



The Coalition's plan for real action on
Foreign Affairs

**Stand up for Australia.
Stand up for real action.**

EXECUTIVE SUMMARY

The international challenges facing Australia demand a coherent and effective foreign policy. The Howard Government bequeathed a strong and consistent foreign policy legacy. However, the strong relationships, founded on mutual respect and built over many years, have been mismanaged and damaged by Labor's inept and erratic diplomatic efforts.

The Coalition will strengthen our relationships with key partners and refocus foreign policy on the advancement of Australia's core strategic and economic interests.

Our foreign policy should be based on a robust assessment of our strategic and economic interests and the enduring values of the Australian people. The Coalition's *Plan for Real Action on Foreign Affairs* is firmly grounded in:

- repaired bilateral relationships with key regional partners;
- strengthened relations with our allies and partners further afield;
- a strong commitment to Australia as a good neighbour and a respected power in the Asia-Pacific region, and more broadly;
- an increased focus on the Indian Ocean region;
- multilateral engagement where it is clearly in the national interest;
- a resolute stand against terrorism;
- promotion of educational and cultural exchange;
- enhanced global trade and investment links based on disciplined economic management; and
- more effective and efficient delivery of international aid.

To strengthen Australia's strategic and economic interests in the international arena, the Coalition's *Plan for Real Action on Foreign Affairs* will:

1. Repair and strengthen relations with key partners

A Coalition Government will give priority to repairing the damage Labor has inflicted on Australia's relations with key regional partners – Indonesia, East Timor, Japan, China and India – and to strengthening our relations with them.

Our focus will be on consistency, stability and mutual respect.

2. Work with, instead of antagonising, our neighbours on regional institutions

Australia's neighbourhood will be defined as the Asia Pacific-Indian Ocean.

A Coalition Government will work cooperatively with the Asia-Pacific region to make existing regional institutions work better to serve the national interest and the interests of our region rather than creating new ones.

We will also focus diplomatic, development, trade and security efforts in the Indian Ocean rim.

3. Support multilateral engagement where it is in the national interest

Australia under a Coalition Government will engage with multilateral organisations where it is clearly in our national interest.

A Coalition government would not proceed with Labor's extravagant UN Security Council bid, which has distracted from Australia's core foreign policy interests.

4. Support increased rigorously-administered foreign aid

The Coalition will increase foreign aid spending to 0.5 per cent of our Gross National Income by 2015-16.

It will also consolidate our aid efforts in the Asia-Pacific and Indian Ocean regions and will focus on the quality and rigorous administration of that effort.

5. Minister for International Development

A Minister for International Development will be appointed, to work with the Minister for Foreign Affairs, with responsibility for our foreign aid effort, including AusAid and the delivery of aid in our regions through non-government channels.

6. Secure funding for Australians in distress overseas

The Coalition will reverse Labor's Budget cuts to consular services which are of vital assistance to Australians who find themselves in distress overseas.

The required funds will be drawn from within the existing portfolio budget allocation.

7. Build understanding: promote foreign language study and connected classrooms

To afford students the best opportunities from our international neighbours the Coalition will pursue greater international student exchange and will reinforce the need for students to pursue foreign language studies.

A Coalition Government will pursue greater cultural engagement as part of our foreign policy initiatives.

8. Provide a principled voice on human rights

The Coalition will pursue a principled and robust approach to human rights abuses, and will seek to establish more bilateral Ministerial level Human Rights Dialogue forums with nations in the region.

9. Engage with Women Leaders in our region

The Coalition will work with women political leaders in our region to establish a forum for dialogue and action on common interests including security, education, health, human rights and development.

We will work within the forum to establish a network of mentors to encourage women in the region to take political leadership roles.

HOW LABOR HAS FAILED

In Foreign Affairs, as in so many other policy areas, the government has squandered the Coalition's strong legacy.

Key relationships in our region have deteriorated.

Many in Japan felt slighted when Prime Minister Rudd excluded Japan from his first visit to Asia and when Labor abandoned the Quadrilateral Security Dialogue with the United States, Japan and India, seemingly at the behest of China.¹

Labor further embarrassed Japan by re-announcing, without warning, on the eve of an official visit by the Japanese Foreign Minister, that the Australian Government would be taking Japan to the International Court of Justice over whaling.²

Labor has boasted about a new strategic relationship with India while refusing – at the insistence of the ALP Left – to sell uranium to India for civilian nuclear power within a framework of appropriate safeguards, as the Canadian and United States Governments are prepared to do, including to help to reduce India's greenhouse gas emissions.³

Labor's weakening of our border protection with the consequent predictable resumption of people-smuggling has generated strains with Indonesia. Only a few weeks into the job, Julia Gillard has damaged Australia's relations with Jakarta.

