Dr Michael Spence  
Vice- Chancellor and Principal

31 May 2013

Australia in the Asian Century Implementation Unit  
Department of Foreign Affairs and Trade  
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Lodged by email: asian.century@dfat.gov.au

To whom it may concern

Australia in the Asian century - developing country strategies for China, Indonesia, India, Japan and Korea

The University of Sydney is pleased to have the opportunity to provide DFAT with the five attached country-specific submissions for China, Indonesia, India, Japan and Korea. We note that these country strategies will form key elements of an overarching Australia in the Asian Century strategy, and would welcome the opportunity to assist the Department further with this important strategic planning process.

The University of Sydney was a keen participant in the consultations that resulted in the Australia in the Asian Century White Paper prepared for the Government by Dr Ken Henry AC and his panel of experts. We strongly support the key findings and recommendation of that review, and in particular the emphasis it gave to the critical role that universities must play if Australia is to remain relevant, strong and prosperous in the Asian century.

We welcome, for example, the recognition in the White Paper of the vital importance of the enduring people-to-people links that are formed through the international education and research collaboration activities of universities. The University of Sydney has strong connections and considerable expertise relevant to many areas of Asia, which have been developed and fostered over many decades. Through the recent establishment of our China Studies Centre and the Sydney Southeast Asia Centre, we are building on our extensive disciplinary and cross-disciplinary educational and research strengths in these two areas of great strategic importance to Australia.

We currently have some 160 academics working on issues relevant to China, with some 200 engaged with one or more countries in Southeast Asia. The creation of these and other cross-disciplinary centres forms a core element of our Strategic Plan 2011-15. Through our centres and a series of country and regional expert networks, we are enhancing the coordination, profile and impact of our work, and seeking to provide innovative learning and research opportunities for Australian and international students, academic and professional staff. Our reforms are also intended to make it easier for governments to identify and tap into our academic expertise across diverse disciplinary and thematic areas of activity.

A core part of the University’s strategy for engagement with Asia involves enabling as many of our students as possible to spend time during their studies immersing themselves in the languages and cultures of Asia through creative study and work-based learning opportunities. Another is seeking out mutually beneficial strategic research and education partnerships with universities and other
organisations in Asia. We see great potential for Australian universities to lift the already substantial contribution they make to Australia’s engagement with Asia. Achieving enduring improvements will, however, require a long term commitment by the Commonwealth to a stable funding line, and strong cross-portfolio coordination, to support an integrated suite of strategic programs capable of building and sustaining inter-institutional and people-to-people linkages.

We see considerable merit in Australia considering leading international models for supporting international engagement, such as Germany’s Academic Exchange Service the DAAD. Such programs have been so successful because successive governments have recognised the importance of taking a stable, long term approach to building institutional and people-to-people links through supporting academic collaborations aligned with the nation’s strategic interest. We have no doubt that the introduction in Australia of an Asia-focused program of support that draws on the best elements of the DAAD, even at a fraction of the cost, would have a major positive impact on levels of engagement with Asia. The successful Go8/DAAD Joint Research Engagement Scheme is one possible model that could be adapted readily to enhance research collaboration between Australian and Asian researchers in areas of mutual interest. The mission-based compact process that governs each Australian university’s strategic and funding relationship with the Commonwealth also presents as a possible mechanism through which the Government could enter into strategic ‘Asia engagement’ partnerships with individual universities in line with their differentiated strengths and missions, with specific funding envelopes linked to agreed and measurable performance indicators.

Specifically, the University’s input to this phase of the Australia in the Asian Century strategy development process comprises country-specific responses prepared by academic and professional staff with substantial relevant country expertise. Each of the appended submissions has already been provided separately to the nominated contact point in DFAT:

- China – prepared by our China Studies Centre (Appendix 1)
- Indonesia – prepared by the Sydney Southeast Asia Centre (Appendix 2)
- India – prepared in consultation with Regional Advisory Group for South Asia (Appendix 3)
- Japan and South Korea – prepared in consultation with our Regional Advisory Group for North Asia (Appendix 4)
- Japan and South Korea – prepared by Professor Luke Nottage on behalf of the Sydney Law School’s Centre for Asian and Pacific Law (Appendix 5)

As the individual submissions indicate, each country is different and each requires an individualised strategic approach - hopefully under a coherent and adequately long term overarching engagement strategy for the region. China’s current level of investment in science and technology, engineering and medicine provides Australia with an opportunity to strengthen its collaborations in research and education. Yet misconceptions and a widespread lack of knowledge about China’s diverse economy and culture in Australian society remain an impediment. In Indonesia, capacity building in tertiary education is vital to the country’s continued economic growth and social wellbeing, and is a key area for developing people-to-people relations. In India, recent initiatives to reinvigorate research and establish research partnerships with overseas institutions offer opportunities for the Australian higher education sector to engage with partners on the sub-continent. However success is highly dependent on sustained investment and support from the Australian Government.

In Japan and South Korea – both leaders in scientific research and development – opportunities exist for further research collaboration with Australia. Japan is investing in student mobility and globalisation of its universities, providing an opportunity for Australian students and researchers to gain practical experience and develop people-to-people relationships in Japan. Korea remains a strong market for inbound undergraduate students. Facilitating and supporting the international
student experience will help to make Australia a more attractive and competitive destination for high quality students and researchers.

Meaningful engagement with all of these countries requires a sustained, long-term commitment to building relationships, while increasing levels of cultural awareness and understanding among Australians will also be vital. Focused research schemes, bilateral agreements, scholarships, competitive tax and superannuation arrangements, visa system efficiency and flexibility such as a post-study work rights for students, are some of the common factors required to maximise the benefits of our international collaboration in the region and build more comprehensive knowledge partnerships. We also need to be vigilant to ensure that our defence and national security laws, such as the recently passed Defence Trade Controls and Autonomous Sanctions Acts are implemented in ways that strike an appropriate balance between protecting against legitimate security risks, and fostering the open forms of educational and research collaboration that will so essential if Australia is to become more deeply engaged with Asia, and benefit from its growing strength. To date, it is not clear that major reforms such as these have been developed with adequate consultation with our Asian neighbours, with adequate cross-departmental consultation and coordination, or dialogue with the key sectors that are being impacted by their introduction.

In conclusion, we recognise the complexity of Australia’s place in the Asian century. The questions DFAT has asked the wider Australian community to address are multi-faceted, and we strongly believe that cross-sectoral alliances are required to answer them appropriately. The University of Sydney is keen to contribute to the development of knowledge, understanding and policy in our region, and to working with the Australian Government on the next steps of this strategic planning process.

Please contact Ms Sandra Meiras, Director International in the first instance if you have any questions: sandra.meiras@sydney.edu.au, 02 9036 6110.

Yours sincerely,

(Signature removed for electronic distribution)

Professor Stephen Garton
Acting Vice Chancellor

Appendix 1 China – prepared by our China Studies Centre
Appendix 2 Indonesia – prepared by the Sydney Southeast Asia Centre
Appendix 3 India – prepared in consultation with Regional Advisory Group for South Asia
Appendix 4 Japan and South Korea – prepared in consultation with our Regional Advisory Group for North Asia
Appendix 5 Japan and South Korea – prepared by Professor Luke Nottage on behalf of the Sydney Law School’s Centre for Asian and Pacific Law
Australia-China: Strategic Partners

The University of Sydney’s China Studies Centre (CSC) Submission to Australia's China Strategy in the Asian Century

1. What are your priorities and objectives in China?

Our priorities and objectives in China are to promote academic and intellectual engagement in the areas of governance, administration, public policy, public health, higher education, social change, and economic cooperation. The University has one of the widest and most diverse expert communities working on and with China in the world outside of China itself. The China Studies Centre is one of the key strategic initiatives of the University of Sydney to assist in their collaboration both together and with partners internationally and in China.

The effectiveness of Australia’s efforts to deepen relations with China will to a large degree depend on the success of the high level Strategic Dialogue set up after Prime Minister Gillard visited China in April 2013, and the extent it is able to produce structured engagements and outcomes. A senior-level dialogue focusing on foreign policy and economic ties is hugely beneficial to Australia's interests and the new strategic partnership offers an excellent channel to discuss these issues. The key challenge and opportunity is to engage the wider Australian community in this dialogue, including at Track Two level, and capitalise on their linkages to foster greater collaboration and a deeper mutual understanding between our two countries.

Our priorities are to:

- **deepen** research on all aspects of China, with partners in China and internationally, across disciplines
- **attract** world-class students to the university to study China
- **create** deeper business engagement, especially in the finance and services sector, and in embracing good quality Chinese inward investment
- **encourage** youth engagement with China
- **maximise** the input of the wider community into the Strategic Dialogue, and to ensure that the diverse voices that have an interest in nurturing good relations with China are heard
- **facilitate** dialogue and public diplomacy to promote better Chinese understanding of Australia’s world views, national security interests and foreign policy priorities, and especially rule-based business environments that govern our trade and investment interchanges with China
• **contribute** to the public debate about the role of Australia with China, and the relevance of Australia’s voice in the internal challenges and reforms China needs to undergo to develop as a middle income country in the next decade.

2. **What opportunities are there to deepen our engagement across the board, including through people-to-people, economic and political/strategic links?**

China’s journey as a middle-income country over the next decade means there are immense opportunities to work together, including as research partners, in the areas of education, governance, environment, and business. People-to-people contact between students in particular will be a critical part of this, with the need to not only support large numbers of Chinese students coming to Australia, but also to encourage more local students to have an interest in China, and to visit and deepen their interaction with the country.

Modes of engagement with China have changed radically over the last forty years, and particularly since the onset of reform from 1978. The study of all aspects of China should be a mainstream part of the curriculum in Australian schools. As indicated in the recent Australia in the Asian Century White Paper, Chinese language skills should be taught more widely at schools, and courses offered for those who need business language skills. This process needs to be properly funded.

China currently has 300 million people studying English. It is critical for Australia’s competitive future in the global economy that it optimises the business and academic links it already has and prepares people for a new level and intensity of engagement. Australia also has a critical lack of well qualified, mid-career experts who are able to engage broadly with China, and needs to remedy this gap with a major long term strategy supported by the allocation of resources to support teaching, research and people-to-people engagement in China.

