A Confident Australia

Coalition Foreign Affairs Policy
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EXECUTIVE SUMMARY

A CONFIDENT AUSTRALIA

COALITION FOREIGN AFFAIRS POLICY

1. KEY COALITION POLICY DIRECTIONS

The Coalition has a vision for Australia in the 21st century as a cooperative, economically competitive and secure nation, fully engaged with the East Asian region, while maintaining and developing important links with countries beyond the region.

The implementation of this vision will be driven by enlightened realism: by a commitment to practical measures to advance Australia's national interests within a framework of liberal values, the rule of law and practical international co-operation.

1. Policy Themes

* Closer engagement with Asia to be our highest foreign policy priority;

* Increased focus on bilateral relations as an essential element in preventing and resolving disputes, and furthering Australia's commercial interests;

* A special "comprehensive diplomacy" approach to be pursued in our relations with ASEAN members, aimed at increasing economic, political and cultural links with the South-East Asian region;

* North Asia to be a special focus including a diplomatic initiative aimed at enhancing bilateral relations between Australia and the countries of North Asia;

* Maximisation of the dual natural assets of Australia's regional position and our historical background by expanding our status as a regional hub and emphasising our role as a link between Europe/North America and East Asia;

* Upgrading of the US-Australian alliance while maintaining a commitment to defence self reliance and regional security co-operation.

* Rejection of an anti-China power bloc. Instead there will be a concentration on engaging China.

* Unequivocal commitment to APEC as a non-discriminatory trade arrangement; and

* Increased focus within aid policy on poverty alleviation and community level improvements in areas such as health and education, rather than upon major government to government infrastructure projects.
2. **Major Initiatives**

* Strengthening relations with Indonesia, including the addition of a consulate in Surabaya;

* Upgrading of relations with China, Japan and South Korea;

* Encourage further educational exchange between Australia and China in addition to promoting investment ties with China through the Chinese business community in Australia;

* Encourage joint ventures with Japanese firms as a means of gaining greater access to markets including the agricultural and agricultural processing sectors;

* Propose joint political-military discussions with South Korea on security issues so as to promote common interests within the region;

* Greater recognition of the importance and opportunities in Australia's relations with Europe and North America;

* Development of closer relations with India through trade missions and aid for poverty alleviation;

* Increase the involvement of the PNG Government in decision making regarding the allocation of Australian project aid to PNG;

* Return of responsibility for Australia's relations with the Pacific Islands to the Minister for Foreign Affairs;

* Revision of the treaty-making process to ensure increased parliamentary scrutiny and increased consultation with the community and the States;

* Commissioning of an independent review of the effectiveness of Australia's aid program in its entirety.

* Support for the establishment of a privately funded Centre for Democratic Institutions;

* Preparation of a Foreign Policy White Paper (FPWP); and

* Establishment of new and improved procedures for consular response in cases of emergency, with particular focus on contact with families in Australia.
A CONFIDENT AUSTRALIA

COALITION FOREIGN AFFAIRS POLICY

A. FRAMEWORK

1. POLICY OVERVIEW

1.1 Objectives

The core of Coalition Foreign Policy is that it will seek to protect and advance Australia’s national interests in a more focused, practical, realistic and principled manner.

The Coalition has a vision for Australia in the 21st century as a cooperative, economically competitive and secure nation, fully engaged with the East Asian region, while maintaining our important security and economic links with Europe and the United States.

Closer engagement with Asia will be our highest foreign policy priority.

Turning our faces to the East does not however mean turning our backs on the West.

Australia has much to gain from the combination of our European traditions; our international outlook; the multicultural makeup of our society; our location on the cusp of South East Asia and our expanding engagement with the countries of the region.

When we say our foreign policy will be more “focused” we mean concentrating on those countries, institutions and areas of primary concern to Australia which can influence our security and prosperity.

When we say our foreign policy will be more “practical” and “realistic” we mean avoiding actions and policy initiatives which are based on inflated expectations or an exaggerated perception of our likely influence and which can be seen as meddlesome and with little chance of outcomes favourable to Australia’s interests.

When we say our foreign policy will be more “principled” we mean that Australia should always give due weight to issues of international morality and principle in approaching policy decisions.

The Coalition recognises the desirability of a bipartisan foreign policy, which rests on wide public support, in the interests of continuity and our credibility overseas. The Coalition believes that within this framework, and while being alert to worthwhile and focused initiatives which will serve Australia’s interests, there is considerable scope for changes to the style and conduct of Australian Foreign Policy.

The Coalition rejects the Government’s opinion that only it has the capacity to make Australia competitive and well regarded in the Asian region. The Coalition has a proud history of
building ties between Australia and Asia including the Colombo Plan, the Japan-Australia Trade Agreement and the Five Power Defence Arrangements.

The Coalition considers that Australia's standing in the world depends not on rhetoric or posturing but on the social and economic health of Australian society.

The restoration of business confidence, which the Government has lost, and further progress on micro-economic reform, which has completely lost momentum under the Keating Government, are priority areas of Coalition policy which will improve Australia's standing overseas.

The implementation of this vision will be driven by enlightened realism: by a commitment to practical measures to advance Australia's national interests within a framework of liberal values, the rule of law and practical international co-operation.

1.2 The Changing International Environment

The priorities for Australian foreign policy under a Coalition Government will reflect not only the dramatic changes that have taken place in international affairs over the past decade but also the changing ways in which Australia's foreign policy interests are most effectively pursued.

The Cold War has ended, and with it the relentless build-up of superpower arsenals. The threat of a major great power conflict has receded and regional conflicts that were largely the products of the Cold War have ended. The new threats to international security derive less from great power tension and more from nationalist aspirations, ethnic conflicts and localised historical animosities.

While the threat of major nuclear war has diminished, the dangers of nuclear proliferation continue to grow and the need for effective international proliferation safeguards has become more urgent than ever.

In economic terms, the pace of change has been equally as significant as the transformation in the security situation.

The forces of economic globalisation, and in particular the ongoing revolutions in technology and communications, have broken down longstanding barriers between people, states and economies. As nations strive for greater international economic competitiveness, many of the traditional lines of distinction between a nation's priorities in its foreign policy and in its domestic policy have disappeared.

Within this context of freer international flows of goods, services and capital, certain regions have taken a lead. In particular, East Asia has become the most dynamic economic growth region in the world - and it will remain so for many years to come.

Another feature of the post-Cold War international order is the new international priority being given to co-operative strategies to combat global environmental dangers such as ozone depletion, greenhouse warming, and air and water pollution, as well as issues such as the spread of HIV/AIDS and drug-related international crime.

All these dimensions of change make the framework of international politics and economics in the 1990s fundamentally different from those which prevailed for more than four decades after the end of the Second World War.
Australia faces an international environment in which power is more diffused and multipolar, and in which the nature of power itself has shifted in favour of economic attributes.

Yet, for all the significance of the changes in international affairs over the past decade, not every thing has been transformed. Despite growing economic interaction, the international community cannot take security for granted. The need for a modern defence capability, effective alliances and regional defence co-operation is still an important requirement for national security.

1.3 Coalition Priorities

This policy document identifies the values, principles and priorities which a Coalition Government will pursue in the conduct of Australian foreign policy.

Our perspectives will be global and our focus will be regional.

The Asia-Pacific clearly offers Australia the greatest opportunities for economic interaction relevant to our areas of comparative advantage. It also provides important potential for significantly upgraded security co-operation, cultural and educational exchanges, and people-to-people contact.

A Coalition Government will be committed to the proactive development of these fundamentally important areas of political, economic and social interaction with Asia-Pacific countries. As this policy highlights, we will do so in a comprehensive way through all the avenues available, at both a bilateral and regional level.

This commitment to develop and strengthen Australia’s relations in the Asia-Pacific region will be our highest foreign policy priority.

While our focus will be clearly regional, our perspectives will be global. The processes of globalisation make this both necessary and inevitable. But there are specific Australian interests as well which make such perspectives essential.

The fact is that our national security and economic interests are affected by developments beyond our region, as well as those within it. Some of our most vital and substantive security, economic and people-to-people relationships are with countries which lie outside our immediate region, such as the United States, Britain, Italy and Greece.

A Coalition Government will develop Australia’s potential as a pivotal link between Europe, North America and East Asia.

We have a unique potential in this respect because of the intersection of our history and our geography - our historic links with Europe and our geographic proximity to, and economic interaction with, East Asia. We have the capacity to act as an important link between developed Western countries and the developing and non-aligned countries of the Asia-Pacific region.

One of the ways in which a Coalition Government will capitalise on this potential is in encouraging a role for Australia as a regional hub for European and North American business in Asia.
We will enhance Australia’s security through a strong Australian Defence Force, through the upgrading of the US-Australia alliance and through a broadening and deepening of Australia’s security co-operation with Asia-Pacific countries, both bilaterally and through mechanisms such as the ASEAN Regional Forum.

