political gimmick. Economic, political and strategic compulsions were so overwhelming that Australia felt bound to look towards its Asia-Pacific neighbours. Following are some explanations as to why Canberra so desperately desired a linkage with the Asian continent.

20. Cited in Gordon Greenwood, *Approaches to Asia: Australian Post-War Policies and Attitudes*, McGraw-Hill Book Company Australia Pty Limited, 1974, p. 161.

21. Cited in Cameron W. Barr, op., cit., p. 10.

Economic Compulsions

In a post-Cold War world, trade and economic growth are the determinants of national success. Australians felt left out, specially when it came to trade and investment with the Asia-Pacific region. Compared to American and European business in the region, Australia's trade and investment were still very low inspite of its geographical proximity. Furthermore, the emergence of regional trade groups such as NAFTA, AFTA, SAPTA etc. was yet another concern for Australia. In a world of growing economic interdependence, trade barriers are definitely a threat to its economic well-being.

The other economic compulsion may be Australia's volatile economic state although according to the statistics of the Australian government, Australia's economy is recovering. The country's inflation has risen five times over the last three years. Its current account deficit is 6 per cent of GDP and its net foreign debt stands at 40 per cent of the GDP. The picture is so dismal that economists are apprehensive of a repetition of the Mexican type of economic debacle.²² Australia realized that unless it made a concerted effort to increase its trade and investment, it may not be able to overcome the situation.

Thus, it was in the backdrop of the hard economic realities that compelled Canberra to take initiatives to "Market Australia", a campaign that was intended to increase Australia's trade and investment with its Asian neighbours. In the late 1980s, the country 'down under' began to lay the foundations of Asia-Pacific Economic Cooperation (APEC) which will promote trade liberalization regionally and globally. While it will certainly help boost Australia's trade with the Asia-Pacific countries, the benefits of such a trade bloc lied even deeper. APEC is to supposedly

22. *The Economist*, 4 November 1995, p. 18.

stand as a symbol of those goals that its "middle power, bridge building diplomacy" seeks to accomplish, i.e., involve Asians and non-Asian, make Asians see Australia as a contributing partner in the region, and focus on closer economic ties.²³ However, it will take a long time, as long as the year 2020, before APEC takes a final shape as a trading bloc even though the Americans who have taken a lead would like to move rapidly towards free trade. The ASEAN states, on the other hand, are cautious and would like to move slowly. Australia was also the initiator of an Indian Ocean Rim (IOR) trade bloc whose members are the countries bordering the Indian Ocean.²⁴

Security Compulsions

Australia's security concern for Australia is more reason for thrusting itself into Asia-Pacific region. Up until the end of World War II, the country's place in the British empire had provided it with the required security. In the post-WWII period, following the decline of British power in the world scene, Australia took shelter under the US security umbrella. However, with the demise of the Soviet Union, Canberra apprehended that the US-Australia Strategic alliance, though theoretically still there, may have very little practical value. According to one expert of the Defense and International Relations Department at the Australian National University, "The military balance is going to shift inexorably against us."²⁵ He argues that during the cold war Australia had the privileged access to western defense technology. But presently many Asian countries can obtain the same systems without hindrance. Moreover, it is believed that the economically thriving

23. Cameron W. Barr, *op. cit.*, p. 11.

24. See, for details, Mohammad Humayun Kabir, "The Indian Ocean RIM Initiative : Bangladesh's Interests and Role", *BIISS Journal*, Vol. 16, No. 4, 199 pp. 451-467.

25. Cameron, *op. cit.*, p. 10.

nations of the Asia-Pacific region can supplant Europe and the Middle East as the world's predominant arms market. According to a study by the International Institute for Strategic Studies, the defense budgets in both India and Pakistan increased in 1995 by 6-7 per cent in real terms, while that of East Asia showed a 9 per cent increase between 1992 and 1994. In fact, The countries of Asia-Pacific region with the most dynamic economies (China, South Korea, Malaysia, Singapore, Taiwan and Thailand) have shown upward trend in defense spending.²⁶ Thus, according to the Australian Foreign Minister, Alexander Downer, Australia's security interests are best served by developing a web of bilateral and multilateral security ties through the region. He also believes that "the Asean Regional Forum is an embryonic regional-security institution"²⁷.