**Recommendation One**

*The Australian Government should establish a specific China education strategy to support and guide the nation’s future engagement with China. A taskforce should be set up to prepare for this, making recommendations about what funding is needed, where it needs to be deployed, and how a significant diversification should occur.*

**How is the pace and shape of political, economic and social change in China affecting your engagement?**

The University of Sydney has the longest established department of Chinese Studies in Australia. It also has the most interaction with Chinese universities (in terms of jointly published research) of any university in Australia. Almost every department at the University is in some way involved in matters Chinese and with Chinese institutions. Until recently these interactions with China had lacked coordination and a strategic focus or direction. The establishment of the University’s China Studies Centre in 2011 formed a key element of the University’s five year strategic plan 2011-15. Our China Studies strategy seeks to build on our existing strengths relevant to China, sharpen our focus and enhance the visibility, coordination and impact of our expertise and engagement with China.
The University has invested time, money and other resources in its development of an overarching Area Studies strategy, and the China Studies Centre for its part aims to teach and research about China in new ways, as well as developing further engagement with business government communities in their interactions with China. To this end the University has developed new postgraduate bilingual programs: Master of China Studies, Master of China Public Administration, PhD in China Studies. The University has also taken the initiative in developing, with the City of Sydney and the NSW Government, the annual Sydney-China Business Forum. Student numbers in Chinese language and China Studies undergraduate programs have increased dramatically and the University has established in-country study programs in both Beijing and Shanghai. University of Sydney staff are encouraged to spend periods of study and research in China, regardless of their disciplines, and several now do so.

**Recommendation Two**

*There should be clear mechanisms by which the expert community in Australia is able to assist and help with broader official engagement, particularly through the Strategic Dialogue which was established in April 2013. The Dialogue should have a clear link to qualified and interested parties in universities, business and civil society in Australia, in order to share input and discussion of the strategic direction, and the outcomes, of the Dialogue.*

3. **How can we support stronger social and cultural links with China, for example through networks of Australians living in these countries or through communities in Australia?**

The development of people-to-people relations is key to the future. A scheme where young Chinese come to Australia for short periods and live together with Australian families, and young Australians go there in the same way would be a great step forward, as the European post-war experience has long demonstrated. A scheme like this would also assist Chinese language development and familiarity amongst the Australian population.

There are sizeable Chinese communities in Australia and on the whole their links with China are substantial. At the same time though, these communities are sometimes publicly hidden and often under-represented in public life. One reason for this is of course that there is no single Chinese community. Shanghainese, Cantonese, Zhongshan people (not to mention others) each have their own structures and institutions. Nevertheless, it is remarkable how few Chinese are represented in Australian parliaments and leadership positions in their supporting public services. This may be a generational matter, but perhaps there is a need to instigate civic and citizenship training programs in collaboration with Chinese communities, or for the Government to encourage political parties to work with Chinese communities to establish strategies to address the current under-representation of people with Chinese ancestry in Australian politics and other public institutions.

There are already networks of Australians living in China, especially in Shanghai, Beijing, and Suzhou. They seem only too happy to be involved in providing links to Australia. The problem is that their activities are little known in Australia. Perhaps there should be some Australia China Council operation to publicise their existence or act as a post box.
Recommendation Three

That ethnic Chinese in Australia be given greater support and encouragement in pursuing political and public office careers. Political parties should be encouraged and supported to raise the profile of ethnic Chinese here, but also to spell out the immense positive contribution that Chinese have made, both those who are natives of Australia, and those who have moved here, to the culture, economy and life of the nation.

4. What more can Australia do to connect productively in trade and investment, innovation, research and development?

China is now Australia’s largest trading partner, and this is unlikely to change. In raw terms, China will become the world’s largest economy before 2030. Since 1978, the Chinese government has made economic development its key strategic priority. Since 2001 and entry into the World Trade Organisation, it has enjoyed the benefits of being part of a global rules based system. Australia was, and remains, a key partner in this.

The dramatic acceleration of China's investment in science and technology, engineering, and medicine has resulted in China’s leading universities being richly endowed with state-of-the-art research infrastructure and a desire to engage with the world's leading universities to develop a stronger research and innovation culture. In particular those National Key Research Centres associated with China’s universities are superbly equipped and reaching out for international collaboration and succeeding in attracting top researchers from the US and Europe to part time and full time positions. There are also moves in China to reform research training in higher education to increase China's competitiveness; both for her own citizens and for foreign citizens. These developments provide special opportunities for Australian researchers to work with Chinese researchers, particularly in the engineering, science, and biomedical sciences where the Chinese research infrastructure has or is going to outpace what is available in Australia. In exchange, Australian researchers will bring new approaches to the research and innovation in China.

Recommendation Four

In order to become a deeper economic partner of China, Australia should:

- **Support the development of the non-state sector in China, through productive and proactive links that encourage non-state Chinese companies to invest more in Australia.** Many of these companies are in key technical sectors, and therefore offer not just economic but research partnerships. Australia needs a comprehensive strategy of engaging with these companies, the performance of which is critical for the future of the Chinese economy, by working intellectually and commercially with each other.

- **Prepare for a time when it is likely that Chinese companies will be far more innovative, and a source of proprietorial intellectual property, by engaging in frameworks now that can**
**embrace this change.** In particular, we need to deepen our engagement in life sciences, in energy technology, in renewables and sustainability, as well as economics and the social sciences, working from the assumption that it is possible to work together to create shared answers to shared challenges.

- **Work towards a scenario that assumes that within in a decade Australia will be a significant exporter of services as well as primary products to China.** This will be achieved by creating strategic partnership links with the International Finance Centre in Shanghai, and in working to deepen the levels of RMB trading undertaken through Australia. As a matter of urgency, Australia needs to finalise the Free Trade Agreement with China, in order to gain maximum market access to the emerging middle class consumers that are now becoming increasingly prominent in the Chinese and global economy.

- **Work in concert with international partners to deepen the observance of market access stipulations in China and the observance of global rules around subsidies, anti-dumping and intellectual property rights protection.** Key partners will include the EU, the USA, and transnational entities like the IMF, World Trade Organisation and World Bank.

- **Build knowledge about and support existing bilateral institutional agreements, such as the University of Sydney’s MOU with the Chinese Academy of Social Sciences, to develop cooperative research projects.** This approach would provide insight into Chinese goals and modes of investigation, afford opportunities to convey Australian research priorities, and open avenues for influencing the orientation of Chinese academic and policy research.

5. **Are there lessons Australia can learn from our past experience in developing relations with China?**

Australia has had formal diplomatic relations with China for four decades, but in practice our engagement has waxed and waned. To preserve our long-term interests with a key trading partner we need to create a China-informed generation of policy makers and business professionals across sectors. This should include government at state and federal level, corporate, non-government organisations, education and culture. Improved modes of consultation and engagement need to be introduced, which, while not time-consuming, can tap the expertise which has grown in the last four decades between the two countries.

**What are the key barriers, challenges and risks in progressing our relations with China?**

Currently, Australia’s engagement with China is neither sufficiently mainstream, nor based on a long term vision. The Australian Government should commit more resources to support Australians who are pursuing Chinese language studies and China Studies and provide resources and incentives for Australian professionals to acquire necessary language proficiency and knowledge about China. Such skills will be important to overcome misperceptions and widespread lack of knowledge of the diverse Chinese economy and will improve the ways in which business and political interests are expressed and understood.
6. How can we assess the effectiveness of Australia’s efforts to deepen and strengthen relations with China?

The effectiveness of Australia’s efforts to deepen and strengthen relations with China can be monitored and evaluated, for example, by:

- tracking trends in levels of investment coming to Australia from China and the sources of that investment
- monitoring the quantity and quality of research collaboration between Australian and Chinese researchers, particularly in disciplinary and cross-disciplinary areas of strategic priority to Australia
- measuring access by Australian companies to investment and export market in China
- collecting data about the numbers and global share of the best quality Chinese students coming to study in Australia
- tracking the numbers of Australian students at high school and university who are studying Chinese language and/or society
- Monitoring the numbers of Australian university students who spend time studying in China as part of their study towards an Australian higher education award.

It should be possible for DFAT to work the Department of Innovation, Industry, Climate Change, Science, Research and Tertiary Education (DIICCSRTE), along with the higher education sector through Universities Australia, to establish robust mechanisms for the collection of data that is mutually beneficially in ways that do not create an excessive reporting burden for providers.

Submitted by email to:

China Strategy Submission

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For further information on this submission contact:

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23 May 2013

To whom it may concern:

Towards 2025: Australia's Indonesia Strategy in the Asian Century

On behalf of the University of Sydney's Sydney Southeast Asia Centre (SSEAC), I am delighted to submit this submission to the Department of Foreign Affairs and Trade (DFAT) about Australia's Indonesia strategy. The University of Sydney strongly supports the development by the Australian Government of a coherent national strategy to guide the nation's future engagement with one of its closest and most important neighbours in Asia.

As Indonesia’s geopolitical importance continues to grow, it is vital that the Australian Government responds proactively to changes in Indonesia itself and in the bilateral relationship. The University of Sydney has a long-standing interest in Indonesia, with considerable relevant expertise and a breadth and depth of activity that provides us with a nuanced understanding of Australia's past and evolving relationship with Indonesia. We are particularly eager to assist DFAT in its consideration of initiatives in the field of education and research, which constitute a vital form of support for Indonesia's continued development and underwrite people-to-people links between our two countries.

Coordinating the University's expertise and engagement with Southeast Asia

The University of Sydney's substantial expertise on Indonesia, and our extensive engagement in-country, is coordinated through SSEAC, one of Australia's leading centres of interdisciplinary academic excellence relevant to Southeast Asia in all of its diversity. SSEAC brings together over 200 academics from across the University working in five areas of thematic strength and relevance to the region: economic and social development, environment and resources, health, heritage and the arts, and state and society.
SSEAC supports these academics in their work and generates high impact interdisciplinary projects that address the short and longer term strategic challenges faced by countries and communities in the region. It addition, it seeks to enhance the learning experience of undergraduate, postgraduate and research students with an interest in Southeast Asia; create opportunities for students from the region to spend time in Australia, and increase the numbers of Australian students who graduate with a passion for engaging with the region. Finally, in collaboration with the University’s faculties, SSEAC promotes the University’s and Australia’s engagement in the region by partnering strategically with governments, think tanks, non-government organisations and private sector organisations with an interest in Southeast Asia.