In the post Cold-War world, the mix of military and economic factors in the concept of national security have changed. But defence preparedness remains a fundamental national priority and a Coalition Government will pursue it fully and responsibly.

We will undertake the necessary domestic economic reforms to enhance the international competitiveness of the Australian economy so that Australian businesses can take on, and beat, the best in the world in a rapidly developing global marketplace.

This is a critical element of any effective foreign policy in the late 1990s. It is one on which Labor has failed in the past and on which it would do no better in the future because it is so beholden to the special interest groups which sustain it.

We will expand the potential for Australian exporters through a more realistic mix of bilateral, regional and multilateral trade strategies.

We will pursue Australia’s interests to the full in fora such as APEC and the World Trade Organisation (WTO). But we will also pursue a more proactive bilateral trade strategy that is WTO-consistent and that will open up new economic possibilities with individual countries.

A Coalition Government will be more open and accountable in the pursuit of Australia’s international interests.

This is highlighted in the proposals set out in this policy to give Parliament and the broader Australian community a greater say in the way Australia enters into legal commitments through international treaties.

A Coalition Government will also uphold internationally recognised standards of human rights within the context of our overall relationships with individual countries. We will increase the focus within Australia’s aid policy on poverty alleviation and community-level improvements in areas such as health and education.

This policy outlines in detail a range of initiatives through which a Coalition Government will pursue those key priorities. They constitute a practical, relevant and comprehensive strategy to advance Australia’s interests in a rapidly changing world.

2. **COALITION VALUES**

The four principal values which the Coalition seeks to advance and which form the foundation for our approach to foreign policy are:

* Promotion of the national interest;
* Liberal democracy;
* Economic liberalism; and
* Individual dignity.
2.1 The National Interest

Australian foreign policy is about the promotion of Australia’s national interests in a practical, realistic way. We do not subscribe to unrealistic notions of global idealism. Foreign policy must be pursued with a realistic perspective of how to advance Australia’s security and economic interests.

2.2 Liberal Democracy

The essence of liberalism is a commitment to individual freedom, liberty and worth. The notion of national interest can have no meaning unless it embraces as its foundation the elements of individual freedom and respect for individual rights.

The Coalition will as such seek to uphold and promote the principles of democracy where possible. Participation in government is the most important bulwark against infringement of individual rights.

* A Coalition Government will, to the extent that it can do so, actively encourage and aid societies in the process of developing democratic institutions; and

* The Coalition also recognises that many countries which are important partners of Australia place different interpretations on the nature and meaning of liberal democracy and these differences will be respected.

2.3 Economic Liberalisation

A complementary value to that of liberal democracy is a commitment to economic liberalisation. The core of this belief is that restrictions on the movement and flow of goods, capital and services inhibit the capacity of individuals and societies to achieve their maximum potential.

In particular, the philosophy which underlies economic liberalisation is the strong belief that such a system produces greater wealth for individual societies, in addition to allowing for the reduction of tension between societies. Economic liberalism therefore allows for improved living standards and greater resources for the care of the less able than in a restricted economy.

We believe that as a matter of principle and historical fact it is absolutely clear that material wellbeing, and with it, overall levels of societal health and prosperity have risen where there has been genuine economic and trade liberalisation.

Thus the Coalition is committed to a liberal and open international trading order.

2.4 Individual Dignity

The purpose of liberal democracy and economic liberalisation is to ensure that individual dignity is the paramount value of society.

The Coalition is committed to upholding internationally recognised standards of human rights which safeguard the right to life and freedom. Coalition governments have a proud record of having made clear representations and taken principled stances in defence of such values in the past.
One of the key bases upon which Australia engages with the countries of the region is a confidence and a pride in our values.

It is important that the Australian Government of the day makes it clear that Australia is proud of its values. Indeed it should be remembered that our commitment to democracy, economic liberalism and individual dignity has underpinned the freedom and material welfare of Australia.

These values therefore become the foundation upon which the Coalition's analytic process for foreign policy-making will be built.

**B. REGIONAL ISSUES**

3. **AUSTRALIA'S SPECIAL PLACE IN THE ASIAN REGION**

Australia is a country with dual assets. We are in close proximity to the fast-growing markets of East Asia, and to the resources of the South Pacific. We are also enriched by extraordinary cultural, economic and security links with the countries of Europe and North America.

We therefore occupy a special place within the Asia Pacific region. In that context, Australia can play a helpful role in terms of relations with the countries of our region and those countries from outside our region with which we have longstanding links.

By virtue of our geography, Australia self-evidently needs to pursue a security strategy which draws us in closely with the countries of South East Asia. Ever since the Second World War, it has been in Australia's interests to develop a web of bilateral and multilateral security ties with countries of the Asia-Pacific region.

In East Asia, Australia can play a crucial linking role in formulating a constructive regional security policy by encouraging the US to remain actively involved in East Asia and facilitating that involvement while at the same time encouraging the evolution of regional bilateral and multilateral security ties.

In the economic sphere our geography also ensures that we are more closely linked to the countries of Asia than are the economies of many other western countries. Japan is our most important trading partner and most of our top ten trading partners are in East Asia. In that respect we are very unlike most other western countries and again, that will inevitably guide our foreign policy priorities.

Australia has the capacity to act as a crucial link between the developed western world and the developing and non-aligned world. If we handle this pivotal role properly, we should be able to command the respect of western and non-aligned countries alike and help link diverse views and perspectives to achieve practical outcomes.

The Coalition also believes that Australia can carve out a special role as a regional hub for European and North American business relations in East Asia.

The Coalition believes a concerted effort in this regard would be of enormous benefit to Australia. This also represents a clear difference in emphasis between the Coalition and the Government, and seeks to capitalise on our heritage rather than to apologise for it.
4. REGIONAL ECONOMIC STRATEGY

4.1 Australian Trade in the Asia-Pacific

Australia is situated on the cusp of the South West Pacific and East Asian regions. At present, East Asia includes the world's fastest growing economies and commercial centres.

Six of Australia's ten largest trading partners, Japan, South Korea, China, Hong Kong, Taiwan and Singapore, are all situated within East Asia. Given such trends, it becomes axiomatic that Australia should make much closer engagement with the countries of East Asia its primary international economic priority.

4.2 Regional Trading Objectives

In broad terms, our objective should be to maintain momentum towards lower levels of regional protection on a non-discriminatory basis so that Australian exports can have easier access to the fast growing markets of East Asia. We also have a direct interest in reducing barriers to investment flows within the region, not only in order to encourage the maintenance of economic growth, but also to facilitate investment by Australian business in the fast growing markets of East Asia.

In return, by opening the Australian economy further, Australians will be able to purchase goods and services more cheaply.

4.3 Strategies for Enhancing Regional Trade

The Coalition has prepared a detailed five-track trading strategy in its Trade Policy "Meeting The Challenges: The New Global Economy".

The essence of that strategy is that much more work must be done at the bilateral level on a country to country basis in order to open markets and raise awareness of Australian goods, services and technical expertise. One of the key objectives of bilateral trade policy should also be to ensure that mechanisms are in place to facilitate two-way trade, investment and technology flows, as well as government to government and business to business consultations.

There are, however, important steps which may be taken to open markets at the multilateral, regional and sub-regional levels.

(a) Multilateral Strategies

Although the essence of successful trading policy is strong bilateral relations, there is a special role for multilateral structures in dispute resolution and market liberalisation. Therefore Australia should seek to encourage trade multilateralism in two ways.

First, Australia has a direct interest in facilitating resolution of trade disputes on a multilateral basis.

Secondly, Australia needs to be active in encouraging further measures towards liberalisation following upon the relatively successful outcome of the Uruguay Round. This work may be conducted directly through the World Trade Organisation or through Australia's membership of
APEC and the Asia Pacific Region

The Australian Government must give a high priority to maintaining momentum towards the building of a practical and effective APEC. It is vital that the Bogor Declaration of November 1994 and the 1995 Osaka Action Plan be given substance through commitment to non-discriminatory trading arrangements. The Coalition is committed to ensuring that APEC develops as a non-discriminatory organisation rather than as a closed bloc. In addition, the Coalition will ensure that Australia remains committed to the APEC technical program which has the potential to be of great significance to regional economies.

There is no doubt that APEC will encounter challenges over the next few years. A challenge of particular significance will be to ensure that the United States remains actively committed to, and engaged in, APEC.

The three strategic objectives which Australia should hope to gain from APEC and reasons why it is important to Australia are:

First, it involves Australia directly in the evolution of the Asia/Pacific region. Australia has to be wary that it does not become isolated within the region and APEC is a strong vehicle for ensuring such isolation does not occur.

