

Asia Rising - 140916 Abbott – Asia

Professor Nick Bisley, Executive Director - La Trobe Asia

Matt Smith

Hello Podcast Listeners, just a quick note that you're listening to a new podcast series called Asia Rising, you can find it in the podcast store or on Sound Cloud. This podcast of Asia Rising is brought to you by La Trobe Asia, they've got an upcoming public lecture that you can go and see at the State Library of Victoria, it's on Tuesday 14th October, starting at 6 pm. The topic will be the Transformation of Asia and the Return of Great Power Rivalry and the speaker will be my guest today, Professor Nick Bisley. You can find out more information at the La Trobe Asia Website, that's: Latrobe.edu.au/asia hope to see you there.

Matt Smith

Hello and welcome to Asia Rising, a podcast where we look at the news events and general happenings of Asia's states and societies, I'm your host Matt Smith, and today I'm joined by Nick Bisley, Director of La Trobe Asia,

Professor Nick Bisley

Thanks Matt.

Matt Smith

Our topic for discussion today is Prime Minister Tony Abbott, his first year in power and how he's interacted with Asian Countries. Nick we'll start a bit broader and refer to an article that you wrote for the conversation last week, in this article you referred to Abbott's conduct as surprisingly energetic and focused towards foreign policy. Tell me about Abbott's foreign activity and why would you use the term surprisingly energetic?

Professor Nick Bisley

Abbott, since he's been in office has completed as least as many overseas trips as Kevin Rudd did in his first year in office. He's travelled further actually by some people's calculation, looking at the number of miles they go, and when Abbott was in opposition the coalition really went at Rudd for gallivanting around the world stage not focusing on core business. So if you had wound back the clock and said; make a prediction about what Tony Abbott's foreign policy is going to be like? The first thing you would have said "he's not going to be as active or as prominent on the global stage as Kevin Rudd was", because that's a) what he said he would do and b) he just didn't play to his instincts.

I think with Abbott you have a guy who prior to coming to office, had never had any meaningful experience in foreign policy, never a particularly great interest in it, and showed no signs during either, the election campaign or the lead up to it, as being someone for whom foreign policy was going to be a particular priority. As a contrast to Rudd, it's surprising in that sense.

Matt Smith

Good surprise though?

Professor Nick Bisley

Depends on your point of view. Surprising in sense that, the number of trips and the amount of time and energy he's investing into it, I think it's also surprising in that it's been pretty good. They've got a very clear set of priorities that they're pursuing, I think they've been very effective in most cases at prosecuting Australian policy and having Australian interests advanced. I think quite disciplined, very focused, some clear strategic priorities, now you may not agree with them, and

we can get to that later on if you want to talk about the extent to which the judgements that they're making are the right ones, but I think overall, particularly on the region and looking at the effort that's been put into working on the relationships of the big players I think they've been very effective. So, like I said, if you'd wound back the clock and said what's your prediction going to be for the first twelve months, I would have said a fairly low foreign policy, good old fashioned core message of Australian foreign Policy generally, about the alliance, about engagement with Asia and International Rule of Law, and that's about it, and most of it subcontracted to Julie Bishop and David Johnston and other relevant ministers. Where we've seen a highly personalised foreign policy, a lot of investment and energy from the Prime Minister himself and all the signs so far is that this is going to continue right the way through his first term.

Matt Smith

How does his foreign policy and his conduct overseas stack up in relation to Asia when you put it against his interaction with the USA or his interaction with Europe? Is he treating them as different arenas?

Professor Nick Bisley

He is to some degree, particularly the Europe stuff is seen as quite separate and distinct from the Asia policy, whereas I think attitudes to the US are driven by the Alliance and more generally America's role in Asia. So I think that's seen as one story. I think, what we've seen so far has been a very, very close relationship that's been developed between Australia and Japan, and particularly between Prime Minister Abe and Prime Minister Abbott, they clearly get along, they clearly share a world view as it were, about the region, about their respective places in the region and what each can offer the other. They're both kind of conservative nationalists, I think they both probably share stories about being on a tight leash by their handlers, both I think Abe and Abbott are people who know that if they spoke their minds in public freely, it would cause them and their governments considerable damage.