Specific expertise and activity relevant to Indonesia

Among SSEAC’s membership we have seventy-nine academics, located in ten faculties, with research and/or outreach interests in Indonesia. The University has the only Department of Indonesian Studies in New South Wales. The department is run by three full-time academics (two of whom contribute to teaching) and currently has an enrolment of 80 undergraduate students and 14 postgraduate research students. Students at the University are able to visit Indonesia through ACICIS, but also through field schools offered by the School of Geosciences, the Sydney Medical School and the Sydney Law School (Appendix B). In addition, there are opportunities for students in the University of Sydney’s Master of Human Rights and Democratisation program to spend a semester at the Gadjah Mada University. As of March 2012, there were 220 Indonesian students enrolled at the University.

Engagement with Indonesia is also strong across many other disciplines, including in the arts and social science, the humanities, health, agriculture, veterinary science, law and education. Appendix A to our attached submission provides details of this engagement, listing academics along with a summary of their recent projects in Indonesia. These include academic research about Indonesia’s history, art and culture, language, urban environments, social movements and legal frameworks. In addition, scholars in the faculties of Science, Agriculture and Environment and Veterinary Science are engaged in ACIAR funded projects that address issues ranging from cocoa and coffee to livestock movement, rabies and aquaculture. The Faculty of Education has a strong involvement in Indonesia, where it is using ALAF funding to run programs aimed at reforming teacher education as well as establishing partnerships with a number of Indonesian universities. Researchers from the Sydney Medical School and the Faculty of Health Science are also engaged in a range of health related capacity building projects funded by donors such as AusAID and the World Health Organisation. The Sydney Business School is involved in capacity development programs funded by AusAID focussing on the evaluation of microcredit programs, sovereign risk and social entrepreneurship.
Suggested strategies to strengthen Australia's relationship with Indonesia

In our attached submission we have addressed each of the questions to which the Department is seeking responses, in most cases summarising the current situation from our perspective, and identifying key opportunities where we believe that action by the Australian Government would further strengthen Australia’s relationship with Indonesia. Our submission includes fifteen recommendations for consideration by the Asia Century Implementation Unit. We believe that, if implemented as part of a coherent long term and adequately resourced strategy to guide Australia’s future engagement with Asia, and with Indonesia specifically, practical initiatives such as these would, at a relatively modest cost to the Government, serve to strengthen Australia relationship with Indonesia greatly by providing the basis from which develop and sustain people-to-people links through heightened levels of educational and research collaboration.

SSEAC academics with expertise relevant to Indonesia would welcome the opportunity to engage further about these issues. Please do not hesitate to contact me if further information is required at michele.ford@sydney.edu.au or on (02) 9351 7797.

Yours sincerely

Associate Professor Michele Ford
Director, Sydney Southeast Asia Centre

Attachment

Sydney Southeast Asia Centre submission to DFAT’s Indonesia Strategy

Attachment appendices

Summary of current University of Sydney academics’ involvement in Indonesia

Opportunities for in-country experience
A Whole-of-Australia Approach to Developing Country Strategies with Our Regional Partners

Sydney Southeast Asia Centre (SSEAC) Submission to Australia's Indonesia Strategy in the Asian Century

1. What are your priorities and objectives in Indonesia?

The University of Sydney, through SSEAC, has identified enhanced engagement with Indonesia as a strategic priority. This engagement involves research collaboration, student exchange, Indonesia-related course content, capacity building, academic mentoring and professional engagement with business and government stakeholders (both Indonesian and Australian) and student recruitment. In order to achieve these aims, SSEAC seeks to develop and maintain relationships with Indonesian universities, academics and other relevant institutions, as well as with school teachers of Indonesian and the Indonesian community in Sydney.

Our priorities are to:

- Maintain and strengthen our Indonesian Studies program
- Increase opportunities for students outside the Indonesian Studies program to undertake field-schools, exchanges and internships in Indonesia
- Expand existing collaborative research projects with Indonesian research institutions and to further develop joint-research outputs well above world standards
- Support new multidisciplinary research with a view to contributing to Indonesia’s development in strategic areas including veterinary science, health, agriculture, technology, business and the social sciences
- Continue to work with non-university organisations, including government departments and specialist institutes, to build capacity in Indonesia
- Continue to work with the Indonesian community and with Indonesia-relevant organisations to promote an understanding of Indonesia in Australia
- Provide professional development for teachers of Indonesian at the primary and secondary level

2. What opportunities are there to deepen our engagement across the board, including through people-to-people, economic and political/strategic links?

There are a number of channels through which the tertiary education sector can strengthen people-to-people links between Australia and Indonesia. These include: education provision for Indonesians; developing Indonesian literacy in Australia; research collaboration; and alumni networks.
The provision of high quality education to Indonesia, and the broader Asian region, is an area in which Australia has a strong competitive advantage globally. Provided the Australian university sector is funded appropriately into the future, and tuition fees remain competitive against other international providers, there is enormous potential to deepen our engagement with Indonesian students. In addition to scholarships for Indonesian students to study in Australia, strategies need to be developed to attract self-funded Indonesians to choose Australia as a destination for study.

It is vital that Australian students are encouraged to engage with Indonesia if they are to become involved in economic or inter-governmental relations with Indonesia or become participants in the kind of people to people relationships the government wishes to promote. Indonesian Studies programs have been under great pressure in recent years because of shrinking student demand at the school level. Although numbers are now better than they have been in several years, it is vital that programs in this strategic area are supported directly to ensure that they can provide an excellent curriculum and that their viability is not entirely dependent on student numbers. A small targeted subsidy to support the tertiary teaching of Indonesian as a ‘strategic language’ would ensure the long-term viability of these departments, many of which consist of a single academic, and would allow staff to concentrate on delivering a world-class Indonesian curriculum. A recurring grant of $100,000 to an Indonesian Studies department in each capital city would provide sufficient ballast to employ at least two staff members, the minimum required to guarantee the provision of a high-quality language program while ensuring staff opportunities to also conduct research.

Time spent in-country as a student is a strong predictor of on-going engagement with Indonesia. Many of Australia’s experts on Indonesia who work in academia, government and business have spent significant time in Indonesia, usually as students. Students within the University of Sydney’s Indonesian Studies program currently have access to the Australian Consortium for ‘In-Country’ Indonesian Studies (ACICIS) program, run by a group of Australian universities. ACICIS has had an enormous impact on the quality of Australian Indonesian Studies graduates, including those at Sydney; however, its capacity to continue is threatened by a lack of core funding. Recent calculations by the consortium director indicated that consortium members needed to pay between $5,000 - $10,000 each per annum to cover the consortium’s running costs, in addition to a per student fee of $3,000 for students taking up the opportunity to participate in a semester-long program. Indonesian language programs are already vulnerable, and such costs put them at further risk. An annual grant of $200,000 would allow ACICIS to offer its programs to students at all Australian universities on a fee per student only basis.

ACICIS was established in part because standard exchange agreements do not work well in the Indonesian context, as it is difficult to attract enough Indonesian students to allow sufficient numbers of Australians to undertake an exchange in Indonesia. This problem needs to be addressed if significant

In addition to opportunities for participation in ACICIS, University of Sydney students in selected disciplines have access to international field-schoo

ls, taken as part of their Australian degree. Geography field-schools, which alternate between Indonesia and the Mekong, have been a highly effective means through which the University of Sydney has facilitated personal relationships between Australian and Southeast Asian students. A two-week in-country Southeast Asia school was run by Sydney Law School for the first time in 2012 in Indonesia and Malaysia, and will take place annually, subject to sufficient student enrolments. Short term clinical and research placements are currently facilitated in the Sydney Medical School, in both directions – for periods of between 4 and 8 weeks.
numbers of students are to be encouraged to undertake in-country study. Recent initiatives such as the AsiaBound grant scheme seek should be applauded. However, the limited time frame of such support (extended for a second year in the May budget) means that it is difficult to guarantee the sustainability of these programs or to build them into the curriculum. To ensure that universities have the confidence to incorporate in-country experiences into their curriculum, longer term (10-15 years) support is necessary so that these programs can gain sufficient momentum to become at least partly self-sustainable. Providing opportunities to allow Indonesian students to experience Australia for shorter-term fieldtrips and learning experiences would also be valuable.

Research collaboration not only assists Indonesian institutions to strengthen their research culture, but builds deep and lasting relationships that are of importance academically and to the bilateral relationship. Australian universities are well-positioned to be world-leaders of Indonesia-related research and to be global hubs for academic communities with an interest in the region. Further details are provided in response to Question 5 below.

Sustaining relationships with Indonesian alumni of Australian universities should be a key strategy to maintaining people-to-people links as well as economic and political links, as many alumni go on to occupy influential positions within Indonesia. It is primarily the responsibility of individual universities to maintain relationships with their alumni. However, DFAT should play a more central role in coordinating these networks given the important role that Australian scholarships have traditionally performed in bringing Indonesian students to Australia.

Recommendation 1

That key Indonesian Studies departments be allocated $100,000 each in strategic funding per annum to ensure that Australia’s strategic capacity in this important area is developed to an appropriate level.

Recommendation 2

That core funding of $200,000 annually be provided to ACICIS to ensure its sustainability.

Recommendation 3

That long-term and accessible programs of scholarships and study abroad opportunities specifically targeted to Indonesia be developed to promote people-to-people engagement, including opportunities for inbound and outbound students and staff for periods of varied duration.