Second, APEC is important because if the Bogor Declaration is ultimately implemented, it will act as a catalyst for further global trade liberalisation following the end of the Uruguay Round.

Third, Australia has a clear economic and strategic interest in ensuring that the US remains actively involved in the East Asian region. In that context, APEC and its associated fora offer an opportunity for encouraging continued American regional engagement.

Although APEC offers opportunity for Australian regional engagement, further liberalisation and US involvement in the region, it is no panacea for Australia's trade problems. Other solutions must be sought at the sub-regional and bilateral levels.

Sub Regional Economic Strategy

Australia should therefore be prepared to enter into sub-regional trading arrangements. Importantly we should ensure Australia is not excluded from sub-regional arrangements when they do develop.

The Closer Economic Relations Agreement (CER) with New Zealand has set an important benchmark for the sort of trading arrangements into which Australia can enter. In that environment the evolution of an ASEAN Free Trade Area (AFTA) presents an opportunity for Australia.
The Coalition supports closer links between Australia and AFTA, perhaps through ties between CER and AFTA. This approach has the virtue of furthering APEC's goal by promoting significant liberalisation between APEC members. As such, the Bogor ideal will be moved forward.

Australia also has a particular interest in encouraging economic development in the South West Pacific and consequently, while its focus may be very much on APEC and East Asia in terms of economic policy, it should not lose sight of the South West Pacific. With that in mind, it would be appropriate to examine options relating to SPARTECA so as to improve the free flow of trade and investment in the region.

The Coalition's regional economic strategy must be complemented by a strategy which also emphasises regional security.

5. REGIONAL SECURITY STRATEGY

5.1 Regional Forces and Conditions

Australia's second major interest in its relationship with the East Asian region is to ensure that the region remains strategically secure.

Australia has to recognise there have been substantial changes in the regional security structure in recent years. The relatively clear divisions of competing interests which characterised the Cold War have now disappeared and the power structure which has developed in East Asia is largely open, fluid and in many ways undefined. In that situation, Australia needs to make a clear assessment of the most desirable form of any future regional security structure and the place for Australia in such a structure.

There are three major regional forces and changing conditions which define Australia's regional security challenges.

First, there is the challenge to ensure that China is able to view its own interests as being in harmony with that of the region, rather than in conflict with wider regional security interests.

A second and related challenge for Australia is to ensure a continued US presence within the East Asian region. American withdrawal from the East Asian security sphere, could potentially destabilise the existing and relatively secure strategic relationship between the major countries within the region.

In that context the Coalition welcomes the recent commitment by the United States to retain 100,000 troops within the East-Asian region.

The third regional issue of fundamental importance to Australia is Papua New Guinea. Australia must remain committed to assisting PNG in its political and economic development.

5.2 Strategies for Enhancing Regional Security

Australia's approach to regional security should be threefold:

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5.2 Strategies for Enhancing Regional Security

Australia's approach to regional security should be threefold:
First, there must be a clear rejection of developments which could lead to the emergence of strategic competition within East Asia.

Second, we must actively work to encourage the United States to remain engaged within the region.

Third, we must emphasise the importance of the ASEAN Regional Forum as a basis for regional security dialogue.

These approaches operate at the foreign policy level in conjunction with those strategies outlined in the Coalition's defence policy.

(a) Discouraging the Emergence of Strategic Competition

In order to discourage the emergence of power blocs within East Asia, Australia needs to build constructive security arrangements with other countries of the region. Already, Australia is party to the Five Power Defence Arrangements with Malaysia and Singapore, the Security Agreement with Indonesia, and the Statement of Principles with Papua New Guinea which provide a strong foundation for links between Australia and South East Asia. In addition, Australia must maintain close links with Thailand, the Philippines and Brunei. These are all countries in Australia's own immediate region, and interaction between the Australian Defence Force and the defence forces of those countries will be an important part of confidence building within the region.

Our objectives should be to aim for a web of bilateral and multilateral defence relationships within our immediate region, rather than trying to create a formal sub-regional security arrangement which could be seen to be in juxtaposition to China.

(b) United States' Involvement in Regional Security

In attempting to foster regional security co-operation and avoid the emergence of competing power blocs it is critical that Australia recognises and emphasises the important role of the United States, and in particular the United States/Japan security alliance. This alliance locks the United States firmly into the region, and above all, through its presence in Japan and South Korea, gives it significant regional responsibility for assisting in the maintenance of security. This role is heightened through its security treaties with Thailand, the Philippines and Australia.

As a consequence of its alliance structure, the United States' presence within the region acts as a force to dampen nascent conflicts which might otherwise develop into regional power rivalry. In this situation, it is vital that Australia re-affirms and upgrades the importance of the security alliance with the United States as its contribution to assisting in US involvement within the entire region.

(c) The ASEAN Regional Forum (ARF)

A complementary strategy is that Australia must promote a broad regional security dialogue. The ASEAN Regional Forum is at present proving to be the most comprehensive framework for such dialogue and the Coalition strongly supports further growth in the functions of the ARF.
Beyond those broader strategies which the Coalition will take to enhancing regional engagement in the trade, security and cultural spheres, it is also necessary to examine specific bilateral relationships in order to identify how best to maximise Australia’s interest in security and prosperity.

6. SOUTH EAST ASIA: ASEAN AND INDO-CHINA

6.1 Forces Within ASEAN

The seven nations of ASEAN: Indonesia, Singapore, Malaysia, Thailand, the Philippines, Vietnam and Brunei, are going through a period of sustained economic growth and social consolidation. There has been a dramatic improvement in the material quality of life for the peoples of the different ASEAN countries, and there has been a significant decline in internal and inter-state conflicts within ASEAN.

The forces at work within ASEAN can therefore be summarised as being economic growth on a significant scale, economic liberalisation, which is leading to a further opening up of the ASEAN economies, and the general increase in regional self-confidence and political stability within and between the region’s members.

The growing confidence of ASEAN and its commitment to economic liberalisation has been best demonstrated by the development of the ASEAN Free Trade Area (AFTA), and in particular its strong commitment to the principle of non-discrimination as the basis for tariff reduction and customs harmonisation within the APEC framework.

The impact on Australia of the major changes within ASEAN has been to open opportunities for commercial relations within the region, but subject to the caveat that the competition for markets and capital has also increased dramatically. As such, it is a concern that Australia has suffered a reversal in its market share in a number of ASEAN countries.

6.2 Australia’s Relationship with ASEAN Members

The primary objective for Australia in its relations with ASEAN countries must be to ensure not only the advancement of our security and economic interests but also to secure an overall quality and strength to our contacts so as to guarantee a high level of respect for Australia within the region. There is clear scope for improvement in the quality of our diplomatic contacts, particularly at the highest levels of Government. The Coalition will focus on the bilateral relationships within the region so as to reinforce Australia’s standing.

A Coalition Government will institute a program of comprehensive diplomacy in its relations with ASEAN members. Elements of this comprehensive diplomacy will include:

* a cultural identity initiative which will emphasise the rich and diverse nature of Australian culture and Australia’s special place within the region. This will build on existing programs by emphasising Australian cultural and artistic achievements in conjunction with events such as Australian trade fairs;
* an educational exchange program between ASEAN members and Australia aimed at building contacts between young leaders within the region; and
* a specific ministerial initiative to rebuild links with the senior levels of Malaysia's Government.

Diplomatic initiatives within the region must also work in concert with efforts in the commercial and trade spheres. Australia's influence and standing within the region are clearly affected by our declining share of foreign direct investment and the lost opportunity of export linkage which comes from a failure to have invested sufficiently within the region.

In order to encourage closer Australian commercial relations with the countries of ASEAN, a Coalition Government will:
* encourage the process of trade liberalisation within the region and explore prospects for closer links between CER and AFTA;
* promote our technical capabilities within the region, including specific encouragement of ministerial visits to Australia by ASEAN Trade, Industry and Technology Ministers; and
* encourage Australian business to invest within the ASEAN countries, which in turn will provide linkage opportunities for integration with firms based in Australia.

The third element of the Coalition's comprehensive diplomacy initiative is that of defence engagement with ASEAN. Australia already has strong defence links with Singapore and Malaysia through the Five Power Defence Arrangements, and other countries on a bilateral basis in particular Indonesia through the Security Agreement. A Coalition Government will in particular:
* concentrate on establishing a web of strong bilateral defence relations in our immediate region.

Taken together, the diplomatic, commercial and defence areas provide the basis for the Coalition's comprehensive diplomacy initiative within ASEAN. Ultimately, the goal must be to secure Australia's standing within the region. Australia has much to be proud of and the Coalition's goal will be to enhance our sense of self confidence in dealing with our immediate neighbours within ASEAN. In particular, a Coalition Government will aim at ensuring that there is a genuine sense of mutual respect in Australia's relations with the region.

