



AAH Policy

DEPARTMENT OF FOREIGN AFFAIRS AND TRADE FOREIGN POLICY WHITE PAPER

1 Introduction

The Australian Academy of the Humanities (AAH) welcomes the opportunity to participate in long-term planning for Australia's international engagement.

The AAH is the peak national body for the humanities in Australia and one of the nation's four Learned Academies. Established by Royal Charter in 1969, the Academy has over 600 elected Fellows who are leaders and experts in the fields of education and research that investigate human cultures, values and beliefs.

A strategic approach to foreign affairs, trade and investment begins with a clear-sighted assessment of our national interests and of the values and institutions that underpin Australia's economic, social, cultural, research and security engagements. Our response elaborates on the need for a strategy that:

1. Positions Australia's **values at the heart of the agenda** to shape direction and priorities.
2. Ensures **Australian institutions are well placed** to uphold Australia's values in rapidly changing regional and global environments.
3. Recognises the **broad range of skills and capabilities needed to address national and regional security challenges**, both human and technical.
4. Focuses on **strengthening international cultural relations** with countries in the region.
5. Develops a **diaspora diplomacy framework** in order to realise the cultural, social, economic, trade and diplomatic potential of Australia's significant multicultural population.
6. Strengthens **research diplomacy** efforts to contribute to regional prosperity and secure the reputation and long-term sustainability of our education, research and innovation systems.
7. Develops a specific **Asia and Indo-Pacific region** strategy that makes provision for vigorous public diplomacy programs.

Our submission offers responses to several questions posed in the consultation, drawing on a number of research projects (commended to the Department and outlined in the attachment to this submission) and consultation with AAH's Fellows and the broader Australian humanities community. While much of our recent work has focused on the Asia and Indo-Pacific region, many of the principles outlined below apply across Australia's international engagement efforts.

2 Values at the heart of the agenda

Australia's national interests, broadly speaking, are the same as those of other nations – to be secure, prosperous and strong. What is distinctively Australian about our national interests are the meaning and values we attach to security, prosperity and strength, the goals we set for achieving them, and the ways we pursue these goals. Australia's foreign policy and international relations agenda needs to foreground the values and democratic processes that we attest to as a nation.

A commitment to a core set of values should be central to our foreign policy agenda, including:

1. **Intellectual and political freedom** – a commitment to political, religious and intellectual freedom underpinning the pursuit of Australia's national interests abroad.
2. Building international relationships based on principles of **reciprocity and mutual benefit** – longer term, robust and deep relationships demand a level of trust, understanding and exchange grounded in cultural knowledge.
3. **Respect for and recognition of cultural diversity** – internationally and in Australia itself. Australia's cultural diversity is a major comparative advantage across trade, diplomacy, research, innovation and education.
4. Contribute to **public good objectives and outcomes** – building goodwill in the region requires a commitment to the common good in the national interest.

Being clear about our values and principles requires us to communicate these to our international partners, both current and prospective. This is where Australia's soft power capabilities are critical. Former DFAT Secretary, Peter Varghese AO, has long argued the unique role of soft power: 'In the end, so much of what nations achieve in foreign affairs comes down to our ability to be persuasive. And that in turn depends on how we are perceived and crucially on our credibility.'¹

In the Asia and Indo-Pacific region, Australia operates from a position of 'soft power deficit', a deficit Varghese says 'we must overcome if we are to fully advance our national interests'.² Other nations such as Britain and China have recognised this – Australia must catch up if it is to prosper in the region and beyond.

AAH recommends: A comprehensive and cohesive foreign affairs strategy that clearly outlines Australia's values and national aspirations, and includes an agenda for building Australia's soft power capabilities in the region.

¹ Varghese, P. (2013), 'Bruce Allen Memorial Lecture – Building Australia's Soft Power', <http://dfat.gov.au/news/speeches/Pages/bruce-allen-memorial-lecture-building-australia-s-soft-power.aspx>

² *ibid.*

3 Engaging the cultural sector for a regional future

At this point in time, and in this geo-political context, strengthening international cultural relations is more important than ever. We are in a region with countries with very different historical and cultural backgrounds and different core values. At the same time globalisation has made transnational connections much more central.

