



ACADEMY OF
THE SOCIAL SCIENCES
IN AUSTRALIA

Foreign Policy White Paper

ADDITIONAL SUBMISSION BY
THE ACADEMY OF THE
SOCIAL SCIENCES IN AUSTRALIA

23 March 2017

Chair
Foreign Policy White Paper Taskforce
whitepaper@dfat.gov.au

In February, the Academy of the Social Sciences in Australia made a submission to the Foreign Policy Whitepaper Taskforce.

Subsequent to that submission, the Academy attended a Research Agencies Meeting on 8 March 2017 where representatives of the Taskforce sought further submissions on examples where research has benefiting Australia in soft diplomacy.

Following are three examples from the Social Sciences which have made a significant contribution to Australia and to many other countries and their citizens.

To further discuss this proposal please contact Murray Radcliffe at the Academy Secretariat on 02 6249 1788 or murray.radcliffe@assa.edu.au.

Yours sincerely,

Dr John Beaton
Executive Director

23 March 2017

Foreign Policy Whitepaper – Examples of Social Science Research Impacting Beyond Australia

1. Income-Contingent Loans (ICLs)

Australia has pioneered a higher education funding scheme that allows any Australian who qualifies, irrespective of financial circumstances, to undertake university study, while reducing the cost to taxpayers.

The ICL model, developed by Economist Professor Bruce Chapman, underpinned the successful introduction of Australia's Higher Education Loans Scheme in 1989. The scheme now recoups nearly \$2 billion annually to the Australian Government and supports the steady growth of a highly skilled workforce.

The ICL model is increasingly considered by global experts as a desirable paradigm for government support and as a lower cost alternative to private financial markets in addressing critical social issues. Australia's example of successfully applying the model to tertiary education has inspired other countries to do the same. New Zealand, South Africa, England and Wales, Hungary, and South Korea have adopted it as their student loan mechanism. The Netherlands and Malaysia are on the brink of implementing similar schemes.

2. Open Regionalism in the Asia Pacific

The idea of open regionalism has been the foundation of economic cooperation throughout the Asia-Pacific region. It has contributed to stability, peace and prosperity in the region and is the founding principle of the Asia-Pacific Economic Cooperation (APEC) process.

The idea of a regional forum for economic cooperation in Asia and the Pacific has a deep intellectual history in region-wide policy circles. It has roots in social science departments of Australian and Japanese universities. The principles underlying the creation of APEC were the direct result of continuous development of, and innovation in academic policy thinking over several decades starting with economist Sir John Crawford.

The modern concept of open regionalism, was developed by Australian social scientists including Professor Peter Drysdale in the early 1980s. The principles of open regionalism had a defining impact on the formation and ongoing objectives of APEC. APEC heralded a new economic and political order in East Asia and the Pacific in the late 1980s and is committed to the priorities of trade and investment liberalisation and the promotion of regional community building.

As a result of APEC's work, growth has soared in the region, with real GDP increasing from USD 16 trillion in 1989 to USD 20 trillion in 2015. Meanwhile, residents of the Asia-Pacific saw their per capita income rise by 74%, lifting millions out of poverty and creating a growing middle class in just over two decades. APEC total trade (goods and services) has increased more than 6.7 times between 1989 and 2015, while trade by the rest of the world grew by only 5.6 times in the same period. See <http://www.apec.org/About-Us/About-APEC/Achievements%20and%20Benefits>

3. Tobacco Plain Packaging

In 2012, Australia led the world in the introduction of plain packaging for tobacco products. This initiative, underpinned by the efforts of leading social scientists including Professor Simon Chapman, has set an example for the rest of the world on how policy based on evidence can save lives and taxpayer money. It has resulted in a reduction of Australia's smoking population by 108,228 in its first three years. The policy has already been shown to be saving thousands of lives, and is predicted to save many more in the years to come. This is significant, as smoking is estimated to kill around 15,000 Australians a year.

Australia's plain packaging shift has been hailed as the most dramatic global development in tobacco control in more than 40 years. It is a casebook example of the use of research and evidence to develop policy, the desired effects of which are, in turn, confirmed through further social research. Based on the research of social and medical scientists, Australian authorities have been able to argue that tobacco is exceptionally deadly and so deserving of the exceptional status that plain packaging signifies. This research approach is significant because, while the adverse health effects of tobacco consumption have long been known in the medical literature, the potential impacts of various regulatory approaches required further attention. It is through the public policy arena that the biggest gains and benefits can be instituted.

Other countries have indeed begun taking Australia as an example of international best practice on regulating the sales of tobacco products in the interest of public health. Ireland has legislated for plain packaging of tobacco products and lauded Australia for paving the way on this issue. After its launch of a consultation paper on plain packaging in 2015, the Norwegian Health Minister said Australia should be commended for providing an excellent example to follow in terms of making tough policies in the public interest based on solid evidence. The UK Government too has said that Australia inspired that country's consultation process, which led to the introduction of plain packaging laws in the UK in 2016.