Financial Compulsions

Encouraging Asian students to pursue higher education in Australia has proved to be an investment in both financial and strategic terms. Foreign students were expected to contribute US\$400 million in 1995 to the exchequer of the country's educational institutions.²⁸ Asian students are said to represent big business for tertiary institutions with almost all major universities relying on their fees to balance budgets. The Employment, Education and Training Minister while pointing out the long term gain, stated that, "When they return home they take with them not only an international quality education, but also an understanding of, and an appreciation for, Australia. The value of this relationship will be realized as they move into positions of influence within government or industry."²⁹

26. *The Military Balance 1995/96*, The International Institute for Strategic Studies, Oxford University Press, London, 1995, p. 153 and p. 172.

27. Cited in an interview with *FEER*, 11 April 1996, p. 67.

28. *The Morning Sun*, [Dhaka], 1 September 1995.

29. *Ibid.*

Political Compulsions

Diplomatic isolation is another major concern for the policy-makers in Canberra. Australia is the largest island-nation. But unlike most island-states who fear invasion, Australia to the contrary worries about isolation. Canberra's fear that it may be cut off politically, culturally, and economically from the rest of the world seems to act as another major imperative to pursue its reorientation programme.

III. ASIAN AND AUSTRALIAN PERSPECTIVES OF THE REORIENTATION

The Asian Perspective

There seems to be two strands of thoughts prevailing among the Asia-Pacific countries regarding Australia's emerging role in Asia. One group is not much disturbed by it. Countries like Vietnam, Cambodia, Laos etc. fall into this category. The second school, on the other hand, comprises of those who are wary about growing Australian involvement or 'interference' as they would like to call it. Malaysia and China are the proponents of this school. China sees Australia as its rival in its ascendancy to the status of a regional power. Malaysia is also disturbed by growing Australian influence in the region. On several occasions, it has without any hesitation expressed its reservations at Australia's attempts towards enmeshment. For instance, when Foreign Minister Gareth Evans tried to get an invitation for Australia to the first Asia-Europe Economic Meeting planned for 1996 by showing a new map where his country was in the heart of the East Asian Hemisphere, Malaysian Foreign Minister Datuk Abdullah Ahmad Badawi vehemently opposed it when he said, "If I look at a map, I will immediately say that Australia is not part of Asia...you don't know your geography."³⁰

30. *FEER*, 17 August 1995, p. 26.

According to observers, Kuala Lumpur is retaliating for Canberra's lack of enthusiasm for one of Malaysia's President Mahathir's 'pet project', the East Asia Economic Caucus, a regional grouping that excludes Australia and United States. Others think President Mahathir is still upset over the then Australian Prime Minister for calling him "recalcitrant" for boycotting the APEC summit in Seattle two years ago.

In another event where the Australian overtures were looked upon suspiciously was when the second IOR meeting took place in Perth in June 1995. Although IOR is purely a trade bloc with the objective to promote economic cooperation, Australia unabashedly raised the sensitive issue of regional security. Asian members were quick to express their annoyance. According to the Indian representative, such matters can "lead to a lot of contentious issues."³¹

The Australian Perspective

While Canberra faces problems in enmeshing with its neighbours, its domestic front is another impediment for further strengthening ties with Asia-Pacific. Sensitive issues that strain the Australian government's relation with not only its neighbours but also the public sentiments within the country include human rights violation. Australia has always been known for its strong stance on human rights. On many occasions it has condemned countries, persons, and parties for human right abuses. The East Timor case is a classic example of the tug of war between the Australian Government and its citizens over the former Portuguese colony which is nearer to Australia than Indonesia's capital Jakarta. Australia was the only Western country that recognized Indonesia's sovereignty over East Timor although Australians were incensed when Indonesia sent its regular army to annex East

31. *The Daily Star*, [Dhaka], 18 June 1995.