Recent work undertaken by the Australia Council of Learned Academies (ACOLA) has found that the ‘depth of Australia’s linguistic and inter-cultural competence will be a determining factor in the future success of developments in innovation, science and technology, research capacity, international mobility, trade relations and economic competitiveness’.³ Australia’s relation with Asia, however, is overwhelmingly characterised by cultural distance. This has resulted in a soft power deficit in Asia, with cultural relations operating at a comparatively thin and transactional level.⁴

The AAH hosted a cultural sector briefing in Canberra in November 2016 which focused on concrete ways in which our cultural institutions can contribute to building effective cultural engagement to underwrite the quality of our relationships with our partners around the world. The meeting discussed key steps for improving our understanding of cultural engagement with Asia and other regions: assess the level of international engagement activity currently taking place within institutions; consider what kinds of activity can be done within existing budgets; and map the ‘gaps’, priorities and commercial opportunities.

Cultural investment is allied, and not at odds, with economic and political investment in the region. There is an opportunity to build more strategic effort and leverage existing activities across the cultural sector and to ‘close the distance’ between Australia and the region through long-term and mutually beneficial collaborations and partnerships. There is a significant opportunity to build on the innovative regional cultural networks and infrastructures, which have been established by independent cultural sector and civil society players, including Asian and Pacific diasporas.⁵

AAH recommends: Developing an engagement strategy for Asia and the Indo-Pacific region with a defined role for Australia’s cultural sector and diaspora communities.

³ Ang, I, Tambiah, Y, and Mar, P (2015), *Smart Engagement with Asia: Leveraging Language, Research and Culture*, Australian Council of Learned Academies, p. 12, <http://acola.org.au/wp/PDF/SAF03/SAF03%20SMART%20ENGAGEMENT%20WITH%20ASIA%20-%20FINAL%20lo%20res.pdf>

⁴ *ibid.*, p. 138.

⁵ Fitzgerald, J. and Chau, W. (2014), *International Cultural Engagements Among Australians of Pacific Island and Asian Descent: A Preliminary Report*, Report for the Australian Council of Learned Academies, <http://acola.org.au/wp/PDF/SAF03/7%20cultural%20engagements.pdf>

4 Australia's advantage in the global economy

To help advance our foreign policy interests Australia could establish a world-first, nationally coordinated diaspora diplomacy framework.

Over the past four decades, Australians have increasingly recognised that the nation's economic future lies within the Asian region. China is set to eclipse the United States as the world's largest economy and India is estimated to reach third behind China and the United States in less than 15 years.⁶

Coinciding with the trade potential within the region is the growth of Australia's Asian population. Around 17% of people living and working in Australia identify as being of Asian origin.⁷ By the year 2031 Australia's China-born population is projected to increase to 1.3 million, and Australia's India-born population set to increase nearly four-fold to 1.4 million.⁸

A recent report from ACOLA has found that Australia's Asian business diaspora have significant potential to further Australia's economic links with Asia.⁹ The term diaspora captures a significant and growing population of migrants, Australian-born descendants, those of mixed-parentage, and temporary residents in Australia for work or study – business diaspora are those involved in transnational business, trade and investment and include a greater proportion of educated and highly skilled individuals engaged in the new economy.

These Australians are uniquely placed to use language skills, cultural understanding and global networks to accelerate the global circulation of ideas, opportunities, people and capital for business purposes, the diaspora advantage is currently under-recognised, and under-utilised.¹⁰

A diaspora diplomacy framework would greatly engage Australia's business diasporas in building economic links with not just Asia but with other nations and regions. New and responsive pathways for greater engagement of Australia's business diasporas could include increasing representation and mobilisation in trade policy formation and missions; improving mechanisms for greater engagement in business and investment programs; and connecting business diasporas with research collaborations.

AAH recommends: Establishing a diaspora diplomacy framework across relevant portfolios and agencies, to facilitate transnational economic engagement and better position Australia to anticipate, and swiftly respond to, global opportunities in a highly nuanced way.