### 6.3 Australia's Relationship with Indonesia

Australia's relationship with Indonesia is of particular and growing importance.

Indonesia's economy is growing rapidly and World Bank projections indicate it is likely to be the world's fifth largest economy by 2020.

It is the key country in ASEAN and an active participant in APEC. In the years ahead, its regional influence will undoubtedly continue to grow and a Coalition Government will work hard to widen and deepen the bilateral relationship.
Indonesia is at present only our twelfth largest trading partner. It is important therefore to try and establish greater opportunities for Australian business whilst at the same time helping to further develop the diplomatic relationship.

A Coalition Government will therefore focus on:

* enhancing the relationship with Indonesia, including the opening of a consulate in Surabaya so as to facilitate Australian trade and investment in this key Indonesian city; and

* increasing people to people and institutional exchanges, especially in fields such as the media, education, the professions, the arts, health and language training.

The security relationship with Indonesia is also of great significance to Australia. In that context, the Coalition supports the Agreement on Maintaining Security between the two countries although we remain critical of the Australian Government’s lack of parliamentary and community consultation on it.

The Coalition remains concerned about human rights problems in East Timor. A Coalition Government will therefore:

* support the process of talks on East Timor under the auspices of the United Nations; and we will also

* encourage, through our diplomatic consultations with the Government of Indonesia, the reduction of the military presence in East Timor, religious tolerance and improved human rights conditions in the province and administrative arrangements which accord more influence and autonomy to indigenous East Timorese.

6.4 Indo-China

The countries of Indo-China are now emerging from a period of violent conflict and comprehensive social upheaval. Vietnam in particular is experiencing rapid economic growth and has now been admitted to ASEAN. There is, however, continued destabilisation by the Khmer Rouge in Cambodia.

The developments in Indo-China have two consequences for Australia. First there is considerable opportunity for investment and participation in economic development by Australian firms. Secondly, there is particular vigilance needed to protect against a resurgence of human rights abuses. In that context, a Coalition Government will:

* provide support, encouragement and information for Australian enterprises seeking to participate in the modernisation of the Vietnamese economy;

* focus its development aid program within the region at community level projects, most notably education, health and sanitation;

* continue to support the peace process and the de-mining process in Cambodia; and

* institute a “free Indochina of landmines” initiative under the development cooperation program which will supplement existing efforts by the ADF in Cambodia, and seek to have that project joined by other countries within the region.
6.5 Burma

Although there has been welcome reform in some aspects of the political situation within Burma there are still significant problems flowing from the events of 1990 which remain unaddressed. In that context the Coalition supports the general concept of a set of benchmarks as the basis for assessing formal relations between the two countries.

In particular, a Coalition Government will:

- work for the restoration of democratic government within Burma and an end to human rights abuses in that country.

7. NORTH ASIA

7.1 Emerging Forces and Australian Needs

North Asia is vital to both Australia’s security and prosperity. At present, the region includes our largest trading partner, Japan, and four of our next eight largest trading partners. The dynamic growth within the economies of the region means that it will continue to increase in importance as an epicentre of world commerce and it is in Australia’s interests to become even more closely engaged with the countries of North Asia.

Australia’s principal need is to ensure that it is not seen as a country of declining importance within the North Asian region. Our declining trade share and proportion of foreign direct investment in the region since 1984 mean that our influence in the region is declining. There is a clear danger that, although the real volume of trade with the region remains high, Australia’s influence and the quality of our bilateral relations will undergo a further decline. The quality of these relations has, to a certain extent, been taken for granted.

The Coalition will specifically upgrade our bilateral relations with Japan, China and South Korea, in order to prevent any decline in bilateral influence and to assist in the opening of trade markets through diplomatic, trade and cultural exchange programs, including a specific concentration on ministerial level diplomacy.

7.2 The Key Relationships

Japan

Australia’s relationship with Japan is vital to our national well being. Japan is Australia’s largest trading partner and it is the dominant economic force in the region. Australia and Japan are bound by three shared interests which provide the basis for exceptionally strong bilateral ties.

First, Australia and Japan are both advanced, industrialised economies and members of the OECD. Both countries therefore share a common interest in a stable world trading order and a generally liberal approach to economic management. This attitude is underscored by the magnitude of trade and commerce between the two countries, which is of significant strategic importance to both Australia and Japan.
Second, Australia and Japan are both democracies. This provides for a particular affinity and an understanding of political and democratic forces.

Third, both Australia and Japan are alliance partners of the United States. This means that in the context of a regional security dialogue and the evolution of security arrangements in the near future, Japan and Australia are likely to share many similar views and are well placed to work in concert to achieve our objectives.

The specific objectives of a Coalition Government are to expand our economic relationship with Japan by seeking to open Japanese markets further to Australian products, and to broaden cooperation by a number of joint initiatives.

Practical means by which the Coalition would seek to expand our economic relations with Japan include:

* upgrading of diplomatic focus and encouragement of shared interests and joint ventures with Japanese firms as a means of gaining market access to, amongst other areas, the manufacturing, agricultural and agricultural processing sectors; and

* specific government initiatives to expand knowledge of and access for Australian service industries in Japan.

In order to upgrade the quality of the diplomatic relationship, a Coalition Government will specifically:

* encourage formalised discussions between Japan and Australia with the objective of policy co-ordination in specific areas such as tariff and customs harmonisation, and approaches to the structure of APEC; and

* examine possibilities for coordination of foreign aid policies within the South West Pacific and South East Asia so as to complement each other.

China

China is undoubtedly an emerging superpower and will inevitably expand its influence as its economy modernises and expands. The challenge for China is to engage with the countries of East Asia in such a way as to enhance regional stability and economic growth. As such Australia has an interest in working with China and the other countries of the region so as to assist in China's further integration into the commercial and diplomatic life of the region.

An important Coalition foreign policy priority is therefore to help in Chinese integration within the region.

The Coalition will be committed to expanding further our relationship with China, in particular through enhancement of existing trading programs such as the Market Australia Program in Shanghai. We will also work with China in order to help it to accede to the World Trade Organisation and its accompanying commitments.

A Coalition Government will upgrade Australia's relationship with China in three ways:

* further encourage educational exchange between Australia and China;
specifically concentrate at the ministerial level on expanding diplomatic contacts with China; and

encourage joint venture arrangements with China as a means of facilitating penetration of the Chinese domestic market by Australian companies. In particular, there are significant opportunities for Australian direct investment in the food processing and raw materials processing sectors.

One of the important ties between Australia and China is through the highly successful expatriate Chinese business community in Australia. The Australian Government has failed adequately to draw upon this community to establish closer diplomatic and investment links with China. A Coalition Government will:

encourage investment ties with China through the Chinese business community in Australia and draw upon the Chinese business community for informal links with China where appropriate.

The Coalition will also encourage progress with regards to certain social and political issues of international concern.

A Coalition Government will:

continue to make representation on issues such as the implementation of China’s one child policy; and

in diplomatic consultations with China reaffirm our commitment to religious freedom and the promotion of human rights, especially within Tibet.

South Korea

South Korea is a country of increasing importance to Australia.

South Korea’s stability is of great significance to the preservation of regional security.

Furthermore in 1994 it became our fourth largest trading partner and is a country with which we have an almost $3 billion trade surplus. Importantly, it recently displaced the United States as our second largest export market.

In order to upgrade Australia's relationship with South Korea the Coalition will:

pursue more regular and widespread ministerial level contact aimed at not only lifting the diplomatic quality of our relationship but also contributing to regionwide efforts to support South Korean security;

propose joint political-military discussions with South Korea on security issues so as to promote common interests within the region;

focus on market access issues in the area of livestock products and services;

work to expand knowledge of and trade in Australian services, most notably educational and legal services; and
* pursue expansion of Australian technical and educational exchange in addition to encouraging greater people to people contact through improved cultural exchange and enhanced tourism links.

A Coalition Government will also contribute towards regional security by assisting South Korea and the United States in developing the Korean Peninsula Energy Development Organisation.

**Taiwan**

Taiwan is Australia's seventh largest trading partner. Its economic achievements are extraordinary and have contributed to a dramatic rise in living standards for the residents.

In addition the Coalition welcomes and supports the democratisation which has occurred in Taiwan. Taiwan has emerged as a successful liberal democratic entity with significant gains in individual freedom.

Within the One China policy the Coalition will:

* place particular emphasis on encouraging trade and investment links with Taiwan through the expatriate community resident in Australia.

There will also be a particular focus on cultural exchange and support for democratic institutions.

**Hong Kong**

The Coalition recognises that the continuation of a high level of autonomy for Hong Kong after reunification with China has significant regional security implications.