3. How is the pace and shape of political, economic and social change in Indonesia affecting your engagement?

Indonesia is undergoing far-reaching social, political and economic change, the complex nature of which is still poorly understood by most Australians. It is an extremely resource-rich and culturally sophisticated nation with a rapidly-growing middle class, which nevertheless continues to deal with serious challenges in terms of poverty and underdevelopment. This form of compressed development defies conventional categories of ‘developed’ and ‘developing’ country status. As in other sectors, this
affects Australian universities’ engagement. Research collaborations are limited by the inability of many Indonesian academics to commit to an equal partnership, even in those cases where the academic concerned performs at an international standard. Funding for collaborative research is often difficult to obtain in both Australia and Indonesia, even for important projects. Student exchange opportunities are similarly constrained not only by limited flows in the opposite direction but by the problem of ensuring that the curriculum delivered in the partner institution is of sufficient quality to be given credit by the sending institution. Exchanges are also limited by the lack of opportunities for specialist language preparation before departure.

**Recommendation 4**

*That a national protocol be developed to facilitate credit transfer from Indonesian to Australian universities.*

**Recommendation 5**

*That purpose-specific intensive language preparation courses be offered for inbound students (Indonesian) and outbound students (Australian) to facilitate reciprocal exchange.*

4. **How can we support stronger social and cultural links with Indonesia, for example through networks of Australians living in these countries or through communities in Australia?**

The Indonesian community living in Australia is an under-utilised resource for cultivating the relationship between the two countries and in supporting the education sector in particular. Skills development of individuals within the community should be encouraged and supported so that more background speakers can become involved in classroom teaching at the school level, either as qualified teachers or as teaching assistants. Scholarships and programs to encourage such skills development would enhance the quality of Indonesia-related teaching programs in schools, while addressing predicted future shortages of trained language teachers, and would contribute to Australian students becoming Indonesia-literate. Similar opportunities exist to develop community skills in certified translating and interpreting. The Indonesian community in Australia is also a potential resource for education-related activities with underused skills in the arts, music and dance. Recruitment of talented individuals as ‘cultural ambassadors’ for Indonesia to work across local primary and high schools would create more opportunities for young Australians to engage with Indonesia in ways other than through language classes. Such programs expose students to exciting and attractive elements of Indonesian culture, thereby stimulating a deeper interest that could translate into the study of Indonesian language and society at the tertiary level. Ultimately this will only improve and deepen future engagement between Indonesian and Australian government, business and communities.

Australians living in Indonesia also constitute a valuable resource. It would be of great help to Australian universities if a broad-based internship program were established that could be accessed by Australian students. If such opportunities were made available alongside Australian government scholarships for placements, it may be possible to generate significantly more interest in Indonesia among students in non-traditional faculties such as Engineering and Business. Similar arrangements with international schools would make it possible for a far greater number of teacher trainees to undertake an overseas
practicum. Non-government organisations can provide quality placements to students in the social sciences.

Finally, personal and institutional relationships would flourish more effectively if both the Indonesian and Australian governments removed obstacles to obtaining appropriate visas. While obtaining a tourist visas to enter Indonesia is straightforward, other visas (such as research permits and for working holidays) are time consuming and complicated to obtain. For example, Australian exchange students often have difficulties obtaining a working visa so that they can remain in Indonesia after completing their studies. To ensure that any funding associated with getting Australian students to Indonesia is used to best advantage, a smoother visa application process is necessary. Similarly, the difficulties in obtaining Australian visas (beyond student visas) continue to obstruct many Indonesians, particularly younger Indonesians, wishing to ‘experience’ Australia.

**Recommendation 6**

*That pathways be developed for members of the Indonesian community residing in Australia who are interested in becoming educators.*

**Recommendation 7**

*That a national internship program be developed.*

**Recommendation 8**

*That the Australian government exert diplomatic pressure on Indonesia to reform visa application processes and review its own visa procedures.*

5. What more can Australia do to connect productively in trade and investment, innovation, research and development?

Australia can, and should, be connecting more productively with Indonesian institutions on collaborative research and development.¹ The research output of Indonesian universities is relatively low. Although the Australian Research Council (ARC)’s rules have recently changed to allow partner investigators to be funded, few Indonesian scholars have the kind of track record that enhances the competitiveness of an application. Other interesting models, such as the Australia-Indonesia Governance Research Partnership (AIGRP), have been trialled, but only for particular research topics and for an extremely limited duration.

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¹ This response draws on Ford, M. 2012. *Mechanisms for Building Research Capacity in Indonesia’s Knowledge Sector through Australian Universities.* Canberra: AusAID.
per project (less than 1 year). The research model adopted by the Australian Centre for International Agricultural Research (ACIAR) provides genuine research partnerships between Australian and Indonesian research institutes and is a good potential model, although here too research topics are thematically restricted (to agriculture) and support is targeted at departmental research institutes rather than Indonesian universities.

We suggest that existing ARC and NHMRC schemes be complemented with a purpose-specific competitive grant scheme designed to facilitate long-term collaborations. These grants, which could be administered through the ARC, could be targeted to encourage a small number of large-scale, longer-term, cross disciplinary research projects on issues of significant importance. The grants would necessarily be both substantial and long-term, with provisions for academic mobility and workshops. In order to encourage genuine collaboration, the scheme would need to include funding to at least partially free a team of researchers at an Indonesian partner university from teaching and the demands of contract research. In addition to exposing Indonesian researchers directly to an international grant process, the administering of the program through the ARC would ensure that the project was classified as research rather than outreach by Australian institutions, thus providing incentives for quality Australian researchers to participate, and (where deemed necessary for ensuring accountability) allowing for disbursement of some or all funds through an Australian institution, or institutions. ARC reporting requirements would also provide an extra incentive to ensure that specified targets were met.

In terms of Australia’s contribution to research capacity building in Indonesia, we applaud the introduction of a more dedicated research training focus in pre-departure training for Indonesian students destined for study in Australia. It is widely recognised by Indonesian candidates and their Australian supervisors that Indonesian students experience considerable difficulty adjusting to Australian expectations at the research higher degree level. Another possible approach to this issue is to build in a research readiness component in Australia before commencement, in the form of a five to six month purpose-specific, fully-funded, intensive research training program to be offered in a small number of locations in Australia after language training but before a student’s candidature for a higher research degree. The concentration of such a program in a few locations would allow for the development of specialist offerings beyond what could be offered at the student’s destination university.

Such a course would be the equivalent of an Honours degree, but with additional focus on research methods and critical academic reading and writing. The completion of this program could then serve as an exit point for students who do not show sufficient research promise to go on to a higher research degree. This ensures that the best use is made of Australian funding and that only competent candidates are admitted into Australian higher degrees. Research collaboration could be further facilitated by the introduction of more flexibility to the student scholarship and visa system to allow submitting...
candidates to remain in Australia to publish from their theses and, if the opportunity arises, for postdoctoral work.

In terms of research training for Australian students, scholarships should be offered across the full range of disciplines at the Honours, Masters and PhD level to encourage them to take on Indonesia-related topics. Such scholarships would need to include a dedicated component for language acquisition to ensure the viability of the research project. If sufficiently attractive and far-reaching, such a program would greatly enhance Australia’s Indonesia knowledge beyond the traditional areas of strength in language/culture and social science.

**Recommendation 9**

*That a large-scale targeted grant program be funded that supports research collaborations with Indonesian research partners. This program should be run by the ARC and be open to teams of Australian researchers committed to working with a leading department in that discipline in Indonesian universities and should include funds for teaching release for Indonesian partners and academic mobility.*

**Recommendation 10**

*That Australia Awards for research higher degrees be extended to include a five to six month purpose-specific intensive research training program (effectively the equivalent of an Honours degree, but with additional focus on research methods) to be offered in a single location in Australia after language training but before a student’s candidature for all students enrolled in a higher research degree.*

**Recommendation 11**

*That Australia Awards be extended a three to four month post-submission program for PhD candidates, which focuses on extracting academic publications from their theses. This program should be offered in a small number of locations in Australia for students who submit within four years of commencing their candidacy.*

**Recommendation 12**

*That flexibility be introduced within the student visa system to allow submitting candidates to remain in Australia for the purpose of Recommendation 11.*

**Recommendation 13**

*That consideration be given to the introduction of a limited number of post-doctoral research fellowships to Indonesian researchers who have completed doctoral research at an Australian University.*

**Recommendation 14**

*That scholarships be offered across the full range of disciplines at the Honours, Masters and PhD level to encourage students to take on Indonesia-related topics. A period of intensive in-country language acquisition should be a mandated part of any such program.*
6. Are there lessons Australia can learn from our past experience in developing relations with Indonesia?

It is important to highlight and support long term relationships between the two countries and to recognise the time needed for these to develop appropriately. Past programmatic funding to support bilateral relationships has primarily been short-term. A gradation of support programs, starting small and building to sustain larger, longer term, bilateral, strategic research and development programs is required. Short-term funding for programs to engage with Indonesia are useful for introducing Indonesia to those who may not have had the opportunity to visit, but are not adequate for developing long-term relationships. But past experience has demonstrated that a large number of quick-turnover projects do not provide sufficient depth to the relationship.

Lessons regarding funding cycles also pertain to funding for school-based programs. Although Indonesian language teaching has a strong history in NSW and Victoria, and to a lesser extent WA and SA, its footprint has been greatly eroded in recent years despite the large injection of funds in the mid-1990s and more recent programs. A school culture of learning around a language and a culture takes time and effort to establish and is difficult to maintain. The message sent by sporadic funding – even if substantive – is that language/study of Indonesia is not important.

Recommendation 15

That the government commit to long-term programs in the areas of language learning, curriculum embeddedness and research.

7. What are the key barriers, challenges and risks in progressing our relations with Indonesia?

Australian attitudes toward Indonesia are narrowly focused on a small number of (mostly negative) stereotypes. Australians still tend to hold on to anachronistic and unrepresentative perceptions of Indonesia perpetuated by the media: a third-world backwater where Islamic conservatives and people smugglers reign supreme. Of course, these perceptions are inaccurate, yet they constitute a key barrier to the long-term relationship. Australia risks regional irrelevance as Indonesia emerges as the leading economic and political power in the region, if it maintains an essentially paternalistic and obsolete attitude towards Indonesia. Australians, within our schools, universities and public sector, need to develop a deeper, more sophisticated understanding of Indonesia. This requires adequate support for Indonesia-literacy is our schools and universities through both tailored programs and curriculum-wide embedding.

