

**The AIIA National Conference 2019
@ the Hotel Realm**

By Brian Everingham



Anne Aly in full flow



Penny Wong looking quizzical

Once we arrived at the venue I immediately registered and secured my seat, almost directly in front of the lectern. Our Branch President, Ian Lincoln, seemed more than pleased I was in position to record proceedings. I trust it covers some of what he hoped.

9.00 am. Keynote Speakers

1. The Hon Alex Hawke, Assistant Defence Minister and Minister for International Development and the Pacific



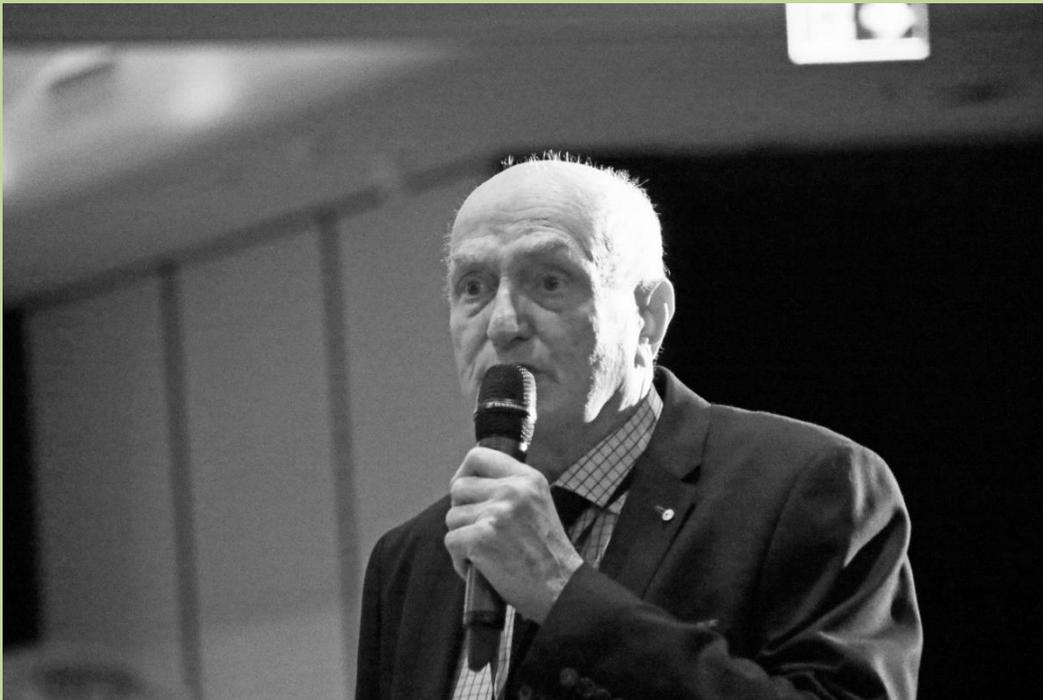
He opted to focus on the Australian role in the Pacific but placed this into the general context of jolts in the international order. He highlighted the pragmatic program based on our values, grounded in “our national interests”, protecting human rights, sovereignty of states big and small, freedom of exchange, freedom of endeavour and free trade, promoting international rule of law.

He also argued that our security is based on a strong Australian economy leading to stability and prosperity. A strong economy also requires strong security including tighter rules about foreign donations and foreign investment.

He argued that we must also strengthen the Indo-Pacific. There have been 54 Ministerial visits to the Pacific this calendar year. This has led to new opportunities (though of interest he avoided reference to the Pacific demands to address climate change until the end of his address when he repeated, over and over again, that we are doing more on climate change than anyone. Curiously there was no detail at all but just a reference to

adaptation). “The Prime Minister has maintained a healthy optimism” in terms of China and the USA.

Hawke then spoke of the \$1.4billion investments in the Pacific and mentioned \$500m to address climate change without spelling out what that meant. Richard Broinowski asked him to provide details. His answer referred to the Infrastructure Financing Facility. And he repeated the words adaptation and mitigation.



Richard asking Hawke a question

Hawke then mentioned the role of NZ, Japan and India in a positive way (is this part of the Quadrilateral) and somewhat unusually he then highlighted the recent trip to Fiji, the strong relations we now have with them and the deal to import kava! That appears to be an example of integrating the economies of the Pacific with ours. The unstated shadow is, of course China.

The second question focused on whether we could remain neutral rather than being allied to the USA. Hawke said “peace is something we all want” but we share values with the USA.

2. Senator the Hon Penny Wong, Shadow Minister for Foreign Affairs and Opposition Leader in the Senate

In her address Penny opted to focus on our relationship with China, how we make that work and what we need to do to help direct the US relationship with China. We need to try to avoid being collateral damage in that competition.