Just as an aside, he had this quite well publicised trip to India recently, and a lot was achieved, I'm not quite sure what the relationship was like that was developed between Modi and Abbott. Modi had immediately prior to Abbott's arrival he'd come back from a trip to Japan, where by all accounts, Prime Minister Abe and Prime Minister Modi engaged in international diplomacy's number one romance, they are each other's number one twitter fans, in fact Abe only follows three people, his wife, someone else in Japan and Modi. So there was this meeting of minds and they did this sort of, trip through Japan together, kept appearing at tourist spots and they clearly had a connection. We didn't seem to get that from Abbott, and I think Abbott by all accounts, was a lot less comfortable in India and sure footed in India than he was in Tokyo or in Beijing or Seoul.

Matt Smith

It's easy to call it a romance, or even playing favourites, but is this kind of relationship strategic, I mean, he labelled the relationship with Japan as being best friends and to bring out the BFF label, that's quite a big statement, but with China they were friends, just good friends, not best friends.

Professor Nick Bisley

The language around best friends, the BFF language was a blunder, I mean that was an error, it was a rooky error, they'd been in government about two weeks when he said it, it caused no end of consternation, not only with China, but with everyone else. Everyone else in the region says "what about us, you came and told us we were your best friends?" That's just diplomatic slip of the tongue. Being a little less flippant, there is a very clear strategic logic at play behind what the Abbott government is doing with Japan, there is a very deliberate effort to build a very close relationship with Japan, one that is strategically much closer than with China. In some respects the language about Japan being our best friend in Asia, is actually what the Abbott government thinks, whether they should have said it or not, they've said it. In a weird way, it's not entirely unhelpful

in the sense that it's now pretty clear what Australia thinks, at the moment at any rate, about its relationships in North East Asia in particular, and it is very clearly developing with a long term view of having a very close economic, military, foreign policy relationship with Japan. Japan and Australia share a whole set of interests, not just trading interests, but the big one is, we both have a big stake in the basic strategic status quo, remaining as it is. If you don't have a Japan that's there, then the idea of the US seeing off China, or being able to incorporate China in the American dominated region is much harder to see. And I think that what Australia is trying to do is essentially develop that relationship to support that broader goal, what signals that sends to China, I think are potentially quite risky and quite dangerous because it puts a lot of Australia's investment, as it were, on that working. Because if it doesn't work, if Japan isn't able to play the kind of role that Australia would like it to play, then Australia's links to China may be subject to some challenge as China gets richer and more confident, assuming that continues to happen.

Matt Smith

Well Abbotts had a bit of success signing Free Trade Agreements with Japan and South Korea, and he's indicated that he wants to do the same with Indonesia, India and China as well. He's making it his priority at the upcoming G20 Summit. Who are the real winners with this FTA agreements and are they really something Abbott can claim as his victory or is he just building on the work that came from the government before him?

Professor Nick Bisley

Yeah, it's a good question. Let's start with the latter question and work backwards, who wins and who loses is a bit speculative because they haven't come into force yet. But the two biggies that you mentioned, the ones with Korea and Japan, they've both been in negotiation for a considerable period of time, particularly the Japan one. No-one thought that was actually going to happen, because the sticking points were thought to be things that Japan was not going to cave in on and Australia was not going to accept a deal without significant concessions. And it's primarily about agriculture and access to the domestic agricultural market in Japan. Abe's government turned around and gave some concessions around the margins of the agricultural market and the Abbott people said let's take it, it's a deal we will accept. Where, I think had, in the extraordinarily unlikely event that the ALP had managed to get re-elected last year, I don't think the ALP would have accepted it, because they had been in the position of negotiating this thing and had said unless we get a lot more movement on this, we're not going to buy it. So whilst it's a long running negotiation and a lots gone into it, I think in this one, you can chalk this up to Abbott, essentially, they made a very political call and said we value the deal, that's to say we value having an agreement, even though it's sub-optimal from an economic point of view, because we really value a relationship with Japan and we think this is adding yet another layer to this strong relationship.

