



## Submission No 25

### **Inquiry into Australia's Relations with the Republic of Korea; and Developments on the Korean Peninsula**

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A submission to the Joint Standing Committee on Foreign Affairs,  
Defence and Trade: Parliament of Australia.

**Inquiry into Australia's Relationship with the Republic of Korea.**

From: Canberra Strategic Marketing (International)  
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Date: 27 May 2005

**A submission to the Joint Standing Committee on Foreign Affairs, Defence and Trade:  
Parliament of Australia**

**Inquiry into Australia's Relationship with the Republic of Korea**

**From: Canberra Strategic Marketing (International)**

**Overview:**

This is a submission to the Joint Parliamentary Standing Committee on Foreign Affairs, Defence and Trade, inquiry into Australia's Relationship with the Republic of Korea. The submission touches on aspects of and recommendations on how to improve Australian business performance and maximise the opportunities for growth of Australia's bilateral trade with the Republic of Korea.

The submission advocates a perspective significantly different from current conventional approaches and encourages a stronger emphasis on relationship building through sport and culture.

Since 1992, the author of this submission has been advocating the concept, to develop through sport and recreation a further layer of "interdependency" with countries in Asia, to help build up Australia's broader image and to enhance Australia's popular identification with the region. His concept was tested and proven in a pilot study in Indonesia, through his involvement in the Department of Foreign Affairs' - Australia Today Indonesia '94 Project.

More recently, he was the leader of the 2001 study (commissioned by the Australia Korea Foundation and the Department of Foreign Affairs and Trade) and one of the principal authors (along with Dr Michael Porter and Mr Ron Maxwell) of the report: "*Australia – Korea: Strengthened Economic Partnership*". Through his involvement in this project for the Australia Korea Foundation and DFAT he has further enhanced his contacts in industry, and has played a significant role in recommending practical measures and policies to facilitate, enhance, and encourage commercial relations between Australia and the Republic of Korea.

**Introduction:**

As detailed in the 2001 Study "*Australia – Korea: Strengthened Economic Partnership*", Australia and Korea are important trading partners, with a strong and mutually beneficial relationship that reflects the underlying fundamentals of the two economies. The traditional complementary relationship is one in which Australia has supplied raw materials and food to Korea's factories and people, with Korea supplying manufactured goods to Australia. These traditional relationships are not only secure for the foreseeable future, but also have substantial growth potential, based around new opportunities in both technology and infrastructure.

The relationships in areas such as agriculture and food; and minerals and energy could be transformed into more of a partner relationship, through improved customer focus built around new technologies. This will involve intra-industry investment: by Korea in upstream activities in Australia and by Australia in downstream activities in Korea. It could also involve greater use of e-commerce, person-to-person contacts, and training of Koreans on Australia's food standards and conformance systems.

What the 2001 study "*Australia – Korea: Strengthened Economic Partnership*" showed is, that there are emerging new areas for a strengthening of the economic relationship. There are opportunities in the more technology intensive sectors, in education and training and in infrastructure and utilities (and related professional services). Australia has pioneered new ways of private sector project finance of investment in infrastructure services, and export of these skills will be timely.

The well documented shortfall in much of urban and transport infrastructure service provision in the major cities of Korea creates an opportunity for Australia to export skills and expertise that are fundamental to removal of the bottlenecks that constrain urban Korea. What is more, the financial governance issues which continue to cause problems in Korea, can also be assisted by a move to a more Australian approach to the structuring and finance of infrastructure service provision – underpinned by customer and project funding rather than the model usually applied across Korea in the recent past.

The reform policies of Korea, and the corporate governance agenda, involve a moving away from government bank finance of state owned utilities, towards more project finance of infrastructure investments and some divestment and other forms of privatisation in infrastructure service provision. This provides opportunities for Australian financial institutions, professional service providers, and construction and operating companies in the areas of highways, tunnels, pipelines, water treatment plants, power generation units, and other infrastructure and utilities.