What is more Hong Kong is Australia's ninth largest trading partner and it continues to be a critical export market for Australia.

Upon the British withdrawal from Hong Kong in 1997 there is an opportunity for the success of Hong Kong's economic system to spread throughout the adjacent regions of the mainland, but to do so it will be necessary to retain the integrity of the present system within Hong Kong.

The Coalition is supportive of the democratic reforms currently taking place in Hong Kong.

The Coalition will:

* encourage China to respect the principles underlying the "one country two systems" commitment relating to Hong Kong; and

* place particular emphasis on encouraging trade and investment links with Hong Kong through the expatriate community resident in Australia.

The Coalition will thus place a very specific emphasis on expanding Australia's links with the countries of North Asia.
8. SOUTH ASIA

8.1 India

India is centrally important to the stability of the Indian Ocean region. With that in mind, closer ties with India are of particular importance to Australia. This is particularly so given that the relationship has been neglected for far too long.

Furthermore the Indian economy has begun to expand at a rapid rate, which is likely to be sustained in the foreseeable future. This will increase demand and create a greater market for Australian goods and services as the Indian middle class expands rapidly.

Liberalisation of import structures and capital ownership requirements provide opportunities for Australian exporters and investors. There is now considerable scope for investment and participation in joint ventures which simply did not exist previously.

The Coalition has been arguing for a significant upgrade in Australia's relations with India for a considerable time. A Coalition Government will:

* upgrade relations with India through a concerted program of diplomatic contact and trade expansion;

* give consideration to India's bid for membership of APEC upon termination of the existing moratorium on further APEC membership; and

* work with India to encourage economic co-operation within the region, but not pursue the development of a regional security forum at this time.

8.2 Other Relationships Within the South Asian Region

Political instability is a problem which troubles a number of nations throughout the South Asian region. Australia's interest is to ensure that for humanitarian and security reasons such instability does not evolve into still more damaging conflicts either within, or between, nations.

Australia is fortunate in that it maintains good relations with the countries of South Asia, and as such may be able to play a constructive role in facilitating dialogue between conflicting parties.

Australia also has an interest in fostering the promotion and protection of human rights within the region. This is a delicate process and much can be done through constructive proposals which offer the opportunity for community level economic development, which in turn will contribute to prosperity and stability.

9. SOUTH PACIFIC

9.1 The Pacific Islands

The South Pacific is an area of special interest for Australia. Australia is the major bilateral aid donor in the region and is a member of the South Pacific Forum. It is important that whilst
Australia is able to exercise a leadership role, it must do so through assistance and constructive advice, rather than through assuming the role of pious lecturer.

Although economic development within the Pacific Island region remains only moderate, it is difficult to generalise about the needs and performance of Island states which cover an area of enormous size and varying cultural heritage. It is therefore important that Australia assists the Pacific Islands by focusing on bilateral relations and the needs of individual countries rather than attempting to collectively assess the general needs of a region which is fundamentally diverse.

In order to give greater focus to the Pacific Islands in Australia's foreign policy a Coalition Government will:

* upgrade the status of the region by returning responsibility for Australia's relations with the Pacific Islands to the Minister for Foreign Affairs; and

* join with and assist South Pacific Forum nations in ensuring that France does not recommence nuclear testing in the South Pacific.

The object of Australian aid to the Pacific Islands region must be to encourage increasing self-sufficiency and economic prosperity in the region. In order to achieve that end a Coalition Government will:

* focus on community level development rather than provision of large infrastructure projects which may be better completed on the basis of private or public sector financing;

* continue to assist with the detection and surveillance of the territorial waters and fishing zones of the Island states, to the extent that such help is requested;

* create opportunities for sharing of technical information and facilities with the Pacific Islands; and

* examine the possibility of further co-ordinating our foreign aid program for the region with that of Japan so as the two programs are complementary.

Australia is a net exporter to the Pacific Islands with a trade surplus in 1994 of over $850 million. In order to assist with liberalisation of regional trade and expansion of export capacity within the Pacific Islands, a Coalition Government will:

* review the South Pacific Regional Trade and Economic Agreement (SPARTECA) so as to examine options for improving the free flow of trade and investment within the region.

9.2 New Zealand

Australia has a uniquely strong relationship with New Zealand on which we place great importance. New Zealand is our third largest trading partner and the two countries are bound together under the CER Agreement, which allows for ongoing deregulation of the trade relationship between Australia and New Zealand.

Political differences between the two countries are essentially minor and the most significant problem is that such a strong relationship may be taken for granted, as was the case with the
way in which the Labor Government repudiated the Memorandum of Understanding with New Zealand on the establishment of a single aviation market. The major challenge which flows from the existing relationship is to give more substance to the CER Agreement. In order to promote the objectives of CER a Coalition Government will therefore:

* encourage a single Australasian market in air services;
* remove cabotage from trans-Tasman shipping and allow foreign flag ships to enter our coastal trades; and
* take further steps to harmonise business and competition law and establish a protocol for the reciprocal recognition of professional qualifications.

A Coalition Government will also maintain the close defence relationship with New Zealand.

9.3 Papua New Guinea

Papua New Guinea is a country undergoing the considerable challenges of economic modernisation and cultural and political diversity. These challenges should not however overshadow the very considerable democratic and economic progress which PNG has achieved in the twenty years since independence.

It is a matter of some dismay to the Coalition that the Australian Government has neglected high level ministerial engagement with Papua New Guinea.

Coalition foreign policy will give a significantly higher priority to assisting Papua New Guinea to address its current economic difficulties as a means of guaranteeing security and to assisting in resolution of internal difficulties which are occurring on Bougainville Island and in other areas. The Coalition will ensure that PNG is not diplomatically neglected by Australia.

Accordingly, as was demonstrated by the work of the Australian Parliamentary Delegation to Bougainville in April 1994, there is a very constructive role which can be played by high level Australian diplomatic support and initiative in Papua New Guinea. This will be a Coalition priority in order to assist with security in our immediate region.

The Coalition welcomes recent moves for fiscal restraint within Papua New Guinea. Accordingly, in order to assist with economic development and security in Papua New Guinea a Coalition Government will:

* maintain existing foreign aid commitments and support the reallocation of Australian aid from budgetary support to specific project aid. The Coalition will however review in close consultation with the PNG Government current plans for project aid, in order to ensure that the project aid provided by Australia will enhance attempts to strengthen the Papua New Guinean economy;
* give special emphasis to aid for the Bougainville Restoration Program;
* assist in information and technology sharing with the University of Papua New Guinea and other tertiary institutions; and
* encourage Australian investment and participation in the Papua New Guinea economy through a process of business education in Australia.
10. **USA and NORTH AMERICA**

Australia's relationship with the United States will be centrally important to Australian foreign policy. The United States is not only vastly important to Australia economically as both a source of investment and trade but is also critical to Australia strategically.

10.1 **ANZUS**

The ANZUS Alliance remains central to Australian security. It is both a direct source of support and a key pillar in the whole regional security architecture.

As such, a Coalition Government will:

* Ensure that Australia's security ties with the United States and links with the ANZUS Treaty remain a central feature of Australian security policy.

A Coalition Government will:

* encourage the United States to remain actively involved with Australia and in regional affairs;
* encourage more extensive joint training opportunities between Australian and US forces;
* explore the possibility of the United States having limited pre-positioning in Australia of equipment and stock; and
* seek more opportunities for exchange of defence personnel.

10.2 **Cultural and Economic Links**

Australia and the United States are natural friends. We share the same fundamental cultural, social and political values and have long historical ties which bind us together.

That not only means encouraging the bilateral economic and political relationship but also working closely with the United States in multilateral fora.

The Coalition will:

* give particular emphasis at the multilateral level to working with the United States through APEC and the ASEAN Regional Forum.

Not only will the Coalition maintain high levels of contact at the Ministerial level with the United States but we will:

* also give priority to developing closer ties between the Australian Government, the Parliament and the US Congress.

At present these links are fairly limited and more work needs to be done to bring the two legislatures closer together.
10.3 Canada

Canada and Australia are countries of great similarity and with many common interests. A Coalition Government will accordingly:

* look at sharing joint diplomatic facilities in some countries as a means of expanding Australia’s diplomatic reach.

11. EUROPE: EAST AND WEST

11.1 Western Europe

Europe has been transformed by two critical events in recent years. First, the break up of the Soviet Empire has reconfigured the strategic balance and allowed for the freeing of the former Eastern Bloc countries and their gradual but uneven transition to market economies.

Second, implementation of the Single European Act has furthered the free flow of goods, services and capital within Europe, leading to a more unified policy on matters relating to Europe’s relations with the rest of the world.

The challenge for Australia is to ensure that it is well placed to participate in the changes and opportunities emerging in the new Europe.