⁶ Pandey, V. (7 October 2015), 'IMF expects India to retain world's fastest growing economy tag', *The Economic Times*, <http://economictimes.indiatimes.com/news/economy/indicators/imf-expects-india-to-retain-worlds-fastest-growing-economy-tag/articleshow/49245651.cms>

⁷ O'Leary, J. (2015), *Leading in the Asian Century: A National Scorecard of Australia's Workforce Asia Capability*. Diversity Council Australia, Sydney, p. 9.

⁸ Liu, X. (2016), *Australia's Chinese and Indian Business Diasporas: Demographic Characteristics and Engagement in Business, Trade and Investment*. Report for the Australian Council of Learned Academies, <http://acola.org.au/wp/PDF/SAF11/Liu%20Xuchun.pdf>

⁹ Rizvi, F, Louie, K, and Evans, J (2016), *Australia's Diaspora Advantage: Realising the Potential for Building Transnational Business Networks with Asia*, Australian Council of Learned Academies, p.3, <https://www.acola.org.au/pdf/saf11/SAF11%20extract.pdf>

¹⁰ *ibid.*, p. 23.

5 Skills and capabilities to support a more prosperous, peaceful and stable region

Our future depends on building strategic knowledge of the societies and cultures of key interest to Australia such as our geographical neighbours and trading partners to enable us to respond usefully and appropriately to emergent interests across the full range of interests, including security. The humanities – together with the arts and social sciences (HASS) – contribute this vital knowledge. For example, 67% of research outputs in Excellence in Research for Australia (ERA) 2012 that had an Asia focus were from HASS fields.¹¹

Dealing with instability and geo-political change requires a skills, workforce and R&D agenda for international engagement that draws on a mix of skills and capabilities – both human and technical. The decline in languages offerings in our universities and access to relevant fields in the HASS disciplines across the research sector should be of real concern to a nation that aspires to a strong and prosperous future in the region. The market driven higher education system does not necessarily deliver in our national interests in these areas and a significant policy initiative is needed which makes provision for capacity building in areas of strategic advantage – knowledge of the languages, cultures and histories of the Asia region.

The recent whole of government attention to the area of cybersecurity is a case in point. Ensuring that we have the technical expertise is critical, but effectively addressing Australia's cybersecurity challenges will require the full breadth of expertise:

computer scientists to design the software and networks; cryptographers to protect confidentiality of communications; economists to explain how the competing incentives of stakeholders might play out; anthropologists to explain cultural contexts and how they impact solutions; psychologists to explain how decisions are made and the impact on system design; the legal and policy scholars to set out regulatory constraints; criminologists and crime scientists to explain the motivations of perpetrators; and experts in strategy to frame the international context.¹²

The UK Government's five-year Cybersecurity Strategy recognises that 'cyber security is not just about technology' and that 'almost all successful cyber attacks have a contributing human factor'.¹³ Their strategy calls for investment in skills and capabilities to 'ensure that the human and behavioural aspects of cyber are given sufficient attention'. This extends to encouraging research collaboration across the disciplines and 'innovative and flexible funding models for research, and the commercialisation of research'.¹⁴

AAH recommends: Developing skills, workforce and R&D agenda for international engagement that draws on a mix of skills and capabilities – both human and technical.

¹¹ Turner, G. and Brass, K. (2014) *Mapping the Humanities, Arts and Social Sciences in Australia*, Australian Academy of the Humanities, Canberra, p. 66, http://www.humanities.org.au/Portals/0/documents/Policy/Research/MappingProject/txt/Mapping_HASS_Aust_FinalReport_All_Oct2014.pdf.

¹² Moore, T. and Pym. D. (2016) 'Editorial', *Journal of Cybersecurity*, 2(2): 119-20, p. 119, <https://academic.oup.com/cybersecurity/article/2/2/119/2909320/Editorial>

¹³ UK Government (2016), *National Cybersecurity Strategy 2016-2021*, p. 38, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/567242/national_cyber_security_strategy_2016.pdf

¹⁴ *ibid.*, 59.

6 Activating Australia's institutions to pursue our international interests

Australia's higher education and research sector should be recognised as one of the pillars of Australia's foreign policy agenda.

Australia's international exchange in research and science has historically been premised on the understanding that 'good science' makes for good strategy. Other countries have clearer strategic objectives which they advance with the aid of Australian 'good science'. Australia needs to identify strategic objectives of its own and to guide its international engagements.

