

Foreign Policy White Paper
CALL FOR PUBLIC SUBMISSIONS
FOREIGN POLICY WHITE PAPER

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As an International Economic Consultants for more than 20 years in the Pacific, Africa, Middle East, Central Asia, South Asia and Australia, I am pleased to forward my comments for whatever it is worth, on the Foreign Policy White Paper.

1: Australia's Foreign Policy needs to be grounded in a clear-eyed assessment of our national interests.

- a. In the Asia-Pacific and also in other developing regions, there is an impression that Australia is trying to be a "Sheriff" than a trustworthy partner. This must change.
- b. Australia must stand for the Australian values while respecting the values of others. Right now Australia is often seen as a part of the United States. Our USA relation is paramount without compromising our identity and relationships with other global partners.

2: Australia has diverse interests that span the globe.

- a. Our commercial interest is important in terms of potential market for our Primary Commodities, services etc.
- b. Security interest is also important.
- c. Technologically, Australia needs to do a lot to compete with even the emerging economy leave alone the giants India and China. Even our NBN must be strengthened to match with the global technology.
- d. Non-state sectors need an enabling environment and less cost of doing business compared to other economies.

3: Australia is an influential player in regional and international organisations.

- a. FAO: Australia and the world already failed to reform the UN Bodies. For example, Australia is a pioneering Agricultural Nation but our experts were not successful in the election to lead the FAO as its DG. FAO needs immediate reform to move it away from Afro-centric. With current system of voting, African can alone be the DG of FAO (the last three DGs were from Africa). The DG position must be on rotational basis among regions.
- b. UN reform must be high on the agenda. Right now UN is paying itself than providing technical assistance and advisory services. They must retrench staff to save money to provide technical assistance to member countries. When every member countries is tightening their belts and learn to live with in the means, UN is a overstretched and self-serving organization.
- c. Some of our Pacific neighbours and other poor economies are not much benefitted from the AID programs of the multi and bilateral donors. Australia can play an important role here. One of the best reforms in consultants' salary by AusAID (Aid Adviser Remuneration Framework) is a trend setter in consultant salary by the multi and bilateral aid donars. This must be lauded and similar initiatives are needed to set an example for multi and bilateral donors.

4: Australia needs to be ambitious in grasping economic opportunities.

- a. Australian business is reasonably honest and law abiding than their counterpart in the Asia-pacific or other emerging regions. This is going to be a challenge to enter and survive in those situations.
- b. Highly qualified experts and advanced technologies are keys to our international trade.
- c. Our ability to compete must be guiding our strategies to position us in the international trade and investment.

5: Australia confronts a range of strategic, security and transnational challenges.

1. We always crown ourselves than critically evaluate our AID program. PNG executives once remarked (1990s) that Australian aid is like a “boomerang” and return back to Australia. Such an impression must be changed with quality assurance and high standard of the technical assistance.
2. Also, many developing countries are of the view that most international donor programs are driven by consultants and goals are often misdirected by consultants.

6: Australia uses a range of assets and capabilities to pursue our international interests.

- a. On the Universities, the current system is being driven by fee paying students than academic excellence. It is time we regain the excellence in teaching and research. Many of the courses are academic driven than market driven.
- b. **FIRB:** This is one of the serious areas for reform. Under the Foreign Investment (FIRB), should we not restrict foreign ownership to high tech area for investment rather than selling small businesses like carpark and property management. We have honest Australian entrepreneurs who can manage these facilities than overseas management. Also on housing/ property market, the foreign ownership may be restricted to existing or new business enterprises. It is time to review the impact of overseas buyers in residential housing under the context of the serious housing affordability problems. Apparently all these overseas investors transfer every year their profit elsewhere and therefore the FIRB leave us with net loss or negative foreign exchange earnings.