Indonesia feels aggrieved both because it does not want the unilaterally announced processing centre in East Timor and because the Prime Minister breached the long-standing agreement with Indonesia that we should inform each other before any major policy changes affecting each other.

Ms Gillard has also damaged Australia's relations with East Timor, which clearly does not want the processing centre she arrogantly announced for that country without proper consultation.

Labor antagonised Australia's Asia-Pacific partners with the unilaterally-conceived and promoted Asia Pacific community concept, which has now predictably stalled through lack of support from our regional partners.

Similarly, Labor has redirected scarce foreign policy resources towards the utopian goal of ridding the world of nuclear weapons. It has also squandered millions in pursuit of a temporary seat on the United Nations Security Council. At the same time, Department of Foreign Affairs and Trade functions of real use to Australians, notably consular services, have been slashed.

1. Stephen Smith (Transcript of joint Press Conference with Chinese Foreign Minister Mr Yang Jiechi, 5 February 2008) and Greg Sheridan, 'How to lose friends' *The Australian*, 8 May 2008 at <http://www.theaustralian.com.au/news/how-to-lose-friends/story-e6frg6v6-1111116275544>.

2. Peter Alford and Matthew Franklin 'We'll take Japan to court: PM 'The Australia, 20 February 2010 <http://www.theaustralian.com.au/news/nation/well-take-japan-to-court-pm/story-e6frg6nf-1225832368000>.

3. Matthew Franklin 'Kevin Rudd refuses to buckle on refusal to sell uranium to India' *The Australian*, 12 November 2009 at <http://www.theaustralian.com.au/politics/kevin-rudd-refuses-to-buckle-on-refusal-to-sell-uranium-to-india/story-e6frgczf-1225797003668>.

Despite Labor's willingness to downplay our values in its dealings with China – for example in agreeing not to meet the Dalai Lama⁴ and ending the long-standing practice of annual ministerial visits to Taiwan⁵ – our relationship with China has deteriorated under Labor. In the Stern Hu trial, authorities ignored the consular agreement which provides that our officials should have access to the trials of Australians.

Even our closest and most important ally, the United States, has not escaped Labor's diplomatic bungling. The leaking to the Australian media of a heavily embellished version of a telephone conversation between Kevin Rudd and the US President was a gross breach of security and diplomatic convention and an utterly inexcusable act from an Australian Prime Minister.⁶

Australia simply cannot afford another three years of Labor's foreign policy mismanagement.

4. Jonathon Pearlman 'Lama gets to meet another alternative PM' *The Sydney Morning Herald*, 11 June 2008 at <http://www.smh.com.au/news/national/lama-gets-to-meet-another-alternative-pm/2008/06/10/1212863646305.html>.
5. Greg Sheridan 'Send minister to Taiwan, senator challenges' *The Australian*, 1 April 2010 at <http://www.theaustralian.com.au/news/opinion/send-minister-to-taiwan-senator-challenges/story-e6frg6zo-1225848237698>.
6. 'Call to investigate leaked call between Rudd and Bush' *The Australian*, 2 November 2008 at <http://www.theaustralian.com.au/news/nation/call-to-investigate-leaked-bush-call/story-e6frg6nf-1111117922805>.

THE COALITION'S PLAN FOR REAL ACTION ON FOREIGN AFFAIRS

The Coalition's *Plan for Real Action on Foreign Affairs* will:

1. Repair and strengthen relations with key partners

Labor's inept and erratic diplomatic approach has diminished relations with some of Australia's key strategic partners. The Coalition will refocus foreign policy on Australia's true international interests.