In developing a research diplomacy agenda we need to build on partnerships that have a strong research base from which we can build sustained and mutually beneficial relationships. To be truly effective, the full spectrum of disciplines – HASS and STEM – needs to be involved. As the work of the ACOLA projects, and subsequent research, has also demonstrated the international strategies of our universities could be substantially strengthened by learning from the 'grassroots'. Australian research collaboration with China, for example, 'is driven more by Chinese diasporic researchers than in other countries'.¹⁵

Free and open critical enquiry, a hallmark of Australian research and scholarship, should be promoted through Australia's international engagement strategies. Intellectual integrity and innovation depend on the ability of scholars in every field to engage in debate without fear of censorship or retaliation, and without undue intervention from governments or interest groups.

Working on shared challenges – the cultural and social sustainability of urbanisation, health services provision, developing green technology and providing access to the digital economy – will provide a strong basis for contributing to, and building up, regional relations. These are challenges Australia shares with its regional neighbours. The rationale for the New Colombo is an example of farsighted initiatives aimed at the public good rather than commercial traction. These are going to deliver over the long term, with flow-on effect to international education.

Building people-to-people links via our international research is not a 'soft' or 'supplementary' add-on to an international engagement strategy; at its core, building people-to-people links creates more durable bridges in the long term. Connecting younger Australian researchers with international knowledge networks is crucial for developing Australia's future research capacity.

AAH recommends: Activate research and education diplomacy efforts across HASS and to contribute to regional prosperity and secure the reputation and long-term sustainability of our education, research and innovation systems.

We thank the Department for the opportunity to participate in the White Paper consultation process, and would be pleased to elaborate further on our position outlined in this submission.

¹⁵ Ang et al, (2014) *Smart Engagement with Asia*, p. 98. See also Anderson, K (2016) 'International Collaboration with Asia: Challenging Assumptions about Fostering Joint Collaborations with China', Presentation to Universities Australia 2016 Conference, Canberra, https://www.universitiesaustralia.edu.au/ArticleDocuments/816/Kent_Anderson.pdf.aspx

ATTACHMENT

The Australian Academy of the Humanities (AAH) has initiated a number of research projects in recent years specifically directed at promoting excellence and better understanding the quality and depth of international collaboration in the humanities.

1. *The Power of the Humanities (Australian Academy of the Humanities)*

Launched at Parliament House 17 September 2015, this [publication](#) profiles humanities research which is focused on health, social cohesion, the environment and food security, Australia's place in the Asia-Pacific region and on the benefits of a historical perspective in a rapidly changing world.

Two case studies in particular exemplify the importance of strategic dialogue and long-term relationship building in international relations: [Using Language to Build Peace in Australia's Region](#), which profiles the work of Professor Joseph Lo Bianco AM FAHA; and [A Lifetime of Cultural Diplomacy Helps to Bind Australia and China](#), which profiles the work of Emeritus Professor Colin Mackerras FAHA.

2. *Measuring the Value of International Collaboration (Australian Academy of the Humanities)*

This project, funded by the Department of Industry, Innovation and Science, aimed to inform consideration of a more comprehensive approach to valuing international research collaboration across the publicly funded research sector. One key area of focus is what can be learnt from other sectors, especially around ideas of 'social value'. In the social sector, collaborative partnerships are commonplace as a way of harnessing organisations and resources to achieve outcomes that could not be otherwise achieved. The social sector has well developed approaches to measure value utilising quantitative and quantitative methods. The final report available on request from the Australian Academy of the Humanities.

Project Steering Committee: Professor John Fitzgerald FAHA (Chair), Professor Paul Gough, Professor Joy Damousi FAHA FASSA, and Professor Margaret Sheil,

3. *The Humanities in the Asia Region (Australian Academy of the Humanities)*

This Australian Research Council-funded project (expected to report later in 2017) aims to map the humanities in the Asia region and identify opportunities for strengthening collaboration between researchers in Australia and Asia. It will inform us about the range of collaborative work underway in the humanities and how this contributes to wider efforts in research diplomacy and multidisciplinary collaboration, with implications for future policy and program design. Countries/regions profiled include: China, India, Indonesia, Japan, Korea, Singapore and Hong Kong.