The other major change in Korea is the emergence of a knowledge-based economy. Korea's plans include a decreasing reliance on other countries and more reliance on the development of its own technologies. But it also implies a widening of its international cooperation in science and technology away from USA, Europe and Japan to other countries, both bilaterally and multilaterally.

The challenge for Australia is to become an important ally for Korea in achieving its science and technology objectives. While Korea will want to use many technologies developed within Korea, Australia could play an essential complementary role. Working towards such an objective will considerably strengthen the economic partnership between the two countries.

In many ways Australia and Korea are complementary in the technology area. Australia is relatively stronger in basic R&D and in the services sector, including education and training, that underpins the science and technology sector. Korea is relatively stronger in large-scale industrial application of technology and in marketing. Korea is relatively stronger in the successful commercialisation of R&D. Australia also benefits from the widespread use of

English and in its innovative education system. Australia could become the source of much of Korea's R&D capability (with the added role of assisting Korea to improve its own R&D capabilities through the education and training sector) and Korea could become the source of the financial and commercial skills needed to develop Australian R&D successfully on a large scale.

Such a vision does not need to be restricted to any particular technologies, but the more obvious possibilities would appear to be in information and communications technology, biotechnology, and environmental technology. These are in addition to manufacturing technologies such as automotive components where there is already a strong Korean interest in Australian capabilities. There are other potential areas such as nanotechnology and space technology.

There is emerging a new paradigm of comparative advantage between Australia and Korea. Australia has a comparative advantage in basic R&D, science and technology and human resources development. Korea has a comparative advantage in the commercialisation and industrialisation of technologies. By working together Australia and Korea can develop technologies, products and services for marketing to third countries: high technologies to countries such as Japan and USA and medium technologies to countries such as China.

The major barrier to achieving this vision is a lack of knowledge about each other's strengths and weaknesses across the industrial/commercial chain. At the present time both countries tend to think of USA (and then Western Europe and Japan) as potential partners. Encouragement needs to be given to the industry participants, and not just the researchers, to work together to get a better understanding of what each has to offer and what needs to be done to strengthen the relationship.

A key area in strengthening the relationship is education and training. Education and training has two roles in strengthening the economic partnership between Australia and Korea. The first is as a services export that not only earns income for Australia but also augments Korean education and technology. The second is as a means to change Korean perceptions of Australia.

The major challenge for Australia is to get across the message that Australia is both a centre of excellence for education and a source of technically or intellectually advanced inputs to assist Korean development. Increasing the number of Korean students participating in Australian university and vocational education will be a means, albeit medium to long term, of meeting this challenge.

In addition the Korean education system is facing major challenges, as it is not designed for an advanced knowledge based economy. Many Koreans recognise the system should be based around overall human resources development where there is a need for education and training that promotes quality, creativity and lifelong learning as well as education that is relevant to the needs of industry (and which prepares students to be more productive on entry to employment). These prospective changes offer new opportunities for Australia. There is indeed a window of opportunity for Australia to become a strategic partner for Korea's

education and training sector – and redress the emphasis that Koreans have placed on an education in the USA.

## **Example of the “passion and cultural significance” of Football in the Republic of Korea:**

**1. Canberra Times Article - 30 September 2002 : Dr Chung Mong joon, the President of the Korea Football Association, nominating for the Presidency of the Republic of Korea (December 2002 Elections) .**

# **"The Politics of Korean Football"**

**by Steve Dospot \***

*\* Steve Dospot is the principal of Duesburys Strategic Connections, a Canberra based international marketing consultancy and lobby group, he is also president of Soccer Canberra.*

The Asian financial crisis which hit Korea in 1997, seriously wounded its national pride and people's self-confidence. The election of President Kim Dae jung, however, and his strong resolve to restructure South Korea through austerity and tenacity made sure that the world started to take Korea seriously as a legitimate democracy and as an emerging major force in Asia.