The Federal Coalition will therefore give a high priority to relations with Europe by:

* specifically promoting Australia in Europe as a major hub from which to conduct and headquarter business operations in the East Asian region; and

* negotiating a Framework Agreement with the European Union.

The Coalition recognises the growing importance of the European Union as an institution. Although it is hard to judge the extent to which the European Union will continue to evolve beyond its present level of cohesion, there is no doubt that economic and indeed on occasions, foreign policy postures of many European nations are determined on a European Union-wide basis. It is crucially important given the political and economic power of Europe that Australia maintains and in some cases, builds closer ties with the European countries.

In past years, links with the United Kingdom, Italy and Greece to take just three examples, have been determined by the Federal Government to be unfashionable. Yet these are countries with which Australia has especially close historical ties. A Coalition Government will therefore give a new focus to these longstanding and important bilateral relations.

11.2 Eastern Europe and Russia

The rapid economic growth of Eastern Europe offers the potential for significant Australian investment, especially within infrastructure, and trade.

As such Australia needs to ensure it has continuing relations with the Eastern European countries as they become increasingly successful economically and as they develop a closer association with the more powerful nations of Western Europe.
Although it is easy to dismiss Russia as a country with diminished influence, there is no doubt that it continues to be a major military power and that if the economic reform process in Russia is successful, Russia will once more become a major global power. An economically successful and stable Russia would undoubtedly play a very considerable role in Asia/Pacific affairs.

In particular there are considerable opportunities for Australia to assist in the development of the Pacific East of Russia and to assist in the development of technical expertise elsewhere in the country such as in the food processing industry.

A Coalition Government will:

- actively consider Russian membership of APEC once the moratorium on enlargement of APEC membership expires.

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In broad terms, Australia's relations with Europe have been given insufficient focus by the Labor Government. Europe is still vastly important to Australia as a source of investment and as a market for Australia's goods. Three European countries are permanent members of the United Nations Security Council and as such are able to exert great influence on international affairs. It would be a mistake to underestimate the influence of those countries.

The Coalition remains totally opposed to French nuclear testing in the Pacific and Australia's relationship with France will not fulfil its full potential until France backs up its commitment to end testing with signature of the Comprehensive Test Ban Treaty.

12. AFRICA

Two principal events in recent years have helped shape Africa. The first is the end of apartheid in South Africa.

It is vital for stability within South Africa, that the international community supports and contributes to the peaceful transformation of South Africa to a post-apartheid society.

A Coalition Government will therefore:

- aid in the process of institution building within South Africa as a means of consolidating democratic gains;
- encourage development of stronger commercial relations between the two countries, in particular, examine means for facilitating Australian investment in South Africa; and
- give particular emphasis to housing development in its aid to South Africa.

The second major development of importance within Africa is the termination of bitter conflicts in Mozambique, Ethiopia, Eritrea and Namibia, amongst other countries, and the gradual movement towards reconstruction and democratisation.

It is important that incentive is given to those states which are seeking to develop or consolidate democratic structures. The Coalition will therefore specifically seek to assist those states
which are developing or consolidating democratic structures. Particular steps to be taken will include:

* technical, educational and agricultural support for those states in the process of democratic transition;

* participation in United Nations' peacekeeping operations, where appropriate, with a preference for the supply of technical personnel; and

* focus on the development of an Indian Ocean regional trade grouping as a means of encouraging the flow of goods, capital and services between states of the Indian Ocean littoral, which in turn will encourage development vital to stability.

Many parts of Africa continue, however, to be subject to violent conflict, extreme poverty and catastrophic environmental degradation. Australia accordingly has an imperative to contribute to international humanitarian missions and projects when such crises occur.

13. MIDDLE EAST AND CENTRAL ASIA

The Middle East is a region pivotal to global security and economic prosperity. The Peace Process is critical to the long term security and harmony of the region and as such the Coalition supports it unequivocally.

In the area of security, although Australia can make some contribution to the Middle East peace process, our capacity to influence events within the region is limited and should not be over-stated.

The Coalition has a special respect for the democratic achievements of Israel and recognises the great security problems facing that country as was tragically illustrated in the assassination of Prime Minister Rabin.

Australia's objectives within the Middle East are twofold. First, we should seek to expand our export involvement with the region which has actually declined since 1990. Secondly, it is in our interests to assist in the Middle East peace process in whatever constructive way we can.

From Australia's perspective the Middle East has the potential to become a more significant trading destination, building substantially on existing export markets which currently receive only 2.6% of Australia's overall export trade.

In order to enhance our commercial relations with the Middle East, it is necessary that Australia is given a higher profile within the region. There is considerable scope for creative marketing of Australia as a highly developed country suitable for investment, and for high level education and training. There is a particular opportunity for provision of educational services to students from the Gulf countries.

In order to expand Australia's commercial relations with the Middle East, a Coalition Government will:

* concentrate on expanding awareness of Australia's educational and technical services, particularly amongst the Gulf States; and
* work closely with Gulf States in order to consolidate and expand sales of sheep and meat related products.

Australia can also make some contribution to the Middle East peace process drawing upon our cultural links and the longstanding respect for Australia amongst the countries of the region.

The principles which will govern Australia's involvement under a Coalition Government in any Middle East peace process are firstly a commitment to ensuring that Israel has a guarantee of security, and secondly, recognition of the need for a just resolution of the question of autonomy for the Palestinian people.

The Coalition will:

* continue to support Australia's involvement in the Working Groups on Arms Control and Water Resources.

The Coalition also supports the great progress made within Lebanon towards peace and reconstruction. In addition the Coalition maintains its commitment to United Nations resolutions calling for the withdrawal of all foreign troops from Lebanon.

Although the former Soviet Republics of Central Asia are as yet only going through a fledgling process of economic modernisation, there is scope for moderate levels of technical aid at this stage, which could help in regional development and which may provide the foundation for subsequent commercial links between the region and Australia.

A Coalition Government will:

* contribute modest levels of technical aid to the former Soviet Republics of Central Asia, as a basis for future relations.

14. CENTRAL AND SOUTH AMERICA

At present Australia's trade with all of Central and South America amounts to a bare 1% of our total exports. However there is clearly scope for expansion of cooperation in key sectors such as telecommunications, mineral exploration and transport. In particular, a Coalition Government will:

* encourage the private sector to develop greater telecommunications links with Central and South America with a view to Australia becoming a telecommunications hub between the Americas and East Asia;
* encourage Australian involvement in resource joint ventures in the Latin American region; and
* facilitate the development of air links between Australia and central and South America.

Australia also has an interest in seeing consolidation of democracy and stability within the region. The process of democratic consolidation within the region is critical to ensuring the conditions for stable economic development and economic expansion. It is important that support is given to those states which are currently consolidating democratic reforms.
15. THE TREATY-MAKING PROCESS

15.1 Global Forces and the need for International Law

The Coalition is committed to Australian participation in the international legal system. The object of such participation is, however, to serve Australia's fundamental interests rather than as an over-riding objective which may be contrary to Australia's interests.

The Coalition's position on reform of the treaty-making process is clear and simple.

First, while internationalisation in subjects such as trade structures, human rights and environmental issues is a desirable and inevitable force, it will have an ever-increasing impact on our domestic legal regimes.

Second, our existing treaty-making processes are inadequate to the task of managing this growth in international law-making.

Third, there is already compelling evidence that there are direct and undesirable impacts on our domestic laws and the division of powers as a result of these inadequate processes.

Fourth, as a consequence the Coalition will propose legislative reform and reforms to the treaty-making process which will help the Australian Government to manage the inevitable trend towards international law-making.

15.2 Proposals for Reform of the Treaty-Making Process

Given problems with the existing system, there are a series of reforms which the Coalition believes are necessary to modernise and to bring the treaty-making process in line with the growing importance and impact of international law:

* Preparation of national interest analyses of treaties prior to signature

The Coalition will ensure that the Commonwealth Parliament, the States and the wider community are given proper and timely involvement in international law-making by Australian Governments, including where appropriate, preparation of national interest analyses prior to ratification.

* Tabling of treaties with provision for debate

The Coalition will legislate to require that treaties are tabled with the provision for significant debate in the Federal Parliament prior to ratification.

* Establish a Treaties Council

The Coalition will establish a Treaties Council, as part of the Council of Australian Governments. This initiative will be associated with a general strengthening of the consultative procedures on international law-making between the Commonwealth and the States.
Implementation of Domestic Legislation Prior to Ratification of Treaties

The Coalition will work with the States to ensure that domestic legislation is in place prior to the ratification of treaties.

Establish a Joint House Treaties Committee

The Coalition will establish a Joint House Treaties Committee to provide a detailed analysis of the implications of any prospective signing or ratification of an international treaty by Australia.