Chief Investigators: Professor Antonia Finnane FAHA, Professor Helen Creese FAHA, Emeritus Professor Robin Jeffrey FAHA, Emeritus Professor Lesley Johnson AM FAHA, and Professor Kam Louie FHKAH FAHA.

4. Mapping the Humanities, Arts and Social Sciences in Australia (Australian Academy of the Humanities)

Launched 28 October 2014. This [report](#) charts Australia's current capabilities in the humanities, arts and social sciences (HASS) and identifies gaps and opportunities for the future by developing a comprehensive understanding of student enrolment trends, and teaching and research activity and potential. The report was co-funded by the Australian Academy of the Humanities, the Academy of the Social Sciences in Australia, the Office of the Chief Scientist and the Department of Industry.

Project Steering Committee: Professor Graeme Turner FAHA (Chair), Professor Mark Western FASSA (Deputy Chair), Professor Joy Damousi FAHA FASSA, Professor Stephen Garton FAHA FASSA, and Professor Sue Richardson AM FASSA

The AAH is also closely involved, along with our colleagues in the other three Learned Academies, in the Australian Council of Learned Academies (ACOLA) research program, Securing Australia's Future (SAF). Many of the projects undertaken under the SAF program have an international frame – and seek to understand and maximise Australia's comparative advantages.

5. Smart Engagement with Asia: Leveraging Language, Research and Culture (Australian Council of Learned Academies – ACOLA)

[Securing Australia's Future project 3](#), launched 5 June 2015

The depth of Australia's linguistic and inter-cultural competence will be a determining factor in the future success of developments in innovation, science and technology, research capacity, international mobility, trade relations and economic competitiveness. In the medium to longer term, the Asia Pacific region will be a principal focus, presenting major challenges and opportunities economically, socially and culturally, for our national security interests.

Expert Working Group: Professor Ien Ang FAHA (Chair), Professor Chennupati Jagadish FAA FTSE (Deputy), Professor Kent Anderson, Professor John Fitzgerald FAHA, Professor Fazal Rizvi FASSA, Professor Krishna Sen FAHA, and Professor Mark Wainwright AM FTSE

6. Australia's Diaspora Advantage: Realising the potential for building transnational business networks with Asia (ACOLA)

[Securing Australia's Future project 11](#), launched 26 May 2016

As a dynamic economy in a rapidly developing region, Australia seeks to utilise all available resources to manage regional opportunities and risks for growth and stability. Australia's international business relations are strengthened by the diasporas, of which Asian Australians are an important part. They utilise cultural, linguistic and other skills to build people-people links across diverse areas including science, culture, business and trade. However many of the potential benefits of business diaspora connections are under utilised, under developed or unknown. Focusing on the Chinese and Indian business diasporas in Australia, this project explores the extent, diversity and nature of business diaspora linkages.

Expert Working Group: Professor Kam Louie FHKAH FAHA (Co-Chair), Professor Fazal Rizvi FASSA (Co-Chair), Mr Kevin Hobgood-Brown AM, Dr Marlene Kanga AM FTSE and Professor Aibing Yu FAA FTSE

7. Skills and Capabilities for Australian Enterprise Innovation (ACOLA)

[Securing Australia's Future project 10](#), launched at the State Library Victoria, 5 June 2015

It is widely accepted that Australia needs an innovative, flexible and creative workforce with the capabilities to enable the country to maximise its opportunities. While technical and scientific capabilities are recognised as critical, there is a growing awareness that innovation also requires people who understand business, systems, culture and the way society uses and adopts new ideas. Business innovation and productivity therefore requires the interaction of a broad range of technical and non-technical capabilities. This report examines the way that Australia's high-performing enterprises identify, manage, build and mix the capabilities to succeed.

Expert Working Group: Professor Stuart Cunningham AM FAHA (Chair), Professor Peter Gahan (Deputy Chair), Mr Ken Boal, Professor Victor Callan FASSA, Professor Tam Sridhar AO FAA FTSE, and Ms Christine Zeitz