As noted above, this requires a serious commitment in the following areas:

- the promotion of Indonesian studies and the broadening of student interest in Indonesia at the school and tertiary levels both in Australia and through in-country experiences
- institutional support for tertiary-level Indonesian studies programs and for ACICIS
- reform of the Australia Awards program and the introduction of scholarships to encourage Australian research students to work on an Indonesia related topic
• the facilitation of long-term research collaborations through large-scale targeted research grants.

8. How can we assess the effectiveness of Australia's efforts to deepen and strengthen relations with Indonesia?

In the tertiary sector, indicators of a deeper and stronger relationship with Australia include the numbers of Indonesian students studying in Australian universities, the numbers of Australian students enrolled in Indonesian Studies, the numbers of Australian students participating in in-country field schools or exchange programs in Indonesia and the number of joint publications authored by Australian and Indonesian academics.
## Appendix A: University of Sydney academics’ current involvement in Indonesia

<table>
<thead>
<tr>
<th>Area of Strength</th>
<th>Faculty and Staff involved</th>
<th>Name of Project</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Economic and Social Development</strong></td>
<td><strong>Faculty of Agriculture and Environment</strong>&lt;br&gt; - Prof David Guest&lt;br&gt; <strong>Faculty of Science</strong>&lt;br&gt; - Dr Jeff Neilson&lt;br&gt; - Dr Fiona McKenzie</td>
<td>Improving the Sustainability of Cocoa Production in Eastern Indonesia&lt;br&gt; <em>Funded by the Australian Centre for International Agricultural Research (ACIAR)</em></td>
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<tr>
<td></td>
<td><strong>Faculty of Arts and Social Science</strong>&lt;br&gt; - Dr Russell Toth</td>
<td>Impact Evaluation of Kredit Usaha Rakyat&lt;br&gt; <em>Funded by AusAID</em>&lt;br&gt; Emergence of Transformative Entrepreneurship&lt;br&gt; <em>Funded by Innovations for Poverty Action</em>&lt;br&gt; Fractionalisation, Political Competition and Local Budgeting in Indonesia</td>
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<tr>
<td></td>
<td><strong>Faculty of Arts and Social Science</strong>&lt;br&gt; - Dr Robbie Peters</td>
<td>Social Consequences of Transport Led Growth and Intercity Migration along Java’s Urban Corridor&lt;br&gt; <em>Funded by a University of Sydney Bridging Support Grant</em></td>
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<tr>
<td></td>
<td><strong>Sydney Business School</strong>&lt;br&gt; - Dr Nigel Finch</td>
<td>Benchmarking public Sector Transparency (Sovereign Risk in Mongolia and Indonesia)&lt;br&gt; <em>Funded by AusAID (PLSP)</em></td>
</tr>
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<td></td>
<td><strong>Faculty of Education and Social Work</strong>&lt;br&gt; - A/Prof Lesley Harbon&lt;br&gt; - Prof Anthony Welch&lt;br&gt; - Dr Kevin Laws</td>
<td>Reforming Teacher Education Programmes in Southeast Asia&lt;br&gt; <em>Funded by the Australian Leadership Awards Fellowship (ALAF)</em></td>
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<td></td>
<td><strong>Faculty of Science</strong>&lt;br&gt; - Dr Jeff Neilson&lt;br&gt; - Dr Fiona McKenzie</td>
<td>Evaluating Smallholder Livelihoods and Sustainability in Indonesian Coffee and Cocoa value chains&lt;br&gt; <em>Funded by the Australian Centre for International Agricultural Research (ACIAR)</em></td>
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<td></td>
<td><strong>Faculty of Science</strong>&lt;br&gt; - Dr Yayoi Fujita Lagerqvist&lt;br&gt; - Dr Jeff Neilsen&lt;br&gt; - A/Prof Bill Pritchard</td>
<td>Enhancing Farmer Engagement with Specialty Coffee Chains in Eastern Indonesia&lt;br&gt; <em>Funded by the Australian Centre for International Agricultural Research (ACIAR)</em></td>
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<td></td>
<td><strong>Faculty of Veterinary Science</strong>&lt;br&gt; - Prof Richard Whittington&lt;br&gt; - Dr Mike Rimmer</td>
<td>Diversification of Smallholder Coastal Aquaculture in Indonesia&lt;br&gt; <em>Funded by the Australian Centre for International Agricultural Research (ACIAR)</em></td>
</tr>
<tr>
<td><strong>Environment and Resources</strong></td>
<td><strong>Faculty of Veterinary Science</strong>&lt;br&gt; - A/Prof Jenny-Ann Toribio</td>
<td>Capacity Building - Veterinary Leadership in Indonesia - Training-of-Trainers&lt;br&gt; <em>Funded by the Australian Leadership Awards Fellowship (ALAF)</em></td>
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<td></td>
<td><strong>Faculty of Veterinary Science</strong>&lt;br&gt; - Dr Richard Dickens&lt;br&gt; - A/Prof Jenny-Ann Toribio</td>
<td>Determinants for WSD Outbreaks in Indonesian Smallholder Shrimp Ponds – A Pilot Study of Both Locality Factors, WSSV Genotype Distributions and Pond Factors&lt;br&gt; <em>Funded by the Australian Centre for International Agricultural Research (ACIAR)</em></td>
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<tr>
<td>Area of Strength</td>
<td>Faculty and Staff involved</td>
<td>Name of Project</td>
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<tr>
<td><strong>Faculty of Veterinary Science</strong></td>
<td>A/Prof Jenny-Ann Toribio, Dr Kate Sawford</td>
<td>Livestock Movement and Managing Disease in Eastern Indonesia and Eastern Australia. <em>Funded by the Australian Centre for International Agricultural Research (ACIAR)</em></td>
</tr>
<tr>
<td><strong>Faculty of Veterinary Science</strong></td>
<td>Prof Michael Ward, A/Prof Jenny-Ann Toribio</td>
<td>Rabies Risk Assessment in Eastern Indonesia, East Timor, Papua New Guinea and Northern Australia. <em>Funded by the Australian Centre for International Agricultural Research (ACIAR)</em></td>
</tr>
<tr>
<td><strong>Faculty of Health Sciences</strong></td>
<td>Prof Gwynynth Llewellyn, Dr Leigh Wilson, Prof Deborah Black</td>
<td>Disability and DRR in Indonesia: Risk, policy and inclusion. <em>Funded by AusAID Development Research Awards</em></td>
</tr>
<tr>
<td><strong>Sydney Medical School</strong></td>
<td>Dr Cynthia Hunter (School of Public Health), Dr Huson Birden, Prof Robert Booy</td>
<td>A Community Response to Avian Influenza in Bali and Lombok with the University Udayana and Mataram University. <em>Funded by the World Health Organization Regional Office</em></td>
</tr>
<tr>
<td><strong>Faculty of Veterinary Science</strong></td>
<td>A/Prof Jenny-Ann Toribio</td>
<td>An Evaluation of the Communication Strategies used Between Health Practitioners and Teams in Cipto Mangunkusumo Hospital, Jakarta with the University of Indonesia. <em>Funded by International Project Development Fund and Sydney Medical School</em></td>
</tr>
<tr>
<td><strong>Sydney Medical School</strong></td>
<td>Dr Cynthia Hunter</td>
<td>Capacity building to Enhance Cross-Border Communicable Disease Surveillance and Control Programs between West Timor and Timor-Leste. <em>Funded by the World Health Organisation</em></td>
</tr>
<tr>
<td><strong>Sydney Medical School</strong></td>
<td>A/Prof Ben Marais, Dr Mark Douglas, Prof Jacob George, Prof Tania Sorrell</td>
<td>Developing Functional Research Partnerships in Infectious Diseases with the Eijkman Institute and Hasanuddin University. <em>Funded by International Project Development Fund and Sydney Medical School</em></td>
</tr>
<tr>
<td><strong>Sydney Medical School</strong></td>
<td>Dr Monica Lahra, Prof Tania Sorrell, Prof Peter McMinn, Prof Michael Ward, Prof Lyn Gilbert, A/Prof Alison Kesson</td>
<td>Developing Multi-Disciplinary Collaborations for Research, Education and Student Exchange in Human and Animal Health and Biosecurity with Airlangga University, Indonesia. <em>Funded by International Project Development Fund and Sydney Medical School</em></td>
</tr>
<tr>
<td><strong>Sydney Medical School</strong></td>
<td>Professor Alison Kesson</td>
<td>Laboratory Capacity Building with Hasanuddin University and Universitas Gadjah Mada. <em>Funded by the Australian Leadership Awards Fellowship (ALAF)</em></td>
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<tr>
<td>Area of Strength</td>
<td>Faculty and Staff involved</td>
<td>Name of Project</td>
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<tr>
<td><strong>Heritage and the Arts</strong></td>
<td>Faculty of Arts and Social Science</td>
<td>Histories of Modern and Contemporary Southeast Asian Art Funded by the Getty Foundation</td>
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<td></td>
<td>Faculty of Arts or Social Science</td>
<td>Language Development Program with the University of Indonesia Youth Discourse and Interactional Styles</td>
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<td></td>
<td>Faculty of Arts and Social Science</td>
<td>Understanding Balinese Paintings: Collections, Narrative, Aesthetics and Society Funded by the Australian Research Council (Linkage Project with the Australian Museum and the Batuan Project, Singapore)</td>
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<td></td>
<td>Faculty of Arts and Social Science</td>
<td>Shaping Indonesian Contemporary Art: The Role of Institutions Funded by the Getty Foundation</td>
</tr>
<tr>
<td><strong>State and Society</strong></td>
<td>Faculty of Arts and Social Science</td>
<td>Indonesian Transnational Political Activism in the Shadow of the Cold War (1949-1966)</td>
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<td></td>
<td>Faculty of Arts and Social Science</td>
<td>Judging the Past in a Post-Cold War World Funded by the Australian Research Council</td>
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<td></td>
<td>Faculty of Arts and Social Science</td>
<td>Organisational Dynamics of Maritime Pirates and Terrorists Funded by the Australian Research Council</td>
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<td></td>
<td>Faculty of Arts and Social Science</td>
<td>Re-Emergence of Political Labour in Indonesia Funded by the Australian Research Council</td>
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<td>Sydney Law School</td>
<td>Trade Unions in Indonesia, Malaysia and Timor Funded by the Australian Research Council</td>
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<td>Global Union Federations in Indonesia and India Funded by the Australian Research Council</td>
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<td>Sydney Law School</td>
<td>Indonesia’s Constitutional Court: Safeguarding Democratic Transition? Funded by the Australian Research Council</td>
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Appendix B: Opportunities for in-country experience in Indonesia