Timor at the doorsteps of its northern territory. They also gave succour to the refugees fleeing from the advancing Indonesian army. Although Canberra is often outspoken about human rights in far away places, it was almost silent on East Timor. It appears that there is a tacit understanding in the Government that if Australia wants to be regarded as a part of Asia than it must get along with Indonesia. According to Indonesia's Ambassador to Australia, "they can only be successful if there is cooperation from the biggest country in Southeast Asia - and that's Indonesia."³²

The Australian public does not seem to share the same view as their government. As a result, Australian diplomacy tends to overlap with domestic opinion. One incidence where this was evident was at the time when Indonesia appointed as Ambassador to Australia General Herman Mantri, a controversial figure who publicly justified the 1991 massacre of the dissidents by the Indonesian troops in the East Timorese capital, Dili. The appointment was later withdrawn in the face of strong protest from Australian citizens.³³

IV. PROSPECTS OF ENMESHMENT

With not so encouraging responses from its Asian counterparts, Canberra is finding it difficult to make progress in its 'enmeshment' policy. Australian businessmen are often not taken seriously and those who are, are usually regarded with suspicion. In spite of seminars and advises from consultants and government officials, the impression of Australia has not improved. One of the reasons may be that Australia is still not seen as a country with economic dynamism, intellectual or cultural achievements.

The problem being faced by Australians doing business in Asia may have to do with 'clash of cultures' and mutual inability

32. Cameron W. Barr.*op. cit.*, p. 11.

33. *The Economist*, 4 November 1995, p. 32.

and unwillingness to reconcile differences. Former Chief Justice Sir Anthony Mason of Australian High Court observed that Australians were assertive, confrontational and adversarial in comparison with the 'courteous and consensual approach to decision-making characteristic of people in some parts of Asia.'³⁴ He also held the view that,

The dogmatic assertion of the superiority of our own values and a belief that they should be adopted by civilizations much older than our own is a form of cultural nationalism least likely to promote our goals in Asia and the Pacific region.³⁵

The Australians, on the other hand, feel that trade between the two regions could increase further if ASEAN countries lowered their trade barriers. They argue that the expansion of Australian trade is impeded by market-access barriers, principally on the ASEAN side. Australian firms face high tariff barriers in a number of potentially lucrative sectors inspite of the fact that trade between ASEAN and Australia totalled A\$15 billion in 1994 and is continuing to grow at a phenomenal growth of 20 per cent.³⁶ In light of the sceptical responses from the Asian neighbours and to some extent domestic criticism, the question is how far can Australia be successful in integrating with Asia? Will it be able to leave behind its European heritage? According to their former Australian Foreign Minister, "The old perceptions or paradigms based on 'Asian' and 'European' identities are losing their utility. Australia may not be an Asian country any more than it is European or North American, but it is definitely part of the East Asian hemisphere. Our culture and society are uniquely Australian, but they encompass qualities which are increasingly influenced by the cultures of our neighbours".³⁷

34. *The Morning Sun*, 8 September 1995.

35. *Ibid.*

36. *FEER*, 17 August 1995, p. 26.

37. *FEER*, 17 August 1995, p. 26.

This so-called cultural influence in Australian society is increasing day by day as a result of the Government's relaxed immigration policy. But whether this 'influence' would find broader acceptance among the majority white Australians remains to be seen. Many Australian citizens are feeling uncomfortable with growing Asian migrants. There are some Australian intellectuals who believe that Australia does not need to look for a new identity, not even for the sake of economics. Instead Australia should concentrate in creating a prosperous country - a Switzerland of the South Pacific. According to a former World Bank economist, "We have no role in Asia. We are not an Asian country."³⁸

This is, however, a minority voice in terms of foreign policy decision making. APEC has cemented Australia's place as a full and accepted member of the Asia Pacific community. Other possible linkages with the region are also under active consideration. For example, in Southeast Asia it is putting additional emphasis in its relation with the ASEAN countries. There is a possibility of a linkage with the ASEAN Free Trade Agreement (AFTA) and the Australia-New Zealand Closer Economic Relations Arrangement - a proposal that came from Thailand and is receiving close attention. The former Prime Minister, Paul Keating's trip to Malaysia was the first prime ministerial visit since 1984. During his visit to Singapore, Prime Minister Goh Chok Tong even gave some ray of hope when he said that it may be possible for Australia to eventually join ASEAN, "but since this is an over-the-horizon idea, there is no time frame in my mind."³⁹ However, others have suggested that the observer status is achievable within the span of five years.