Matt Smith

Is that playing the politics back home then, because people will know broadly FTA equals good for Australia, we don't need to know about the details though, we'll leave that to the politicians, it's just the fact that that's in place now?

Professor Nick Bisley

Yes I think that informed it to some degree, I think the actual electoral benefit of these things are pretty marginal. But it's clear that he went to North East Asia in April and the publicly stated goal was, we're going to go there and come back with three trade agreements, and they came back with two out of three. Abbott gave this terrible speech in Shanghai saying it's the World Cup Grand Final, and we've got two out of... and it was like, oh you don't, this is terrible, but part of that was informed by the desire to come back to Australia and say, the ALP was in government for six years and they couldn't sign one of these agreements, we've been in power for six months and

we've signed all three, and that was definitely that relentless cosh that Abbott likes to wack the ALP on the head with. So there was a domestic electoral component to it, I think Japan in particular, and also with China, they are driven by a broader overarching, international political logic which is, in the case of Japan about binding that relationship and really giving the economic side a buttress alongside the defence and foreign policy stuff. The game that the government's trying to play with China is, to say, how can we get to a position where we can have a really good relations with Japan and the US and India and China.

Simplified a bit, but essentially the risk is China will look at us and all the good relationships we have with these other major powers and see containment to see some sort of effort to hem China in. But, huh, we've got a Free Trade Agreement, we can't possibly be in the business of containing you. Simplifying a little bit but that thinking is what's there and that's why I tend to think that like the Japan agreement, the government is probably likely to sign a deal with China that may not get everything that people want economically because it serves a political purpose to do it.

Matt Smith

There's a lot of playing sides going on with this kind of thing, and I can't help but get the impression that Abbott wants Free Trade Agreements for the sake of having Free Trade Agreements and isn't sweating it too much on the small details of how it will benefit people or what will come out of these deals broadly, as long as there's a line in the sand that we win, we get this Free Trade Agreement.

Professor Nick Bisley

Who wins from these things in general? On the whole, the devil's always in the detail. And what we've seen from Australia's first blush of enthusiasm with Free Trade Agreements, so this was this period about ten years ago, when we started to do a whole bunch of them with the US Free Trade Agreement being the biggest and most prominent, and part of that also involved agreements with Singapore, Thailand and a couple of others, is that the actual economic benefit that these agreements produce is not that great, so far. Not negligible, but in analysis that I've seen of the ten years of the existence of the US Free Trade Agreement, by far the greatest factor influencing trade between these two countries is the currency. That's something completely outside the purview of the actual agreement, so the Australian currency has fluctuated in value by about 30% over that period. I think for the Abbott government, Free Trade Agreements are political, very much, and they're about sending political symbols domestically, because they're achievements, and internationally, they're about sending a signal of a relationship. So that's why when they're in India, Abbott goes "we need a free trade agreement, we've been talking around this economic partnership agreement but we need that to really bring it on home". And they set the target of concluding it by 2016, which people who watch these things really closely will tell you is just not going to happen, but the signalling is important and it will continue to travel.

Matt Smith

I get the impression that one of the most volatile relationships we could have with Asian neighbours is with Indonesia at the moment, of course, Abbott is eager to lock in a free trade agreement with Indonesia, but there is rocky situations around refugees, also there was the revelation that the Prime Ministers phone, there had been an attempt to hack it by Australian spy agents.

Professor Nick Bisley

I think they did hack it.

Matt Smith

His wife's phone

Professor Nick Bisley

I think they hacked his phone, and I think this is right, tried to hack his wife's phone, this is the Indonesian President.

Matt Smith

Yeah and while this happened under the previous government, Abbott's had to deal with the fallout, or not deal with the fallout, however you want to take it, so what's your take on our relationship with Indonesia? Is it playing niceties, or is it there to be used at our convenience a bit?