Refer consideration of an amendment to the External Affairs Power to the People's Convention.

16 UNITED NATIONS SYSTEM

16.1 Security Council

Although initial hopes for Security Council action have been tempered by competing great power differences and the intractability of particular conflicts, the opportunity for constructive and united Security Council involvement in international disputes under Articles VI and VII of the United Nations' Charter is a positive development to which the Coalition believes Australia can contribute.

The Coalition supports reform of the Security Council and Australian involvement in the Council, and as such supports:

- an increase in the permanent membership of the Security Council to include Japan and Germany, although without the capacity for veto of Security Council Resolutions. The Coalition will also consider other options for expansion of the Security Council, although with a concern to ensure that the body does not become unwieldy.


16.2 Peacekeeping

There have been major United Nations' peacekeeping successes in Mozambique, Cambodia, El Salvador, and Namibia in recent years. These successes have all contributed substantially to the transition from war-torn to peaceful societies and helped in the establishment of stable government.

Peacekeeping activities have not, however, been as successful where they have attempted to operate in conditions where there is no will for peace between the conflicting parties. As such, the United Nations' presence in the former Yugoslavia, Somalia and Angola has had only limited success in overseeing demilitarisation and transition to peaceful societies.

The Coalition supports Australian involvement in United Nations' international peacekeeping operations where they are perceived to be relevant to our operational experience and consistent with our security interests and international obligations.
There should, however, be a clear distinction between those operations which are essentially humanitarian in nature, and those which are essentially peacekeeping. The former are appropriate for conflicts which are ongoing and violent, whilst the latter types of operation are appropriate for conflicts which have reached the stage of a ceasefire with the prospect of semi-permanent peace. Prior to that stage, the primary United Nations' function should be diplomatic peacemaking and provision of humanitarian aid.

In exceptional circumstances there may be the case for formal peace enforcement measures under Chapter VII of the UN Charter, however it is absolutely critical that mandates should be precise, clear, limited in scope and have a strong probability of success.

* The Coalition will work to ensure that the military command, control and intelligence structures within the United Nations headquarters are strengthened through more adequately resourced logistical and administrative support structures.

16.3 Reform of the Secretariat and Specialised Agencies

There is clear evidence that, although there are many highly professional and committed members of the UN Secretariat and the Specialised Agencies, there is considerable scope for the improvement of the organisation and management of United Nations' functions.

The Specialised Agencies and other programs associated with the United Nations perform a range of extremely valuable humanitarian, technical and co-ordinating functions vital to the operation of the international system. There is, however, considerable duplication of functions between different arms of the United Nations' system. The Coalition therefore makes the following proposals which it will work to encourage in Government:

* Reform of the hiring procedures for UN professional staff so as to emphasise an independent corps of international civil servants in line with original proposals at the time of the foundation of the United Nations. This is in preference to the present focus on seconded representatives from national governments who must inevitably owe some allegiance to their own Government. Therefore this proposal emphasises the independence of, and accountability of individual professionals within the United Nations' system; and

* Review Secretariat Programs and Specialised Agencies so as to end duplication of United Nations' services and to increase the efficiency and delivery of such services.

17. THE COMMONWEALTH

The Commonwealth is a special organisation within the international community which draws upon cultural, historical and linguistic ties, in a way which gives many smaller nations an opportunity for effective contact with developed states in a way which may not otherwise be possible in other international organisations.

In particular, Australia plays a prominent role within the Commonwealth and is able to work through the Secretariat and Commonwealth Heads of Government Meeting to show leadership and strengthen relations with many States within the developing world.

The greatest challenge facing the Commonwealth is to ensure that it has a clear purpose which will give momentum to its work and deliberations. In the past, the Commonwealth has been
extremely successful in its dispute resolution function with regards to Zimbabwe and its leaders in challenging apartheid.

In order to strengthen the work of the Commonwealth a Coalition Government will:

* emphasise the role of CHOGM and the Commonwealth Secretariat, in helping to act as a special negotiator in international and internal disputes involving Commonwealth countries. This is a role which could be emphasised more than it is at present and offers a specific opportunity for effective input in the Commonwealth structure;

* in particular seek to address issues such as the problem of Cyprus and Sri Lanka through the Commonwealth Heads of Government Meeting; and

* work for the strengthening of democratic institutions in Commonwealth countries.

18. DEVELOPMENT AID

18.1 The Purpose of Foreign Aid

The purpose of Australian foreign aid is to assist developing countries to help meet the basic needs of their people, and to assist in achieving a more secure and equitable international order.

In the provision of basic human needs, the principal objectives are to ensure the reduction of poverty and the promotion of economic development as a permanent means of overcoming such poverty. The essential features which a Coalition Government will emphasise in its aid policy will therefore be based upon the following principles:

* recognition that the primary purpose of foreign aid is assistance in overcoming humanitarian concerns through permanent outcomes;

* an increase in the proportion of aid allocated to humanitarian and poverty reduction purposes;

* support for an increased role of non-government organisations, both Australian and local, in the delivery of Australia's foreign aid;

* significant increase in support for rural development;

* significant increase in focus on assistance projects directed to the needs and abilities of women and girls;

* institutional support for States in the process of developing democratic structures;

* preference for the conduct of Australian aid activities overseas using Australian goods and services and personnel rather than contracting out to organisations from any other developed countries; and

* continued support for the United Nations' goal of applying 0.7% of our gross national product to aid as and when budgetary circumstances permit.
In order to ensure that these principles are given force, and to update the specific ways in which AusAID carries out Australia's aid objectives, a Coalition Government will:

- commission an independent review of Australia's aid program in its entirety, similar in scope and form to the process which led to the Jackson Report; and

- broaden membership of the Ministerial Advisory Council on Aid, to include more people with community development experience and gender expertise.

18.2 Sectoral Priorities

Australian aid is not sufficiently well targeted so as to ensure that economic benefits are enjoyed by the poorest people.

A Coalition Government will therefore:

- place far greater emphasis on community level health development. Such a proposal will include programs to reduce high maternal mortality rates, meet post-war trauma recovery needs and address inoculation needs. It is important that health programs deliver services to rural areas and concentrate on increasing the skills of local health staff;

- emphasise programs directed at the education of women and girls. In particular there will be a focus on primary level education for women and girls;

- increase the sectoral focus in rural development and agriculture. There will be greater assistance in rural areas along with improved agricultural techniques and provision of materials. One of the critical purposes will be to help reduce rural poverty which, in turn, leads to the mass transfer of people in developing countries from rural areas to large and overcrowded cities;

- strengthen resource management and environmental activities, especially within the Pacific. The importance of such development is to ensure that not only are resources sustained, but that developing countries are able to increase the yield which they receive from their natural resources. In particular this will include land owner educational programs and community based development programs;

- review funding for the proposed My Thuen Bridge in Vietnam, subject to contractual obligations, with the intent of reallocating it to the provision of basic community level health, education and sanitation projects within that country; and

- guarantee maintenance of existing Australian funding commitments to the forthcoming IDA 11 pledging conference.

The Coalition recognises the hardship which has flowed from the significant debt levels built up by many of the world's least developed nations. In that respect, the Coalition will examine possible new multilateral approaches to resolving the issue of Third World debt.

18.3 Bilateral Priorities

As the largest bilateral aid donor within the Pacific region, and given our responsibility within the region, a Coalition Government will concentrate its aid program within the South Pacific and the poorer countries of the East Asian region.
A Coalition Government will focus on specifically targeted aid programs rather than budgetary assistance. The specific priorities for country to country assistance will be evaluated in the overall review of Australia's aid program, which will be commissioned by a Coalition Government. The purpose here is to ensure that decisions are made on a systemic and coordinated basis, and are not merely driven by representations made by particular groups. There are, however, some key programs which a Coalition Government would pursue.

The Coalition clearly recognises the poverty and other hardships facing Africa and will at least maintain existing levels of aid to Africa.

In particular there are two projects of importance which a Coalition Government will prioritise in our aid program to Africa:

* establishment of a special program to support post-war reconstruction and the transition from authoritarianism to democracy; and
* the establishment of a program for HIV/AIDS prevention and care in East and Southern Africa.

Other specific country policies will be guided by the principles laid out in this policy and the approaches to be identified in the overall aid review.

Ultimately, a Coalition Government will undertake a major restructuring of Australia's Aid Program so as to focus directly upon poverty reduction, community-level health, education and sanitation needs, and the specific education and focus on the needs of women and girls in developing countries.

19. **HUMAN RIGHTS**

19.1 Importance of Human Rights

Human rights matter in international relations for two reasons. First, where they are being breached and under threat, they represent the foundation for political instability and major conflict. As the Security Council has recognised in its resolutions on the conflict in Somalia and the former Yugoslavia, internal abuse of human rights and subsequent conflict can constitute a "threat to the peace" sufficient to endanger international security.