The 2002 World Cup was seen as a strategic step in "rebranding" South Korea to the rest of the world. Dr Chung Mong joon the President of the Korea Football Association began the tough task of bidding for the World Cup. The connection with Australia is interesting in that one of the major contributors to the Korean bid was Dr Song Young-shik, the former Ambassador to Trinidad - Tobago, was the Secretary General of the bid committee. In September 2001, the personable Dr Song was appointed as the Ambassador of the Republic of Korea to Australia.

After winning the bid as a joint co-host with Japan, Korea invested a total of 2 trillion won, or roughly US\$1.78 billion into the construction of 10 soccer stadiums around the country.

While this investment was unprecedented in previous world cup preparations by any country, the economic side effects to be brought to the host country were obviously also expected to be enormous. The Korea Development Institute (KDI), a major government think tank, estimated that value added inducement effects would amount to over 3.72 trillion won (about US\$3.32 billion) and around 8 trillion won (US\$7.14 billion) was expected to be added to the nation's gross domestic product (GDP).

I first began to take an interest in South Korea during the Sydney Olympic Games opening ceremony in September 2000, when the "Friendly Games" saw an impressive show of unprecedented co-operation between North & South Korean Athletes as they walked out together to a very emotional welcome from the 100,000 spectators at Stadium Australia.

Six months later I was in Seoul heading up a study on behalf of the Australia Korea Foundation (AKF) regarding Korea and the enhancement of bilateral trade with Australia. I couldn't help reflecting that here I was an Australian of Hungarian origin with an Australian / Scottish colleague, waiting to meet a Korean Academic in an Irish Pub (O'Kims) in downtown Seoul to discuss ways to strengthen the Economic Partnership between Australia and Korea.

(Our Study resulted from a commitment by Prime Minister Howard and President Kim Dae - jung and their respective Trade Ministers Mark Vaile of Australia and his Korean counterpart Dr Han Duck-soo, to strengthen the bilateral economic relationship between Australia and Korea.)

When our Korean colleague arrived to discuss our respective study strategies regarding bilateral trade, our conversation began with animated discussion about the 2002 Korea - Japan FIFA World Cup to be held the following year. It was not bravado about Korea's chances at the World Cup but rather a nervous dissertation about the possibility of Korea suffering severe embarrassment through unfavourable comparisons with their co-hosts Japan. This nervousness was reflected every time we bought up the question of chook goo (Soccer) with people from all walks of life in Korea - "what if Japan win some games & we don't".

South Korea in fact created history by becoming the first Asian nation to reach the semi finals of the World Cup and their "Red Devils" captured the hearts and minds of not only their Korean fans but also the huge global television audience that was captivated by their courageous performances.

The ramifications of this improbable Korean Football adventure are still continuing with the possibility of Dr Chung Mong-joon the popular Korea Football Association, President, being swept to power as the next President of the Republic of Korea.

Born in 1951 in Pusan, Chung Mong-joon is the youngest son of the late Hyundai founder Chung Ju-yung. He graduated from Seoul National University with a Bachelor of Arts in Economics and continued his studies at MIT and Johns Hopkins University in the United States, where he earned a Ph.D. in international relations. He became CEO of Hyundai Heavy Industries in 1987 and was elected to the Korean Parliament as an independent in 1988 and has retained his Parliamentary position through 4 successive campaigns. He was elected as a Vice President of FIFA (Federation Internationale de Football Association) in 1994 and became the Co-chairman of KOWOC (the Korean Organizing Committee for the 2002 FIFA World Cup Korea-Japan). His personal wealth is said to be around 172 billion won (US\$151 million).

The building blocks of Chung's personal and professional development have converged, culminating on Tuesday 24 September 2002 in the declaration of his bid to contest the December 19 Korean Presidential Elections. His unquestioned passion and determination for Korean national reconciliation and revolutionary political reform, is also fuelled by thwarted

family ambitions and political pragmatism learned from his father's unsuccessful Korean presidential bid in 1992.