It is key that we use our agency to strengthen a multilateral world. While China has become more forceful under Xi we must not be reactive. Our relationship has diverged and that means we must have a mature conversation.



Penny highlighted two Morrison examples of sloppy handling. His example of raising race regarding Gladys Liu did the CCP work for them. It smeared all Australians of Chinese ethnicity.

Penny questioned where and when Morrison raised whether China was a developing or a developed country, next to Trump after attending a Trump rally. It allowed China to paint us as doing American bidding.

Penny then attacked the Morrison speech to the Lowy Institute. It was cheap populism and disturbingly lightweight. It ditched Julie Bishop's White Paper.

Labor wants to engage with China in a bipartisan way. The Minister is yet to reply. The national interest is best served that way because there are tensions. China is critical to the shape and health of our entire region. We need to work through the rules of engagement.

Leadership is essential and we must not succumb to short term political interest. The questions focused on isolationist directions of the USA but Labor does believe that the alliance with the US is central. However Penny did state that where we disagree with a particular administration we should say so.



3. Allan Gyngell, AO FAIIA, National President AIIA



Allan began by noting that this is the centenary of the Treaty of Versailles out of which, among other things, the AIIA was born.

In this speech Allan focused on how much agency does a country like Australia have. In some dimensions we are in relative decline. For example our economy has slipped in relative terms though we are still 14th in rank.

Power arises through economic strength, military weight and soft power. States can induce, coerce and persuade. In our case the first two are beyond our scope but we can exert influence. The use of military power is not beyond us but usually in coalition so we must rely on persuasion. Usually that is through our ““great and powerful friends”. It is now getting harder. The alignment between us and the USA is now not as close as it was once and isolationism in the USA is getting stronger. Generally multilateralism is weakening across the globe.

In principle we could engage more with China but with the exception of the Asian Development Bank there has been little else.

Allan then focused on how we are engaging with other smaller powers. Even our aid budget has shrunk to the lowest percentage ever.

After looking at our soft power and noting that it is not power until it leads to influence he ended with a question that if the relationship between the US and China does eventually snap what COULD (note, not should) we do?

Chair: Zara Kimpton



Zara opened proceedings, referred to the Master Classes that were held yesterday, noted that all AIIA branches were present and also noted that the attendance for today was “about 300 people”. She then outlined the program for the day, highlighting the first theme, “a new Cold War”. She spoke of the “dangers of fracturing” international relations. She then focussed on the tricky situation Australia faces in negotiating our position in regards to the USA and China.

Before turning to the guest speakers she also explored the uncertainties of Brexit, the Middle East and US/Iran relations.

Morning Tea

And it would seem some unofficial master classes continued.



11.15 Panel 1- A new Cold War?

Moderator: Professor Nick Bisley

Speakers

1. Professor Bates Gill - the US perspective

Most in the USA would stop short of describing it as a New Cold War. China does not yet possess the scope of internationalism that the USSR possessed. But there are now echoes of those “bad old days”: a “Cold War lite”! The word decoupling is being

bantered about and there is preparation for a potential conflict. It is true, also, across partisan lines.



More and more the competition is being described in ideological lines and not just one of economic competition. The mood is getting darker

In question time he added that you can't pin the downturn to Trump alone. The Obama pivot to Asia was also important in creating a competitive atmosphere. He did add that if the Democrats win the House there would be greater alliance building.

2. Professor James Laurenceson - the China perspective

The 79th anniversary of the CCP was placed in the context of being bullied by the West for over a century. From their perspective US behaviour in the South China Sea looks like Great Power pressure.

And once we try to stymie Chinese economic growth what would China do? It is showing no stepping down or it would show weakness. Note that China has cut many of its tariffs. Note also it is still growing at 6% pa. And that is from a higher base.

Note also China is avoiding much of the containment being attempted and even Morrison called China a "great and powerful friend".

He added that there is no evidence China wants to export its model. In China pragmatism drives most of their decisions.



3. Ashley Townshend - the strategic perspective



China has now developed a defence system able to block the US out of the western Pacific. The balance of power has changed. The unipolar moment is now over. China is developing a concentric circle policy.

Note that the original containment policy of Keenan in the Cold War was done to contain a country that already had reached its global prominence. To stop a country reaching its potential is a different matter and probably the US no longer has the necessary capacity. Note that military power is necessary but alone is not enough.

4. Dr Pichamon Yeophantong - the Regional perspective



In the region there is a general lack of confidence in both the US and China.

Pichamon focused on ASEAN and its agency within this competition between the two rivals. The countries are mostly avoiding the debt trap of Chinese investment and these investments are demand driven. In the region most anxiety is domestic. Domestic politics also matter.