Professor Nick Bisley

The government always set itself up whilst in opposition, I think almost set itself up to fail with Indonesia, by the line they kept running was a foreign policy will be more Jakarta and less Geneva and that was really a swipe at Rudd, saying, yeah Rudd's running around on the global stage where he should be spending more time in South East Asia on core business. And of course, since Abbotts been in charge he's been to Indonesia once, he's spent almost all of his foreign time when he's abroad in North East Asia at the US or South Asia or Europe. He's spent very little time in South East Asia oddly enough, and of course the relationship with Indonesia was soured almost instantaneously when he came into office, not because of his own doing it has to be said, but made very difficult then by choices that he made. The two things that really made things difficult with Indonesia were, not so much the revelations of the spying, but Abbott's response, so Abbott takes to the floor of parliament, fills with the parliamentary adrenalin and focus very firmly on the domestic way in which this story is playing, and said "we will never apologise for the behaviour of our security agencies" or words to that effect, and he paints himself into a corner by saying he's not going to apologise. And the Indonesians have very publicly said, all we want is an apology, he's playing entirely to the domestic gallery...

Matt Smith

Just focusing on the fact that the information got released

Professor Nick Bisley

Yeah and there is a way in which you could say, "I'm never going to apologise for the traitorous behaviour of Edward Snowden", I mean there's lots of different ways in which you could have been clever at sounding resolute but leaving yourself a door open and I think that was a bit of a rooky error. It was like the best friends in Asia, it was the sentiment I think he was channelling was sort of instinctive Abbott stuff, but the form of words made life very difficult.

Then there was the policy around asylum seekers, these things together meant that a relationship with Indonesia was very difficult for a considerable period of time, and in fact they've only now really got it back on an even keel with the signature of... You know the Indonesian's essentially said, "what we want is a code of conduct for how we will handle our intelligence stuff", they wanted some face, they wanted something to be given back to them after the government said, we're not going to apologise.

So after a sufficient length of period of time where Australia is kind of in the cold, we negotiate this and they get their piece of action, we get there's. But by the time this has happened, SBY, President Yudhoyono is now in his lame duck period, we have a new president, Joko Widodo, who is really unknown on the international stage. So far he's said he will be appointing technocrats, technical people who kind of know what they're doing, whether it's in education, whether it's in governance, infrastructure or foreign policy but we just don't know and we also don't know what his instincts are going to be. Apart from the fact that he's a populist, not a demagogic nasty populist, but he's very much a, whenever there's a problem we'll talk to the people and find a solution to the problem. So what that will mean, exactly for Australia's relations with Indonesia,

we just don't know. And there are some who are very concerned, we're seeing a government for the first time really in post-independence in Indonesia's past, you've got an Indonesian government that isn't ruled by cosmopolitan elites, but by Indonesians, so I think there is a great uncertainty and Abbott really has not invested enough time in South East Asia, he's been to Indonesia, he's stopped off at Malaysia briefly on the way back from his trip to India, and he's stopped off in Singapore for two hours on the way to The Hague.

Matt

He's pandering to the big guns understandably, but maybe, directly in his back yard, ignoring the small fry.

Professor Nick Bisley

Yeah, I think that's exactly it, the focus that the government has is on bi-lateral relationships with Asia's major powers, and in order of importance those are for the government, the US, Japan, India, China and then possibly South Korea and Indonesia, Singapore, Malaysia maybe following a long way behind. And the lesser powers of South East Asia, Burma, Thailand, Laos, Cambodia, Myanmar, Philippines, Brunei; don't worry unless, or until there is one of Asia's many summits, in which case he'll go. So for instance he'll go to the East Asia Summit in November which is being held in Naypyidaw the capital of Myanmar but the focus so far and I think will remain, very much a major power concentration for Australia's approach to Asia. Indonesia is at the fringes of that, but in the balance of priorities, it's the biggies first and everyone else second.

Matt Smith

Thanks for that Nick.

Professor Nick Bisley

Thanks Matt.

Matt Smith

And you can follow him on twitter he's (@nickbisley). That's it today for Asia Rising, don't forget you can hear Nick speak at a public lecture at the State Library of Victoria on Tuesday 14th October starting at 6pm.

You can find out more information at the La Trobe Asia website. That's: latrobe.edu.au/asia.

Thanks for listening, and I hope to see you there.