1. ECONOMIC OPPORTUNITIES AND CHALLENGES FOR AUSTRALIA: POLITICAL DIMENSIONS

How can we ensure that Australian political institutions and social and economic policy frameworks are able to deal with issues such as the following?

- **Two-speed/multi-speed/patchwork economy**: How do forms of governance constrained by eighteenth century colonial boundaries and a late nineteenth/early twentieth century Constitutional division of powers between state and federal government (with a neglect of local government) deal with these economic and social challenges in a situation where some regions and industries can be doing very well and others can be doing very badly, sometimes precisely because of the former’s success? As Prof Brian Head notes, some mining regions and states could potentially be more closely economically integrated with Asian countries, such as China, in key respects than with the rest of Australia. Furthermore, are our education and training, welfare policies, industry assistance packages etc. able to be sufficiently targeted (on a regional and industry basis) to address such challenges? Do we need new concepts, categories and measures of inequality? What new forms of cooperation and decision-making across tiers of government will be required? Can our existing institutions cope or do we need institutional change?

- **How can governments manage the politics** between levels of government and other stakeholders? Consider e.g. the mining industry’s objection to increasing mining tax revenue in order to re-distribute the benefits of the mining boom to other industry sectors, superannuants and in order to develop necessary infrastructure.

- **Education and training**: These are essential for ensuring a healthy Australian economy. However, how do we identify/develop forms of education and training that are appropriate for meeting both skills shortages and overseas competition...
in an Asian century? It is not just blue collar manufacturing jobs under threat but also, due partly to developments in information technology, many white collar jobs, some less skilled (e.g. in retail, call centres), some more skilled (e.g. finance, design, IT) where Australian workers are now having to compete directly with lower paid but skilled English-speaking workers, often tertiary educated, in countries such as India.

- **If we are going to be more than a quarry,** what can Australian governments do to develop twenty-first century industries, especially given that we are often competing with Asian countries that have far more government involvement in the economy? For example, how can we piggy-back off the Australian government’s massive investment in the NBN to develop our ICT capacity? Can we learn from those Chinese cities that have established creative industry development hubs, and/or develop additional trade interactions with them/benefit from knowledge transfers? How are we going to compete and/or collaborate in developing new biotech industries? Note biotech industries have been prioritised by several Asian governments seeking what Aihwa Ong and Nancy N. Chen call a “sputnik moment “, that builds national pride by asserting their technological prowess against the West. Do Australian governments need to play more of a role in supporting Australian biotech industries in response? What are the implications of Asian Century biotech development for international intellectual property laws and risk management in the development of the new biotech economy – an economic development that seems likely to rival the industrial revolution in significance as the 21st century progresses? Are Australian governments sufficiently aware of and addressing these challenges?

2. **SOCIAL, CULTURAL AND INTELLECTUAL ENGAGEMENT FOR AUSTRALIA:**

- **Education:** Improving the cultural and linguistic skills of the Australian population to engage with Asia (and valuing the existing skills of many Asian-Australians) is crucial. However, governments also need to acknowledge that, just as the geopolitics of the world is shifting in the Asian Century, so will the intellectual centre of gravity. Yet Australian universities still train our students almost exclusively in Eurocentric and Amerocentric intellectual traditions. Government research evaluation exercises often positively discourage Australian researchers from publishing in Asian journals or with Asian book publishers. Our social science students generally know very little, if anything, of the diverse Asian social science traditions. Yet this can have real world consequences. For example, given that China is such a player in the world economy, would it help if Australian economics students had more understanding of contemporary Chinese economic thought? Will Australian politics and international relations students really understand other societies if they approach them with only western social science categories and concepts, for example of civil society and the state, or modernity? Australia would also have a much better chance of attracting top rank postgraduate students from key Asian countries (and competing with other English-speaking countries that are not in the Asia-Pacific region), if it had the reputation of being an intersection society intellectually — one that combined
the best of “western” and “eastern” traditions of knowledge. If we want to have some of the world’s best universities, we need to engage with the shifting geopolitics of knowledge.” (After all, education is our third or fourth largest export industry.)

- **Australian ambivalence towards Asia**: Australia has a long cultural history of both being fearful of Asia and seeing Australia’s geographical closeness to Asia as a huge opportunity. How do governments manage the politics of both seizing the benefits of the Asian century and allaying anxiety and fear amongst some sections of the electorate? Can that be done in a bipartisan way?

3. **INTEGRATING & MAINSTREAMING THE ASIAN CENTURY INTO GOVERNANCE:**

- **The above points already suggest that the Asian Century has implications for most government portfolios.** It is worth thinking about whether there are strategies we can draw on for ensuring a whole of government approach to the issue? In the seventies and eighties a number of strategies were developed for ensuring that women’s policy implications were integrated into all areas of government policy. These included a network of desk officers in each department who had responsibility for integrating and identifying the gender equity implications of all key departmental policies. It also involved substantial Women’s Budget Statements in which each Department had to make a detailed statement about the implications of their programmes for women and vice versa. Could equivalent strategies be adapted for ensuring that all Departments assess the implications of the Asian Century for their portfolio and the implications which their key policies have for meeting the challenges posed by it?

- **How do we ensure that knowledge is passed between areas?** For example, can we be sure that what Austrade learns about government involvement in Indian or Chinese ICT is passed on to people working on Australian industry policy. Or does this already occur?

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*Australian academics are becoming increasingly aware of this need e.g. Prof. Johnson is Co-Convening, with Prof. Vera Mackie, this year’s Australian Academy of the Social Sciences Symposium on the topic of “Globalising Social Sciences: Challenges for Australia in the Asian Century”. The symposium deals with the need for more engagement between Australian social science and diverse Asian social science traditions.*