Of interest is that Mahathir has enthusiastically accepted BRI investment. Vietnam has also been involved in the Haiphong port and China has rescued it demonstrating it is learning how to use BRI better, possibly for economic reasons but also for reputational reasons.

SE Asia will therefore continue to avoid making a choice between the USA and China.

On the BRI (Belt and Road Initiative) James pointed out that States were pushing back against federal concerns about security (eg Victoria and WA). There was a split as to whether this was good or bad.

Finally it was fascinating to note that the last question suggested that the entire session was fighting the last war, defining something now on a nostalgic backward glance rather than doing the hard intellectual work of understanding the new situation.

Lunch: As always at the Hotel Realm, way too much food and good quality!

1.30 Panel 2: New Technology

Moderator: Thom Dixon



Speakers

1. Dr Anne Aly, Labor Member for Fremantle

Anne was thrilled to be able to avoid Question Time ...but then outlined how the Internet does not radicalise people. There is no research evidence to show this. The progression actually starts with the seeker. There is also then the lurker, the advocator and also the recruiter. It is an echo chamber; an enabler.

Australia now has a broad suite of laws relating to terrorism and online behaviour but they don't actually change behaviour. Before we take context down it is worth noting that

there are limitations. Firstly it's like whack a mole. Secondly we need an international approach.



In question time, our own, Anne pointed out that non-state actors were a threat beyond regular security concerns.

2. Dr Alan Ryan, Australian Civil-Military Centre



Technology changes rapidly and we don't know the "black swan". Further technology is just technology. It's the context that matters. It's how we use it that matters. It is ubiquitous.

Digital capacity is outstripping our ability to manage and regulate. These includes the use of drones, integrated computer attacks, complex autonomous systems and robotics.

3. Dr Darren Lim, ANU

We are "girt by sea"! Or we were. Now we are girt by cyber. The conditions that made trade easier to control in the past no longer apply. Indeed it's even hard to know what trade is anymore. What, for example, is a "good"?



4. Aiden Tudehope, CO-founder, Macquarie Telecom

The Internet has become a utility in the space of thirty years. Data is the new currency. There is a new framework to attempt to protect this data and there are three reportable breaches every day.

Because it's about data and our connecting lifestyles our security is whatever is our weakest link. Note that much is in the hands of private companies.



We need zero tolerance regarding the bar we set as our base.

We also need sovereign capabilities to ensure protection of our data.



Perhaps the most pertinent question again came near the end of the session and was left unanswered when the panel refused to deal with a question that challenged the use of “security” to enable privacy and disable public scrutiny of the Executive.

Afternoon Tea

3.30pm Panel 3: the Health of the Planet

Moderator: Kim Boyer, AIIA Tasmania



Speakers:

1. Dr Tony Press, Institute of Marine and Antarctic Studies, UTAS

Tony covered the international instruments that we are party to.

We are facing an existential threat from climate change. It’s manifesting itself in our own environment and on our economy yet the trajectory is “business as usual”.

These need to be dealt with globally through multilateral action.

Tony listed the treaties to which we are signatories though he forgot the World Heritage Convention and perhaps he should have also mentioned one we have failed to sign, despite its relevance and that’s the Convention to Combat Desertification.

Australia has played a significant role, he said.



2. The Hon Penny Wensley, Chair Australian Institute of Marine Science and former Governor of Qld



Penny was once a former ambassador for the Environment. Today she spoke on the importance of oceans. They are critical to our lives and livelihoods.

And yet there is terrible deterioration... temperature, acidification, etc

So we are now seeing urgent “bold action”. And yet Penny feels it’s like Groundhog Day. The new twist is to look at oceans as a solution to the crisis.

Australia claims a huge marine sovereign zone. It has a great responsibility and it has the capacity.

Penny then went on to claim we are a leader in marine and fisheries management and have a good network of marine protected areas.

3. Nigel Warren, CSIRO - adaptive technology



We have a massive rate of species decline and this is a common problem with our international partners.

Focus is on atmosphere and climate, power and energy generation, circular economy and waste management to work with other countries as partners.

He spoke of projects and programs and as an example only 2% of lithium batteries are currently recycled.

Nigel also spoke about a hydrogen energy project.

4. Dr Sara Davies, Griffith University

Sara wrote a book called “Containing Contagion” which dealt with health diplomacy, reporting outbreaks and marshalling resources.



It’s important to cooperate, provide collective governance, open sharing and create personal linkages.

Sara believes that the Indo-Pacific Institute for Health Security is an important initiative. Her suggestions as to areas where we can work with neighbours was pertinent and precise. Examples are vaccination programs, universal health care coverage and exchanges.

I asked about resources to support the governance and reporting to the Conventions and the answer is that levels of support have withered.

5.00pm Concluding Remarks

No doubt they were prescient but I was exhausted!