Chief amongst Australia's relationships requiring renewed focus are:

- **The United States:** The USA is Australia's most important ally, is the world's leading democracy and makes a crucial contribution to security and stability globally, including in the Asia Pacific region. Under the previous Coalition Government, Australia's relationship with the United States had never been broader, deeper or closer. The Coalition is committed to working closely with the United States to make ties even stronger.
- **Japan:** Japan has been Australia's most steadfast friend and important diplomatic partner in Asia since the 1950s. Since the exclusion of Japan from the first overseas visit of the then Prime Minister, Kevin Rudd, many in Japan perceive that Labor has downgraded the relationship.⁷ The souring of relations has been further exacerbated by Labor's penchant for gratuitous media posturing over whaling – without actually saving any whales. A Coalition Government will focus on building a strong strategic partnership with Japan based on the Howard Government's Joint Declaration on Security Cooperation⁸ and the Trilateral Strategic Dialogue⁹. We will also put concerted effort into advancing free trade negotiations with Japan.
- **China:** China's increasing economic, political and strategic prominence presents opportunities and challenges for Australia. The Howard Government showed that it was possible to have a strong relationship with China while managing differences over sensitive issues like ministerial contact with the Dalai Lama and Taiwan. A Coalition Government will work to return Australia-China relations to a strong and consistent partnership based on shared interests and mutual respect.
- **India:** India is now our eighth largest trading partner¹⁰ and fourth largest merchandise export market¹¹. The relationship could and should be much closer. Labor has talked about a new strategic partnership with India, but won't reverse its decision to prohibit the sale of uranium – despite emissions reduction and energy security benefits, despite the preparedness of the Canadian and USA Governments to do so and despite the opposition of Labor's longest serving foreign minister, Gareth Evans, to Labor's current policy.¹² Subject to suitable safeguards, a Coalition Government would be prepared to export uranium to India.

7. Sandra O'Malley 'Rudd bushes off claims of Japan snub' *The Sydney Morning Herald*, 16 March 2008 at <http://news.smh.com.au/national/rudd-brushes-off-claims-of-japan-snub-20080316-1zr4.html>.

8. 'Annual Report 2006-2007', *Department of Foreign Affairs and Trade*, Australia, 17 October 2007, p. 30.

9. Ibid.

10. 'Composition of Trade Australia 2009', *Department of Foreign Affairs and Trade*, May 2010, p. 34.

11. '2009-10 Year Book Australia' *Australian Bureau of Statistics*, cat. no. 1301.0, Canberra, p. 754.

12. Daniel Flitton 'Uranium exports to India on cards' *The Age*, 16 December 2009 at <http://www.theage.com.au/national/uranium-exports-to-india-on-cards-20091215-kujv.html>.

- **Indonesia:** It is essential to the interests of Australia and Indonesia that we work effectively across a broad spectrum of issues, including regional security, counter-terrorism, freer trade and investment flows in East Asia, people-smuggling and climate change action. Labor's weakening of Australia's border protection laws and the consequent resumption of people-smuggling has predictably generated bilateral strains with Indonesia.¹³ The Coalition's plan for real action to return sovereignty and control to our borders will help restore the good relationship with Indonesia that Australia previously enjoyed. We will build on the Coalition Government's Lombok treaty with Indonesia¹⁴ to broaden and deepen security ties and to improve economic and educational links.
- The Coalition will also refocus Australia's foreign policy resources on advancing the national interest by strengthening relations with a wide range of other key partners around the world – not only with New Zealand and in the Asia-Pacific Indian Ocean region but in Europe, the Americas, the Middle East and Africa.

The Coalition will conduct a comprehensive review of Australia's diplomatic resources, including overseas representation, to determine whether the appropriate weighting is afforded to those issues, countries and organisations which are important to our strategic and economic interests.

2. **Work with, instead of antagonising, our neighbours on regional institutions**

Nowhere has Labor's erratic and inept approach to foreign affairs been more evident than its unilateral championing of an Asia-Pacific community. This proposal has received an embarrassing absence of support from our regional partners, with Indonesia's foreign minister describing the concept as 'another layer, an out-of-nowhere construction not in concert, not in synergy with what we have.'¹⁵ Unlike Labor, a Coalition Government will not attempt to impose on our neighbours a unilaterally conceived vision of new regional architecture. A Coalition Government would work co-operatively to make existing regional bodies work better rather than creating a new one.

3. **Support multilateral engagement where it is in the national interest**

The Coalition supports multilateral institutions which serve a clear national purpose. We support the G20 (which has emerged as a more representative global organisation than the G8), the established regional Asia Pacific bodies, the Commonwealth of Nations and various organisations of the United Nations including the World Trade Organisation.

Similarly, the Coalition will abandon Labor's bid for a temporary seat on the UN Security Council. The massive diplomatic effort this demands – at a cost to taxpayers of \$11 million¹⁶ – has diverted attention away from our core foreign policy interests to more peripheral areas in order to secure votes and all for nothing more than a nebulous sense of temporarily enhanced international status.