<table>
<thead>
<tr>
<th>In-Country Experience</th>
<th>Description</th>
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<tbody>
<tr>
<td>Australian Consortium for 'In-Country' Indonesian Studies</td>
<td>The Department of Indonesia Studies strongly encourages students to spend a period of exchange at an overseas university. Most University of Sydney students who choose to spend time in Indonesia do so through the Australian Consortium for ‘In-Country’ Indonesian Studies (ACICIS) program. Currently two University of Sydney students are participating in the ACICIS program.</td>
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<tr>
<td>Faculty of Arts and Social Science</td>
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<tr>
<td>School of Geosciences Southeast Asia Field School (undergraduate)</td>
<td>Held in Indonesia (Java, Sulawesi and Bali), this field school focuses on three main themes; rural social, environmental and economic change; regional economic integration and its local effects; regional environmental change and natural resources governance. The field school is run in close association with local universities, whose staff and students participate in some components of the course.</td>
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<tr>
<td>Faculty of Science</td>
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<tr>
<td>School of Geosciences Sustainable Development Field School</td>
<td>This field school is offered to students enrolled in the Environmental Science, Sustainability and Development Studies postgraduate programs. It exposes students to real world development dilemmas experienced by governments, businesses, communities and individuals in the global south. It involves a comparative assessment of development issues in the inner (urban Java) and outer (rural Sulawesi) islands of Indonesia. The course is run in partnership with the University of Indonesia (UI) and the Puntundo Environmental Education Centre in South Sulawesi.</td>
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<tr>
<td>(postgraduate)</td>
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<tr>
<td>Faculty of Science</td>
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<tr>
<td>Southeast Asia Winter School</td>
<td>This offshore unit of study will take place in Malaysia and Indonesia in July 2013 and aims to equip students with the knowledge about legal systems, political environments and cultural practices they need to operate in the region. The Indonesian component of the course will be taught at Universitas Gadjah Mada in Yogyakarta, which has one of Indonesia’s finest law faculties. Students will learn the fundamentals of the Indonesian legal system.</td>
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<tr>
<td>Sydney Law School</td>
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<tr>
<td>Medical Student International Placement</td>
<td>The Sydney Medical School’s Office for Global Health has established an international placement program with many of its international partners. These consist of a 4–8 week clinical or research placement. Up to two University of Sydney students are nominated to represent the Faculty under a scheme with University of Gadjah Mada (UGM), a relatively new international placement opportunity.</td>
</tr>
<tr>
<td>Sydney Medical School</td>
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</table>
The University of Sydney’s Submission to Australia’s India Strategy in the Asian Century

1. What are your priorities and objectives in India?

The University of Sydney’s primary objectives for engagement with India are to attract more high quality students from India, have more of our domestic students gain an understanding about India through their studies, and to pursue mutually beneficial educational and research collaborations with leading Indian educational institutions, industry and government agencies. In the area of education, we aim to increase our Indian student populations at the undergraduate and postgraduate research level, and to attract high caliber researchers from India. Education providers in the US and the UK remain our main competitors in this market. As the Indian population continues to grow and the demand for higher education accelerates, prospective students are increasingly looking beyond the more traditional northern hemisphere study destinations. We seek to meet this demand by offering incentives that are internationally competitive, including bilateral scholarships; internships; sandwich PhD and twinning programs with India’s leading institutions; and short-term mobility programs.

In research, we are focused on establishing collaborations that address the national research priorities of Australia and India. Key areas of research identified in the Indian Government’s 12th Five-Year Plan are science, biotechnology, agriculture, water, engineering and public health. These are areas in which we have extensive expertise and which represent potential growth areas for future academic collaborations with Indian counterparts. We also note the emphasis placed by the Indian Government on reinvigorating research within their universities, establishing partnerships with overseas institutions and promoting strong linkages with developed countries for participation in international science initiatives. We commend the Indian Government and believe there is much to gain for the Australian university sector from working with India on these plans.

We also argue for a continuing need for the Australian Government to operate a dedicated, bilateral fund to support research collaborations with India. The conclusion of the current phase of the Australia-India Strategic Research Fund, coupled with the decision to phase out bilateral aid to India will impact negatively on funding for research and development. We encourage the Australian Government to
support a more comprehensive knowledge partnership with India that encompasses all aspects of the national research fabric articulated in the National Research Investment Plan (i.e. publicly funded research, workforce, infrastructure, collaboration and business research) and that allows for lasting institutional and academic relationships.

To summarise, our priorities and objectives for engagement with India are to:

- **promote** the University’s brand in India as an institution of high quality education and research
- **attract** high caliber students and researchers from India by offering incentives in the form of bilateral scholarships; internships; sandwich PhD and twinning programs with India’s leading institutions; and short-term mobility programs
- **encourage** and enable domestic students gain an understanding of India and spend time there during their studies
- **build** on existing research collaborations and develop new ones in areas of science, biotechnology, agriculture, water, engineering and public health
- **Identify** funding sources to support joint research projects in areas of mutual national interests and competitive advantage.

2. **What opportunities are there to deepen our engagement across the board, including through people-to-people, economic and political/strategic links?**

We support the initiatives by the Australian Government to forge closer education links with India. Recent efforts such as the uranium export deal and the MoU on Student Mobility and Welfare are helpful for our own engagements. The success of the Australia India Youth Dialogue also illustrates the value of holding open discussions about economic, political, cultural, social and environmental issues.

The sustainability of our collaborations, however, is jeopardised by limited dedicated funding opportunities for research and scholarships for both incoming and outgoing mobility. Well publicised ‘base funding’ challenges faced by the Australian university sector also severely constrain our capacity to sustain core teaching and research activities, let alone support country-specific engagement strategies.

As set out in the *Australia in the Asian Century* White Paper, more needs to be done to educate Australians about contemporary Indian society and culture. The Australia India Institute is currently the
only national centre devoted to building the relationship between India and Australia. We see potential for the Centre to deliver more effectively on its stated mandate by building stronger linkages across the higher education sector. Australian universities play an important role in promoting language literacy and courses in Indian studies, and in facilitating staff and student exchange. We need to find better ways of bringing the India expertise and capacity in place in many institutions together under a coherent national collaborative framework or network, with appropriate governance structure and stable funding support.

Australian universities should focus resources on encouraging short and long-term student and professorial mobility. Standard exchange agreements do not serve this purpose well as evidenced by the low number of inbound and outbound students. Universities need to be more innovative in identifying funding to support these programs, including public-private partnerships and business sponsorship.

There is also an opportunity for Australian universities to better engage with their alumni. More resources should be directed towards developing alumni ambassador programs to highlight alumni success stories and their life experiences. Former students are often the best ambassadors to promote the Australian brand and the higher education sector overseas. Australian universities can also hold joint alumni events with India’s deemed institutions to enable professional networking and engagement.

To summarise, the key opportunities to deepen our engagement are through:

- **mobility** and fieldwork programs with Indian institutions
- **cross-sectoral collaborations** including public-private partnerships
- **alumni engagement** including alumni ambassador programs, and joint alumni functions with India’s deemed institutions
- **Inter-institution collaborations**, including refocusing the Australia India Institute to act as hub for dialogue, research and partnerships between India and Australia.

3. **How can we support stronger social and cultural links with India, for example through networks of Australians living in these countries or through communities in Australia.**

There are currently around 450,000 Indians living in Australia. We are not taking full advantage of this community to raise awareness of Indian society, nor do we engage them sufficiently and appropriately
in cultural activities. The Australia India Business Council (AIBC) and the Federation of Indian Chambers and Commerce Industry (FICCI) could play a stronger role in supporting bilateral linkages. We encourage them to offer internship programs to Indian and Australian students that can give them invaluable international work experience and a better understanding of each other’s culture and society.

The Indian Council for Cultural Relations (ICCR) offers junior and senior fellowships to researchers abroad who specialise in Indian studies in the fields of culture and social sciences. Under this program, the selected Fellow is affiliated, on the basis of mutual consent, to an academic institution in India. The Australian Government in conjunction with Australian universities could offer a similar scheme to Indian scholars, allowing them to spend some time at an Australian institution. This would encourage stronger cultural and social links between our two countries.

4. **What more can Australia do to connect productively in trade and investment, innovation, research and development?**

India, alongside China, will be one of the shaping forces of the Asian Century. Our shared principles of democracy, human rights and free speech offer the opportunity for intellectual engagement that can lead to wider cooperation in education, governance and business.

As India’s middle class grows and urbanisation spreads, potential areas for collaboration will continue to increase. The expertise of Australian researchers and agencies such as the Australian Centre for International Agricultural Research (ACIAR) can assist India in addressing challenges caused by drought, crop diseases, and land and water degradation. Another area where Australia can lend its expertise is in energy security. Australia can resource India’s acute energy shortage and provide technical assistance and training.

The likely expansion of India’s civil service offers further opportunities. India is home to world-class management and engineering schools but has few courses in policy and governance. The Indian Civil Service is also relatively small compared to the national population. Australian universities – including the University of Sydney and its Graduate School of Government – offer award courses and professional development training that can effectively respond to this shortfall.

Research and innovation is another area where Australia and India could benefit from closer collaboration. In the Global Innovation Index 2012, Australia ranked 23rd. Australia is also lagging
behind OECD averages, indicating Australia is not converting strong scientific outcomes into economic benefits. Australia needs to improve its productivity and India can offer extensive expertise in “inclusive innovation”. Indian entrepreneurs are increasingly focusing on serving consumers at the bottom of the income pyramid. As a result, a number of new innovative products and services have recently come onto the Indian market. Successful examples include Tata Nano car, which has 34 design patents and was initially priced at $US2,500; and the Chotukool, a small refrigerator which weighs 7.5kg, has an electricity bill of $US1 a month and costs $US75. A hepatitis-B vaccine that costs $US20 per dose has already been made available at one-fortieth of the price. These developments in innovation can open up new opportunities for scientific and commercial collaboration between Australia and India.