Among the Indochinese countries, Australia has been quite successful in pursuing its 'middle-power bridge building diplo-

38. Cameron, *op. cit.*, p. 10.

39. Cited in *Asiaweek*, 1996

macy'. It has helped Vietnam normalize relations with the rest of the world and the multilateral institutions. Canberra has pursued its bridge building diplomacy literally when it completed and funded a \$30 million bridge over the Mekong river which divides Thailand and Laos. The purpose of this project was to boost regional commerce and help the struggling Laotian economy. At the same time it was also intended to bring some goodwill for Australia in the region.⁴⁰

Although Australia's relation with its East Asian neighbours, specially with Japan and China, is quite sensitive, from economic point of view, Japan is Australia's major trading partner and China is considered a large market that cannot be ignored. Since the mid-1980s, one of the main objectives of Australian foreign policy towards China was to shift from an approach based on fear to one based on friendship. And it has been quite successful in doing so. Apart from the temporary setback following the Tiananmen Square incident of 3-4 June 1989, Australia-China relationship has continued to grow in the political, economic, scientific, educational, cultural and other fields.⁴¹

The South Asian region is increasingly receiving Canberra's attention. In the past, India often complained of being Australia's neglected neighbour. Even in 1992, Canberra had an image of India as 'betwixt and between' referring to the latter's non-aligned status.⁴² However, since the 'look West' strategy of Australia was announced, there is now willingness on both sides to establish closer ties, specially since opportunities for investment and trade

40. *FEER*, 9 March 1995, p. 28.

41. See, for details, Stuart Harris, "Australia-China Political Relations: From Fear to Friendly Relations?", *Australian Journal of International Affairs*, Vol. 49, No. 2, November 1995, pp. 237-248.

42. Meg Gurry, "India: Australia's Neglected Neighbour?", in Sandy Gordon and Stephen Henningham (eds), *India Looks East: An Emerging Power and its Asia-Pacific Neighbours*, Canberra Papers on Strategy and Defence, No. 111.

are opening up in the Indian Ocean area. There has been considerable rise in Australian investment in India where the number of joint ventures jumped from six in the period between 1981 to 1991, to more than 30 in the past two years; trade has increased in 1995 by 14.6 per cent over the same period.⁴³

Commercial and trade relations between Australia and Bangladesh are growing although slowly. Canberra relationship is centred on development assistance while Bangladesh's aid programme is Australia's second largest development cooperation programme in South Asia. In 1994/95, Canberra's assistance totalled \$24.2 million and is expected to reach \$40 million in 1995/96.⁴⁴

When the current Conservative Government came to power early this year, there was an apprehension that the enmeshment programme of the former Labour administration would be abandoned. Yet, to the contrary, the present government has already announced its decision to continue working towards closer ties with its Asian neighbours. The reception that Malaysian President Mahathir received *en route* to New Zealand in April 1996 during his few hours transit in Australia (during which the Prime Minister of Australia, John Howard himself went to receive Mahathir) reveals the level of significance that the current government attaches to its relation with Asia.

CONCLUSION

At the end of the analysis of Australia's emerging role in Asia, one comes to the following conclusion, that in the post cold war era,

- a. Asia is far too important for Australia to have been neglected for so long;

43. *Ibid.*, pp. 239-251.

44. Address by H.E. Kenneth W. Aspinall, Australian High Commissioner to Bangladesh, *The Daily Star*, 26 January 1996.

- b. Australia's geographical proximity with Asia is an advantage rather than a handicap;
- c. Partnership with Asia is a necessity, not an option.

In the last observation, the term "partnership" is purposely used in place of the oft-repeated option of the Keating Administration: "integration". There is too much apprehension and suspicion in spite of Canberra's recent efforts to be enmeshed Asia, economically, politically, and culturally. Its integration efforts would pay dividend only if the Asians can come to understand and appreciate Australia's importance and necessity to them - thus establishing a two-way street in their relationship with each other. The concept of a viable integration should appeal to the Asians as much as it does to the Australians and at the same time the fear of being invaded by the other needs to be rooted out completely.

It appears, therefore, that Australia should opt for partnership with its Asian neighbours. It has to take immediate and sustained confidence-building measures to bridge the gulf that has separated them for so long for a variety of reasons including racial composition and different way of life. Amidst growing economic enticement offered by Asia's other two important affluent partners - America and Europe - implementation of the proposed measure within a short period of time will undoubtedly be a challenging task for Canberra. Yet, since engagement with Asia is imperative and not an option, such a challenge will have to be met with all the seriousness it deserves.