13. Geoff Thompson and Lyndal Curtis 'Viking saga nears end, war of words continues' *News Online*, 17 November 2009, at <http://www.abc.net.au/news/stories/2009/11/17/2745568.htm>.

14. Alexander Downer 'Signature of the Australia-Indonesia Agreement on the Framework for Security Cooperation' (Press Release 13 November 2006).

15. Philip Coorey and Hamish McDonald 'Time for new spirit of trust' *The Sydney Morning Herald*, 11 March 2010, at <<http://www.smh.com.au/national/time-for-new-spirit-of-trust-20100310-pzdy.html>>

16. Ian McPhedran 'Kevin Rudd's plan for Australia as diplomatic powerhouse to cost' *The Daily Telegraph*, 9 June 2009 at <http://www.dailymail.co.uk/news/article-1225731866103.html>.

4. Support increased rigorously-administered foreign aid

The Coalition will increase foreign aid spending to 0.5 per cent of our Gross National Income by 2015-16. It will also consolidate our aid efforts on the Asia-Pacific and Indian Ocean regions and focus on the quality and rigorous administration of that effort.

5. Minister for International Development

Given the size and significance of our foreign aid budget, the Coalition will appoint a Minister for International Development to work with the Minister for Foreign Affairs to oversee our aid budget and to have responsibility for AusAid and the delivery of aid through non-government channels.

The Australian National Audit Office raised serious concerns about AusAid's ability to effectively manage the large increases in aid required to meet the 0.5 per cent target.

There have been criticisms of AusAid's over-reliance on technical assistance, questionable priorities, waste and mismanagement.

The new Minister for International Development will immediately institute an independent inquiry into Australia's foreign aid program to investigate the allegations of waste and mismanagement and will be asked to provide clear recommendations on how to increase effectiveness and transparency in our aid delivery. Papua New Guinea, as the largest destination for Australian aid, will be a particular priority. Afghanistan, where Australia has an ongoing military and development role, will also be a key focus.

6. Secure funding for Australians in distress overseas

The Coalition will reverse Labor's cuts to consular services which are of vital assistance to Australians who find themselves in distress overseas. Australians travelling overseas have come to expect a lower standard of support after Labor slashed more than \$10 million over two years from the Budget for consular services.¹⁷

Labor has made these cuts to vital consular services at a time when record numbers of Australians are travelling overseas: The 2008/09 Department of Foreign Affairs and Trade annual report recorded strong and growing demand for consular services, with almost 195,000 services provided, up from 185,000 a year earlier.¹⁸

The required funds will be drawn from within the existing portfolio budget allocation.

7. Build understanding: promote revived foreign language study and connected classrooms

The Coalition will pursue greater international student exchange, with more Australian students having opportunities to live and study overseas.

We will establish a network of 'connected classrooms' where students in Australia can interact with students throughout the world using videoconferencing. The network would be voluntary and would preferably although not exclusively be associated with language teaching.

17. 'Portfolio Budget Statements 2010-11 – Foreign Affairs and Trade Portfolio', Australian Government, 2010 36

18. 'Annual Report 2008-09', Department of Foreign Affairs and Trade, Australia, 14 October 2009 164

The ability to speak a foreign language should be regarded as one of the hallmarks of a good education.

A Coalition Government will work with the States and Territories to re-examine and reinforce incentives to encourage high school students to study foreign languages.

A shortage of teachers makes it unrealistic to make foreign language study compulsory any time soon but our ultimate objective is to ensure that every student has at least some familiarity with a foreign language and that a significant percentage of students have studied a language through to school leaving.

We will also seek to promote greater engagement and understanding in our region through a specific cultural exchange within our foreign policy initiatives.

8. Provide a principled voice on human rights

The Coalition will pursue a principled and robust approach to human rights abuses, particularly in our region. A Coalition Government will work with countries in our region to establish more Ministerial level Human Rights Dialogue where issues of human rights can be discussed in an open and frank forum.

9. Engage with Women Leaders in our region

Economic analyses by the World Bank and the United Nations reveal a strong link between levels of gender equity and national development. Women can be powerful drivers of economic development.

Women have historically assumed leadership roles in the nations of the Asia Pacific Indian Ocean. A Coalition Government will

- establish a second tier dialogue of prominent women in politics from across the region to discuss common interests in security, aid, trade, energy, human rights, health, disaster response and nuclear non-proliferation; and
- establish networks of mentors available to work with younger women to promote the involvement of women in political leadership positions.