The World Cup has served as a powerful unifying agent in South Korea and created the conditions for an unprecedented and continued outpouring of national pride. Chung, the architect of this phenomena, has earned unprecedented kudos, his approval rating has since surged ahead and topped those of other presidential candidates in most opinion polls, making him a serious contender in the coming presidential election.

It is little wonder then that Chung, the Independent four-term Parliamentarian was being seriously courted by the Millennium Democratic Party (MDP) to join its effort to revitalise the current ruling party. The MDP Presidential candidate is falling behind the opposition candidate Lee Hoi-chang, of the Grand National Party (GNP), due in part to a series of corruption scandals that have implicated President Kim Dae-jung's two sons and former aides.

To date, however, Chung, has rejected all offers from the major parties and instead said he would form a new party by joining with other political forces such as the United Liberal Democrats.

While the popular betting was that the pragmatic Chung would be enticed to the MDP where there is a growing sense of frustration with their presidential candidate Roh Moo-hyun. It now seems more probable that Chung will form a new party, perhaps recruiting disenchanted MDP Parliamentarians, who have threatened to leave the party unless Roh renounces his bid, as it is felt that the continuing decline in his (Roh's) popularity has contributed to the party's crushing defeats in local and parliamentary elections in June and August, and is a warning sign of a December debacle for the MDP with its current candidate.

Chung's critics have claimed that despite his lengthy term in office he had done almost nothing as a politician and that he is opportunistically trying to take advantage of the Korean public's euphoria over the success of the World Cup finals for political gain. It has also been pointed out that while his platform includes combating corruption and the forging of national reconciliation, he cannot point to any anti-corruption activity that he has championed in the past. There are also questions regarding his wealth being a political liability, along with the influence of his powerful Hyundai connections, and the frequent comparisons with his fathers unsuccessful presidential bid in 1992.

While Chung has yet to face the intense public scrutiny to determine whether he has what it takes to become the next president of Korea, and his critics hope the World Cup bubble will burst by December 19 - Chung is growing in confidence (and popularity) and has remained firm on his stated policy based on seeking national harmony and looking to the future instead of clinging to the past. The opinion polls indicate that Chung is just slightly behind the GNP candidate Lee, but has already overtaken the MDP candidate Roh, and according to the political strategists, if the election were to end up being a two-way race, Chung would have an excellent chance of defeating Lee.



So the term "political football" could indeed take on a new dimension in Korea as the polls seem to support Chung's confidence in gaining the Presidency. **ENDS**

**2. Canberra Times Article, 24 April 2004:** A recent article that articulates the opportunity to utilise the invitation to Australian Football (Soccer) from the Asian Football Confederation, through which Australia has the opportunity to forge the common ground that we as a nation need, in order to break down the real and perceived barriers to our smooth relations with Asia.

## **Football Australia a Passport to Asia?**

**\*By Steve Doszpot FAICD**

\*Steve Doszpot is Managing Director of Canberra Strategic Marketing (International), Former President of Soccer Canberra (1995 to 2002), & is one of the Principal Authors of the report: "Australia – Korea: Strengthened Economic Partnership".

*"It is beneficial to both of us," Hamman told reporters. "For the AFC, Australia has world football standards and it is an economic power."*

***Mohamed Bin Hamman, President, Asian Football Confederation***

The recently announced invitation from the Asian Football Confederation (AFC) to Football Federation Australia to join the Asian Confederation as its 46<sup>th</sup> member, is hardly the automatic World Cup passport for our Socceroos as many believe. However, the implications of the invitation may be of historic proportions and not purely from a Football perspective. Our Political and Economic experts are well aware of the religious and cultural differences between Australia and South East Asia and the barriers these represent to smooth relations.

An interesting indication of what we can face, and the benefits that Australia and Australian Football can gain through utilising the passion and cultural significance of Football in Asia, is best exemplified through the 2002 FIFA World Cup, the hosting of which was awarded jointly to Japan and South Korea.