Second, human rights are important in the conduct of Australian foreign policy because the treatment of individuals is a matter of concern in and of itself to Australia.

The Coalition supports the proposition that human rights are universal and that there is a responsibility to preserve and promote those rights outlined within the Universal Declaration of Human Rights.

The universality of rights springs from the public commitment of States to the principles contained within the Universal Declaration itself and its two subsequent Covenants. Moreover, the fundamental nature of rights reflects a consistency of experience in cultures throughout the world. Of course, there are differences in traditional and local cultural practice, but the prevalence of notions of popular sovereignty, equality of treatment and freedom to act is a recurrent feature of human society.
The Coalition also recognises that there is a very great difference between the attitude of particular Governments to the protection of rights and the attitude of civilian populations to the existence and promotion of such rights.

Human rights issues will be addressed within the context of the overall relationships between Australia and other countries.

19.2 Specific Safeguards for the Protection of Human Rights

The primary safeguard for the protection of individual rights is promotion of a democratic society. Although there are numerous structures which democratic society may take, there are five elements which are fundamental to safeguarding individual rights:

* adherence to the rule of law;
* an independent judiciary;
* a free press;
* freedom of speech and assembly; and
* the right to a fair trial.

These rights are supplemented by the basic economic right to development which the Coalition regards as complementary to rather than as mutually exclusive to the civil and political freedoms.

19.3 Australian Diplomacy and Protection of Human Rights

The Coalition believes that it is important that Australia's diplomacy encourages promotion and protection of human rights. At times this will involve public comment on particular issues, although long experience has shown that success in individual cases is often best obtained through diplomacy conducted in private.

The Secretary-General of the United Nations, Boutros-Boutros Ghali, has argued that the most effective approach for promotion of human rights is successful economic development. Increases in health standards and educational opportunities for example are themselves human rights achievements of fundamental importance.

In addition the Coalition will consider options for working in conjunction with other countries as part of a concerted and cooperative approach to addressing human rights problems.

In order to assist in the promotion of human rights within the Asia Pacific region, the Coalition will:

* encourage the establishment of a privately funded Centre for Democratic Institutions.

The Coalition supports the establishment of an Australian based Centre for Democratic Institutions to assist in consolidation of democratic institutions in countries where democratic structures are evolving. The Centre will, where requested, assist in areas such as judicial administration, training of parliamentary officers, training of electoral officers and election monitoring. Government seed money will be available to help establish the Centre.
20. **ENVIRONMENT**

There are two major types of environmental threat at the global level. First, there are trans-boundary threats such as ozone depletion, greenhouse warming and air and water pollution.

Secondly, there is the problem of resource scarcity which has particular impact within the developing world. Resource scarcity due to continued degradation of soil and water quality may create a considerable threat to stability within some developing countries.

The Coalition proposes to deal with the problem of trans-boundary environmental threats and major resource scarcity in two ways. First, the Coalition will oversee Australian participation in comprehensive international attempts to address trans-boundary problems. In that respect the Coalition supports:

* strengthening of international regimes for control of the use of ozone depleting gases;

* development of aid projects designed to assist in creation of more greenhouse efficient means of energy production; and

* consultations within APEC regarding co-operative approaches to regional environmental issues.

The second step of the Coalition's approach is to use development aid in order to assist in agricultural development and prevention of soil, forest and water degradation. In particular, the Coalition will:

* implement an educational exchange program which will bring agricultural science and environmental science students to Australia from developing countries in order to gather skills to combat resource degradation.

A Coalition Government will continue to support the concept of Antarctica as a World Environment Park in which there will be a total ban on mining and resource exploitation.

21. **NUCLEAR AND CONVENTIONAL WEAPONS PROLIFERATION**

Nuclear proliferation and the attainment of nuclear weapons by rogue states or political movements may in time constitute the greatest threat to Australian and global security.

The Coalition remains fundamentally committed to the terms of the Nuclear Non-Proliferation Treaty and the successful conclusion of a Comprehensive Test Ban Treaty.

Australia should take all possible steps to prevent the transfer of nuclear weapons technology and the means of their delivery. We should also strongly oppose any action by existing nuclear weapons states which undermines the Non-Proliferation Treaty and which would therefore weaken incentives for threshold countries to remain non-nuclear. We will continue strong support for the Missile Technology Control Regime.

The Coalition is completely opposed to continued nuclear testing.
The Coalition will allow the Canberra Commission to complete its report but will not constitute the Commission as a permanent body.

The Coalition will also work to achieve a ban on the production of fissile materials in addition to maintaining its support for the elimination of nuclear weapons, a position established when the Coalition Government of John Gorton signed the Non-Proliferation Treaty in 1970.

The Coalition also recognises the problem posed by the development and proliferation of chemical and biological weapons and remains committed to international attempts to prohibit the manufacture and use of such weapons.

Anti-personnel landmines continue to have a devastating and indiscriminate impact on people in many countries throughout the world.

In order to address the problems related to landmine usage the Coalition:

* is committed to the eventual elimination of anti-personnel landmines;
* will continue diplomatic efforts to tighten the 1980 Inhumane Weapons Convention; and
* supports a total ban on the supply of landmines to non-signatory states and guerilla forces.

D. DEPARTMENTAL REFORM

22 DFAT REFORM

22.1 Departmental Performance & Structure

The Department of Foreign Affairs and Trade is a national asset. The Department is staffed by highly capable men and women who are able to identify Australia's interests and pursue those interests overseas with skill and professionalism.

A Coalition Government will ensure that the Department is managed in such a way that its expertise in countries of importance to Australia and its language skills are not diminished and are appropriately rewarded.

The Department has two primary functions. First, it has a vital role in contributing to the Ministerial decision making process for the guidance and setting of Australian foreign policy. Secondly, it has responsibility for the implementation of such policy as decided by the Minister. It also has an important public affairs function in projecting and explaining policies, once determined, to the Australian public and overseas.

Formation of public policy demands that information providers and advisers are able to give Ministerial decision makers advice directed solely to the attainment of national interests and objectives.

* A Coalition Government will ensure that at all times departmental professionals and advisers will be encouraged to present their opinions and contribute to the decision
making process and the attainment of national interests in a frank, fearless and entirely objective way.

22.2 Foreign Policy White Paper

The changes evident in the post-Cold War era mean that many of the assumptions and practices of the past are no longer as relevant to the conduct of foreign policy. The Coalition believes that in view of the pace and scope of recent changes in international affairs, it is appropriate to undertake an independent review of Australia's medium to long term foreign policy priorities and the most effective way in which they can be pursued.

We also believe that such a review is necessary to ensure that the Department’s management strategy is the most appropriate one for its tasks, and that on matters of policy development the department works effectively with other arms of government in pursuing consistent objectives.

To reassess Australia’s long term interests, priorities and foreign policy-making machinery, the Coalition will:

* commission a Foreign Policy White Paper.

This will be the first time that Australia has produced a Foreign Policy White Paper. It will be prepared with the assistance of an independent panel. Its terms of reference will include:

* an examination of Australia’s post-Cold war international environment and an assessment of our future diplomatic, political, security and trade environment;

* a determination of Australia’s foreign policy priorities and strategy for the next 10-15 years;

* a review of Australia’s foreign policy-making machinery to ensure that it is appropriate given the changed circumstances facing Australia;

* a review of DFAT management strategy; and

* a thorough review of grievance procedures within the Department of Foreign Affairs and Trade, ASIS, Austrade and AusAID.

23. Consular Protection of Australians Abroad

Every year there are hundreds of Australians who suffer injury, misadventure or death whilst overseas.

The principal responsibility of the Australian Government is to take all steps necessary to protect and care for its citizens, including those abroad. It is imperative then that there is ministerial level recognition of consular protection as a primary function of Australia’s foreign policy rather than merely as a secondary diversion.

In order to assist with the care and protection of Australian citizens abroad the Coalition will take the following steps:

* conduct a full review of Australia's Consular emergency procedures;
we will enhance and develop the role of the Department’s Consular Crisis Centre. Its current responsibilities relate to cases of Australians caught in disaster and emergency overseas. Under a Coalition Government the Centre’s role will also include as timely and effective a response as possible to emergency cases involving individual Australians lost, kidnapped or killed abroad. We will reallocate additional resources and specialised training to enable the Centre to carry out the new responsibilities as effectively as possible; and

upgrade the Honorary Consul system in order to provide Australians with more points of contact in areas of the world not covered by formal Australian diplomatic representation.

A particular focus of consular protection will be to ensure that there is consistent and high quality attention to the family members of those Australian citizens who have been subject to mishap whilst abroad.