To summarise, Australia can do more to connect our trade, innovation, research, and development sectors by:

- **offering** extensive expertise to help India address challenges caused by drought, crop diseases, and land and water degradation
- **sharing** academic knowledge and experience to support policy development, public service capacity building and delivery.

India can do more by:

- **advising** Australian companies on how to invest (more) in inclusive innovation
- **clarifying** the areas of education and research where they see most value in collaborating with Australia.

5. **Are there lessons Australia can learn from our past experience in developing relations with India?**

In developing our relationship with India we need to invest for the long-term and give that investment time to provide tangible returns. Our relationship with China took years of diplomacy to develop as well as targeted and sustained investments in education, governance and business. Cultivating our relations with India will take perseverance and patience, and the Australian Government ought to commit to long-term programs in education and research as part of its strategy. A short-term approach with limited and insecure resourcing will not be sufficient to respond to the many opportunities and challenges that lie ahead in our bilateral relations.
6. **What are the key barriers, challenges and risks in progressing our relations with India?**

Cultural differences are a recurring challenge when dealing with Indian institutions. A better understanding of cultural nuances is important to foster effective and lasting relationships with Indian partners. The negative publicity attached to Australia in India – at its height during the attacks on Indian students in Melbourne – appears to be subsiding, although a sizeable element of mistrust remains. A recent poll carried out by the Lowy Institute and the Australia India Institute found that Indians are still unsure about Australian attitudes. 51 per cent agreed that Australia is a country with welcoming people, while 26 per cent of the respondents disagreed. Further, 62 per cent of respondents believed that despite recent improvements, Australia is still a dangerous place for Indian students. There is still considerable amount of work to be done to change these perceptions and continuing efforts by the Australian Government as well as the Australian community are needed.

Another challenge in progressing our relationship with India is to change the perception that higher education in Australia is secondary to the US and the UK. According to 75 per cent of Indians asked in the same Lowy-AII poll Australia ranks second to the US as a preferred study destination. Australian institutions should work collectively to strengthen the international reputation of our education system.

Australia has had formal diplomatic relations with India for decades. To preserve our long-term interests with a key strategic and trading partner we need to create an India-informed generation of policy makers and business professionals across sectors. This should include government at state and federal level, corporate, non-government organisations, education and culture.

To summarise, the key barriers and challenges to progress our relations are:

- *inadequate* understanding of cultural nuances across sectors including government, corporate, non-government organisations, education and culture
- *perceptions* of Australia as an unsafe study destination
- *perceptions* of Australian higher education as second rate to the US and the UK.
Submitted by email to:

India Strategy Submission

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The University of Sydney’s Submission to Australia’s Japan and Korea Strategy in the Asian Century

This submission has been prepared by the University’s International Portfolio, and reflects the University’s desire to assist the Government to develop effective engagement strategies for Japan and Korea as an important component of an overarching strategy for our future engagement with Asia. The submission has been prepared in consultation with academics with expertise and active engagement with these countries. It is intended to complement the submission that Dr Luke Nottage, Professor of Comparative and Transnational Business Law, has made to the consultation process on behalf of the Centre for Asian and Pacific Law in the Sydney Law School.

1. What are your priorities and objectives in Japan and Korea?

The University of Sydney’s key priorities for engagement with Japan and Korea are to increase the number of joint research projects with leading universities and to grow student mobility, both inbound and outbound.

2. What opportunities are there to deepen our engagement across the board, including through people-to-people, economic and political/strategic links?

3. How can we support stronger social and cultural links with Japan and Korea?

Japan and South Korea are both leaders in scientific research and development. Significant opportunities exist for further research collaboration with Australia if supported by appropriate policy and funding arrangements. Entry to these markets requires a sustained, long-term commitment to building relationships. Enhancing levels cultural awareness among Australian partners is vital. Japan is investing in student mobility and the globalisation of its universities, providing opportunities for Australian students and researchers to gain practical experience and develop people-to-people relationships in Japan. Korea remains a strong market for inbound undergraduate students. Facilitating and supporting the international student experience will help to make Australia a more attractive and competitive destination for high quality students and researchers from both Korea and Japan.

In student mobility, the Endeavour Awards and Asia Bound Scholarships are specific opportunities for Australians to study in Japan and Korea. These schemes should be accessed to stimulate interest in ‘non-
traditional study abroad destinations. Creating a program of internship exchanges for undergraduates, postgraduates, and students in the professional schools should be explored.

New opportunities are also emerging within Japan’s and Korea’s borders. The Japanese Government is investing in internationalisation of universities (see for example the Global 30 program). 13 universities have been designated as “global education hubs” and this number is set to rise to 42 by 2030. Japan also aims to increase foreign student enrolments, from the current level of 137,000 (2012) to 300,000 by 2020. The Japanese Government has experienced limited success in previous initiatives to attract inbound students, partly due to a high Yen, language barriers, and more recently the 2011 Tohoku earthquake, tsunami and nuclear disasters. New government support is becoming available, however, including for short-term study programmes for foreign students. The number of Japanese students travelling overseas for long-term study has recently begun to increase, following a period of decline. This opens a window for Australian institutions to rethink initiatives to recruit students. Interest in an international study experience remains strong among local students, partly due to growing interest from Japanese companies keen to hire locals with more overseas exposure.

Korea, for its part, has identified globalisation of education, science and technology as a priority. The Korean Government plans to increase funding for overseas training of teachers, further develop student exchange, and promote partnerships with global research facilities. This is of particular interest to Australia. Korea is Australia’s third largest source of international students, and a particularly large market for undergraduate students. The Ministry of Education also aims to have 10 world-class Korean universities with three ranked in the world’s top 30 by 2015.

Australia has an established relationship with Japan, although this should not be taken for granted. Much of Australia’s interest in Japan in the 1980s and early 1990s has been diverted to China. This is largely due to the economic downturn in Japan in the 1990s, coinciding with the rapid rise of China and the Chinese middle class. Despite this trend, Japan remains an important strategic and trading partner for Australia. Japan has much higher per capita income than China, and is the world’s third largest economy, Australia’s second largest trading partner, our third largest foreign investor and our largest export market for food and beverages. Japanese tourists are our third highest spending market. Looking ahead, it will be important to have a balanced approach in our engagement with China and Japan, and ensure our investments in Chinese goods and services do not limit our opportunities in Japan.
4. **What more can Australia do to connect productivity in trade and investment, innovation, research and development?**

We commend the Australian Government’s work to date in building relations with Japan and Korea. We see great potential, however, for Australia to do more to connect trade and investment, innovation, research and development. In particular, we need to cultivate a new generation of leaders who possess the language and cultural skills necessary to further our bilateral relationships with these countries. Cultural fluency is just as important as language proficiency. This can be developed through a vibrant academic program in Japanese Studies in which language training has a high profile; grassroots people-to-people exchange; and having Australians living, studying and working in these countries, and developing personal networks. Asia Bound Scholarships and the Endeavour Awards could be used to encourage academic and research exchange with Japan and Korea.

Japan and Korea are both leaders in manufacturing, and scientific research and development. By forging closer research partnerships with Japanese and Korean institutions, Australia could benefit from positive multiplier effects in other markets, including in the US and Europe. Australia is well placed to assist and collaborate with Japan in the following areas:

- Funds and wealth management
- Health care, especially aged care (both countries face crises of ageing populations)
- Infrastructure
- Law and Corporate Governance
- Education
- Renewable energy
- Environmental protection and resource management
- Agriculture and pesticides

5. **Are there lessons Australia can learn from our past experience in developing relations with Japan and Korea?**
Our current relationship with China suggests that partnerships with Japanese and Korean organisations need to be developed and cultivated over many decades. Achieving meaningful improvements will require patience and commitment, repeat visits, strong understanding of culture and institutions, and the willingness to invest in an educational foundation that will enable Australians to be full participants in the Asian Century.

6. **What are the barriers, challenges and risks in progressing our relations with Japan and Korea?**

The overarching barrier to progressing our relations with Japan and Korea is the lack of awareness of both countries’ cultures and society in Australia. Only 0.1 per cent of primary school students are studying Korean language or Korea-related topics, and Korean is not identified as one of the four priority languages for Australia in the White Paper. Also, many of the ‘old guard’ who studied Japan in the 1970s and 1980s are approaching retirement, and this will create a knowledge gap in our society unless the government and other stakeholders make concerted efforts to support the emergence of a new generation of leaders. Again, the need to strengthen the educational foundation supportive of Asian Century goals is essential.

Academic entry requirements and English language proficiency also represent significant barriers in our relations, particularly with Japan. Japanese and Korean secondary qualifications are not recognised by Australian universities resulting in undergraduate students needing to undertake 12 months’ preparatory study in Australia. This requirement results in additional time and expense for prospective students and deters them from applying. The high cost of living in Australia is another deterrent. A further impediment for postgraduate study is that undergraduate and professional qualifications (eg in law or accounting) do not translate readily into professional qualifications in Australia – although this may be remedied through the understandably protracted Free Trade Agreement negotiations with Japan and Korea.

Australia is also faced by perceptions of having a tertiary education system that is secondary to the US, the UK and Europe. This image will need to change in order to attract high quality students from Japan and Korea. We also need to respond to increasing competition for international students from universities in other Asian countries, notably China, Korea and Japan.
Submitted by email to:

Japan and Korea Strategy Submission

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Submission regarding the Australian Government’s call to develop country strategies for key regional partners:

Leveraging engagement with the evolving legal systems in Japan and Korea

The University of Sydney Law School (SLS) has a long and growing engagement with Asia, particularly through the Centre for Asian and Pacific Law at the University of Sydney (CAPLUS). An offshore teaching program was established almost 20 years ago with the East China University of Politics and Law (ECUPL), teaching Chinese Law to a combined total of 1000 USydney and other Australian university students. In recent years SLS has inaugurated a Legal Pluralism in South-East Asia program involving one week each in Indonesia and Malaysia, as well as a Human Rights Law focused offshore course in Nepal (though the Sydney Centre of International Law at SLS).