The Asian financial crisis that hit Korea in 1997, seriously wounded its national pride and people's self-confidence. The 2002 World Cup was seen as a strategic step in "rebranding" South Korea to the rest of the world. The plan worked superbly, as South Korea created football history by becoming the first Asian nation to reach the semi finals of the World Cup and their "Red Devils" captured the hearts and minds of not only their Korean fans but also the huge global television audience that was captivated by their courageous performances.

South Korea's enormous success has now fuelled Japan's national pride, (already rated 18<sup>th</sup> in the FIFA World Rankings), Japan has embraced a strategic plan that aims to make it one of the top 10 FIFA World Countries by 2010 and FIFA World Cup winner by 2050.

The 3 billion plus population of the ASIA region and its obvious trade potential, has captured the attention of Europe and America and their business giants are courting China (in particular) for economic involvement. The Chinese Government has also been working hard to attract foreign investment and international events, the 2008 Beijing Olympic Games is but one example of their strategic planning and success to date. China made the final of the 2004

ASIA Football Cup last August, with the game becoming the most watched single sports event in the history of Chinese television.

For the 2010 FIFA World Cup qualification we would expect Australia to reach the AFC Final 8 elimination round, along with South Korea, Japan, Saudi Arabia, Iran, China, Bahrain, and Kuwait, it would / will then be quite a contest. If we take the example of our (ill-fated) 1998 FIFA World Cup qualification matches in 1997 against Iran, the general Australian public was caught up in the excitement and Football fever as never before. The record breaking television audience of around 4 million for that game could be dwarfed by the potential of what we could expect in future AFC qualification rounds.

While the (potential) acceptance into the Asian Confederation has focused speculation on the World Cup opportunities for Australian Football, this I believe is only the tip of the "iceberg" regarding the benefits Football and Australia as a nation can derive from these developments.

There is the Asian Cup, which has grown from humble beginnings, into one of international football's biggest events with 45 countries vying for the Asian Cup crown every four years, and now Australia is being welcomed into this prestigious competition. In the words of AFC President Mohamed Bin Hamman, "The arrival of Australia will increase the image of Asian football standards and competition".

Then there is a further bonus for our new domestic national league. The A League champions will be able to take part in the growing and lucrative AFC Champions League. Asia's premier club competition, currently has 29 club sides from 14 countries competing against one another for US\$500,000 in prize money as well as a place in the FIFA Club World Championship, where participation alone guarantees millions.

Entry into the Asian Football Confederation gives all the various Australian National Football Teams, in men's, women's and youth levels, virtually constant annual interaction in meaningful international matches throughout Asia.

There is a perception in some parts of Asia that our interests are either more Eurocentric or US centred than being serious about developing relations within our region. This Football sent invitation and our national ability to understand and grasp the opportunities will determine more than just a football agenda. It could perhaps assist in alleviating criticism such as recently offered by the First Malaysian leader to officially visit our shores in 21 years. *"I think we are more inclined to believe that Australia is not really centering on Asia or East Asia but has more concern with reflecting the views as expressed by the United States,..". Malaysian Prime Minister Abdullah Badawi.*

These Asian benefits and opportunities were no doubt discussed when the then President of Soccer Australia, Ian Knop sought the assistance of The Hon Rod Kemp, Federal Minister for Sport, in helping restructure the administration of Soccer in Australia. The subsequent Australian Sports Commission led reformation of (soccer) football has given the current President Frank Lowy and his administration the opportunity to enhance the vision for the emergence and growth of Australian Football. If this inclusion in Asia is a sign of things to

come, then Frank Lowy will have truly made his mark on Australian Football and perhaps way beyond Football, through forging for Australia the cultural common ground that we as a nation need, in order to break down the real and perceived barriers to our smooth relations with Asia. **ENDS**

**The 2001 study “Australia – Korea: Strengthened Economic Partnership”, commissioned by the Australia Korea Foundation (AKF) and the Department of Foreign Affairs and Trade, made 12 recommendations.**

**The Recommendations of “Australia – Korea: Strengthened Economic Partnership”**

**It is recommended that:**

(i) Australia and Korea enter into an umbrella agreement designed to strengthen the economic partnership between Australia and Korea (e.g. a Trade and Investment Facilitation Agreement - TIFA). It should provide the framework for the recommendations set out below.

(ii) Australia and Korea foster greater interest in each other’s technology sectors: Australia as a source and a place to develop technologies and Korea as a source of funding and a partner in the development of successful technologies.

(iii) Support be given to the development of closer linkages between Australia and Korea throughout the industrial/commercial chain in various technology segments (e.g. information and communications technology, biotechnology, photonics, environmental technology). This should initially involve workshops and possibly lead to the establishment of Australian/Korean clusters in particular technology segments.

(iv) A bilateral arrangement be made on the implementation of intellectual property protection. This could include a Code of Practice and possibly a joint forum that would consider tangible issues raised by Australian and Korean firms about infringements of their intellectual property rights.

(v) Australia and Korea work on a sector-by-sector basis towards adopting common systems for obtaining approvals/certificates that goods from each country comply with the standards and regulations applying in the other country.

(vi) The Australian Government, in partnership with Australian private sector groups, continue to promote the capabilities and relevance of Australian businesses and the relevance of Australia’s financial and advisory sectors to assist in the modernisation and reform of Korea’s infrastructure and utilities. Such promotion should build on innovative partnerships between private sector and public sector entities, with improved customer focus, along lines pioneered in the new Australian infrastructure sector.

(vii) There be increased support for road-shows, seminars and workshops presenting the Australian approach to reform of these sectors such as rail, roads, water, energy and

communications infrastructure. The congestion in urban Korea creates a major opportunity for communication of how new project finance models can address both the problems and the need for improved quality of investment and governance in the infrastructure sector in Korea.

(viii) A coordinated, long-term strategy be adopted involving the Australian Government and educational institutions to capture the attention of Korean Government and educational decision makers as to the quality and relevance of the Australian education and training system and products to the human resources development needs of Korea.

(ix) A Government to Government cooperative agreement be reached whereby Australia agrees to provide advice to Korean authorities and institutions on developing Korea's new human resources development system and introducing Australian institutions that can provide the particular systems and courses that meet Korea's needs.

(x) The use of scholarships and work placements be introduced for Korean postgraduate students in Australia as a longer term means to raise the general profile of Australian education and training among younger Koreans and to build a counterweight to the usual attraction of postgraduate students to the USA.

(xi) The building of Australian alumni groups in Korea be supported.

(xii) The media be utilised more extensively to increase the profile of Australia and Korea in each other's country, including through the exchange of industry specific media specialists who could highlight "success stories" of complementary initiatives. In addition, consideration be given to the implementation of the recommendations of the inaugural Australia-Korea Media Forum held in Sydney on 17 August 1999.

## **Submission to the Inquiry into Australia's Relationship with the Republic of Korea:**

It could be instructive, as part of the Inquiry into Australia's Relationship with the Republic of Korea, to determine the following:

a) How many of the twelve recommendations of the 2001 report "Australia – Korea: Strengthened Economic Partnership" have been implemented to date?

b) To what extent were the recommendations implemented?

c) Is there a government agency that:

i) Has the overall carriage / authority to coordinate these recommendations across various portfolios?

ii) Can ensure the appropriate portfolios consider such recommendations and if deemed consistent with government policy then "project manage" the implementation?