Informally since 2005, and formally from 2008, SLS has also taught with Ritsumeikan Law School the “Kyoto and Tokyo Seminars in Japanese Law”, to Japanese, Australia and other international students, collaborating with the Australian Network for Japanese Law (ANJeL). ANJeL has also held 10 international conferences comparing Japanese Law since it was founded in 2002, as well as numerous smaller seminars in both Australia and Japan, resulting in several major books and other collaborative research projects. Most recently, SLS

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1 http://sydney.edu.au/law/caplus
2 http://sydney.edu.au/law/about/international/offshore_opportunities.shtml
3 http://sydney.edu.au/law.anjel (centred on the law schools at USydney, ANU and Bond University)
has intensified its engagement with Korea in various ways, and is keen to do more, as outlined further below.

This Submission focuses primarily on Japan and Korea, two of the five priority countries identified in the “Australia in the Asian Century” White Paper. It is anticipated that USyd will submit a university-wide Submission that focuses on China and Indonesia (drawing on its new China Studies Centre and Southeast Asia Centre) as well as India.

1. What are your priorities and objectives in Japan and Korea?

With short-term offshore learning opportunities, SLS’s program in Japan is already well-established and financially viable, thanks to the involvement of Ritsumeikan Law School students, although it could be developed further (like SLS’s other offshore units in Asia) through student support via the new AsiaBound scholarships. SLS also benefits indirectly via ANJeL’s “Canberra Seminar in Australian Law” offered to various Japanese universities (Ritsumeikan, Osaka, Chuo, etc) every February in Canberra.

SLS is now seeking to create synergies between the “Canberra Seminar” teaching (topics and lecturers) and a growing demand from Chinese law schools (and other institutions, like the Ministry of Justice) for short-term courses in Sydney introducing Australia’s “common law” system.

SLS is also keen to publicise in Japan (directly and via USyd / government initiatives) its extensive range of Masters courses in law. The Japanese government is increasingly providing substantial support for Japanese students to study abroad (rather than focusing on providing support for international students to study in Japan) in response to recent demands from Japanese organisations for more globally-aware employees.

Another SLS initiative is to encourage outbound students to undertake semester-length exchanges at partner institutions in Asia. A longstanding arrangement with Kobe University Law Faculty has attracted significant interest among SLS law students, but potential is hindered by a relative paucity of courses taught there in

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5 http://blogs.usyd.edu.au/japaneselaw/2013/04/students_japan.html
English, so we are seeking additional partners in Japan which have recently started offering a more extensive range of law courses in English. Korea’s recently reorganized (now completely postgraduate) law schools are also offering more courses in English, and recent MOUs with SLS have resulted in the first USydney going to Yonsei Law School under a university-level exchange agreement. More AsiaBound scholarships would create further demand among SLS students, who have traditionally been attracted instead to our more extensive network of student exchange agreements with European and North American law schools.

However, our main short- to medium-term interest in Japan remains in joint research activities. Legal scholarship in Japan is of very high standard, especially in its comparative law dimensions – where Australia has traditionally been quite weak (as opposed, for example, to international law scholarship). This is true also regarding Korea, where SLS has recently concluded MOUs with top law schools in Seoul (SNU and Yonsei) as well as with the Ministry of Justice (through our Institute of Criminology, which hosts a year-long research visit by Korean public prosecutors). The latter program is along the lines of a longer-standing arrangement between ANJeL and the Supreme Court of Japan, to host two early-career judges and a court official from Japan every year.

2. How is the pace and shape of political, economic and social change in Japan and Korea affecting your engagement?

There have been extensive changes to the legal system in Korea since the Asian Financial Crisis of the 1997, as well as in Japan – from the mid-1990s, but accelerating since Japan’s banking crisis in 1998. The Australian government and business community, let alone the general public, seem relatively unaware of these transformations. Yet legal landscapes that are sometimes almost unrecognizable compared to those entrenched in both countries until the 1980s create much more scope for mutual learning, to economic advantage but also as a window on socio-political developments – including human rights and the rule of law.

These opportunities for mutual learning will expand with the conclusion of bilateral **Free Trade Agreements** with Korea and Japan (as well as regional agreements like the Trans-Pacific Partnership including Japan, followed by the “ASEAN+6” Regional Comprehensive Economic Partnership). These FTAs could usefully include, for example, commitments to recognize more studies and experience in law when those from one country (like Japan or Korea) move to work in the other (Australia, and vice versa).

In addition, contemporary FTAs are already beginning to examine “behind the border” issues such as competition law, labour law and consumer protection regimes. After the Global Financial Crisis of 2008, the public also expects market liberalization to be matched by better regulatory safeguards. In the present “FTA era”, it is therefore crucial to understand regulatory issues in the broader framework of each other’s justice system.

3. **What opportunities are there to deepen our engagement across the board, including through people-to-people, economic and political/strategic links?**

Even in a lengthy and well-rounded bilateral relationship like that between Australia and Japan, epitomized by the 50th Australia-Japan Business Cooperation conference last year in Sydney, there is a tendency for broader legal issues to be downplayed, and more generally for “silos” to emerge – in which economists or businesspeople in one country meet with economists or businesspeople in the other country, officials with counterparts abroad, etc. There is considerable scope for Australian universities to add depth and breadth to such relationships, by providing expert commentary crossing disciplinary boundaries (economics, politics, international relations, sociology, etc). Larger law Schools like SLS are

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7 See my interview on NHK World Radio, 7 May 2013: [http://blogs.usyd.edu.au/japaneselaw/2013/05/what_do_australia_and_others_e.html](http://blogs.usyd.edu.au/japaneselaw/2013/05/what_do_australia_and_others_e.html)


10 [http://repository.australia.or.jp/ajf/files/20090625_AJF_Manuel_Panagiotopoulos_Business.pdf](http://repository.australia.or.jp/ajf/files/20090625_AJF_Manuel_Panagiotopoulos_Business.pdf)
particularly well-placed in this regard, due to their wide-ranging research interests and involvement in inter-disciplinary projects.

However, to encourage more focus on priority countries in Asia such as Japan and Korea, the Australian government through agencies like the Australian Research Council should set up focused schemes for multi-year projects – perhaps in express partnership with counterpart funding agencies in Japan and Korea. The Australian government should also expand research funding for the DFAT-affiliated Foundations, and consider adding an overarching “Australia-Asia-Pacific Foundation” inviting (typically shorter-term) projects with a regional focus.\textsuperscript{11} In the short-term, the government bears a heavy responsibility to fund research in Australia, given its relative paucity of private foundations. For the medium-term, the government should press major corporations here (like the large banks, mining companies, and family businesses) to set up foundations offering contestable research funding, like the numerous foundations established by major Japanese and Korean corporations.

Another opportunity arises from the fact that an older generation that helped nurture the Australia-Japan relationship in the 1960s is now or soon reaching retirement age. For every key figure from that generation, Australia should be looking to substitute several new leaders from the next generation. One practical way to achieve this is for the government to encourage bilateral business councils to provide complimentary or reduced-rate opportunities for academics to participate in their major annual conferences. In return, some “new generation” scholars could assist in planning the program topics or related events such as essay prize competitions or scholarships associated with some Business Councils.

4. How can we support stronger social and cultural links with Japan and Korea, for example through networks of Australians living in Japan and Korea or through communities in Australia?

There are growing numbers of Australians practicing law or with legal backgrounds working in Japan, since full profit-sharing legal partnerships were

\textsuperscript{11} At present, DFAT funds research and other worthwhile engagement through a rather confusing set of “Foundations” (eg AJF), “Institutes” (eg re Thailand, Indonesia) and even a “Council” (re India), which each has its own Board and criteria – with no mechanism for coordinating region-wide research project proposals.
permitted in 2004, law firm size has grown (and large Australian law firms have increasingly merged with international law firms), and Japan’s financial markets have been re-regulated over the last decade. Many remain connected through ANJeL, but the Law Council of Australia is also trying to establish a “Japan Chapter” in Tokyo, and the ANZ Chamber of Commerce in Tokyo has sometimes had quite an active committee for legal affairs. Support from the Australian government, including the Attorney-General’s Department (not just DFAT and the Australian Embassy in Tokyo) would help secure better and more sustainable cooperation among these entities for networking among Australian legal professionals in Japan, and therefore opportunities for engaging with counterparts like the Japan Federation of Bar Associations.

As for the Japanese community in Australia, there is a tendency for Japanese businesspeople to meet in their own groups (eg the JCCI in Sydney) and other Japanese individuals to meet together (eg the Japan Club). The Australia-Japan Society of NSW seeks actively to engage these bodies or at least individual members in its activities (divided into business and social/cultural events or streams, including sometimes law-related topics). But the Australian government could play a more active role in encouraging greater interaction among these groups, and also support Australia-Korea Societies.

5. Are there lessons Australia can learn from our past experience in developing relations with Japan and Korea?

One lesson from the links now between Australia and Japan is that bilateral relationships take a long time to develop to mature and generate the trust needed to overcome inevitable “road-bumps” (such as sensitive issues like whaling). There has to be sustained and tangible commitments from political, business and other leaders over decades, not just years. This means putting greater effort into new partnerships with rising regional powers while not reducing support for existing major partners, like Japan and Korea.

6. What are the key barriers, challenges and risks in progressing our relations with Japan and Korea?

Relations with Japan need to manage a “generational change”, while those with Korea need to learn from the successful development of the bilateral relationship with Japan through a strong partnership between government, business and
academia. In addition, relations with other key partners in Asia (especially China) must not be pursued at the expense of taking relations with both Japan and Korea to new levels.

Throughout this process, an important challenge is to recognize that law is not a “technical” or peripheral aspect in either Korea or Japan – including in FTAs with both countries. This is particularly true for government officials, economists and businesspeople, who have traditionally led the bilateral relationship-building process.

Sydney Law School looks forward to further developing its engagement with Asian legal systems, particularly with all five priority countries identified by the government’s White Paper, and I would be happy to elaborate on the points made above.

Yours sincerely

Luke Nottage