# Australia can kick a few other goals aside World Cup

By Steve Doszpot

The recent invitation from the Asian Football Confederation for Football Federation Australia to join the Asian Confederation as its 46<sup>th</sup> member is hardly an automatic World Cup passport for our Socceroos. But the implications of the invitation may be of historic proportions and not purely from a soccer perspective. Our economic experts point out the religious and cultural differences between Australia and South-East Asia and the barriers these at times represent to smooth relations. An interesting indication of what we can face, and the benefits that Australia and Australian soccer can gain through utilising the passion and cultural significance of the game in Asia, is best exemplified through the 2002 FIFA World Cup, the hosting of which was awarded jointly to Japan and South Korea. The Asian financial crisis that hit Korea in 1997 seriously wounded its national pride. The 2002 World Cup was seen as a strategic step in “rebranding” South Korea to the rest of the world. The plan worked superbly, as South Korea created soccer history by becoming the first Asian nation to reach the semi-finals of the World Cup and their “Red Devils” captured the hearts and minds of not only their Korean fans but also the huge global television audience. South Korea’s enormous success has now fuelled Japan’s national pride. Japan, already rated 18th in the FIFA world rankings, has embraced a strategic plan that aims to make it one of the top 10 FIFA world countries by 2010 and FIFA World Cup winner by 2050. The three billion-plus population of the Asia region and its trade potential has captured the attention of Europe and America whose business giants are courting China (in particular) for economic involvement. The Chinese Government has also been working hard to attract foreign investment and international events. The 2008 Beijing Olympic Games is but one example. China made the final of the 2004 ASIA Football Cup last August, with the game becoming the most-watched single sports event in the history of Chinese television. For the 2010 FIFA World Cup qualification we would expect Australia to reach the AFC final-eight elimination-round, along with South Korea, Japan, Saudi Arabia, Iran, China, Bahrain, and Kuwait. It would then be quite a contest. When we played Iran in the ill-fated 1998 FIFA World Cup qualification matches in 1997, the Australian public was caught up in the excitement as never before. But the record-breaking television audience of about four million for that game could be dwarfed by the potential of what we could expect in future AFC qualification rounds. While the potential acceptance into the Asian Confederation has focused speculation on the World Cup opportunities for Australian soccer, I believe this is only the tip of the iceberg. Australia will also be welcomed into the Asian Cup, which has grown from humble beginnings into one of international football’s biggest events with 45 countries vying for the crown every four years. Then there is a bonus for our new domestic national league. The A League champion will be able to take part in the growing and lucrative AFC Champions League. Asia’s premier club competition, has 29 club sides from 14 countries competing against one another for \$640,000 prize money as well as a place in the FIFA Club World Championship, where participation alone guarantees millions. Entry into the Asian Football Confederation gives all the various Australian national teams – in men’s, women’s and youth levels - virtually constant annual interaction in meaningful international matches throughout Asia. The president of

the Asian Football Confederation, Mohamed Bin Hamma, said it would be mutually beneficial. "For the AFC, Australia has world football standards and it is an economic power." There is a perception in some parts of Asia that our interests are either more Eurocentric or US centred than being serious about developing relations within our region. This invitation and our national ability to understand and grasp the opportunities will determine more than just a football agenda. It could perhaps assist in alleviating criticism such as that recently espoused by the first Malaysian leader to officially visit our shores in 21 years. "I think we are more inclined to believe that Australia is not really centring on Asia or East Asia but has more concern with reflecting the views as expressed by the United States," Malaysian Prime Minister Abdullah Badawi said. These Asian benefits and opportunities were no doubt discussed when the then president of Soccer Australia, Ian Knop, sought the assistance of the federal Minister for Sport Rod Kemp, in helping restructure the administration of Soccer in Australia. The subsequent Australian Sports Commission-led reformation of soccer has given the current president Frank Lowy and his administration the opportunity to enhance the vision for the emergence and growth of the Australian game. If this inclusion in Asia is a sign of things to come, then Frank Lowy will have truly made his mark on Australian Soccer and perhaps way beyond soccer, through forging for Australia the cultural common ground that we as a nation need, in order to break down the real and perceived barriers to our smooth relations with Asia .

**Steve Dospot is managing director of Canberra Strategic Marketing (International), former president of Soccer Canberra (1995 to 2002) and is one of the principal authors of the report: Australia Korea: Strengthened Economic Partnership.**

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