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To the Senate Standing Committee on Foreign Affairs, Defence and Trade Inquiry into the nature and conduct of Australia's public diplomacy

The nature of the boundaries of the nation state have been redefined in the debate on globalisation. The functional boundaries of activities within the nation state have also been redefined in the course of the same debate. Parallel developments since the 1970s have included the spread of democratic political systems and the general shift towards more market based, liberal economic systems in many countries over the same period of time. The internal deregulation and external liberalisation associated with these systemic changes have opened up opportunities and sometimes threats for Australia as a global actor in circumstances where the actual and potential interrelationships between Australia and the world are increasingly complex, diverse and dense. The Department of Foreign Affairs and Trade has the principal responsibility for the conduct of Australian diplomacy in circumstances where the functional components of diplomacy are increasingly interelated. Put simply, categories like 'public diplomacy' may be redundant. General 'whole of government', really meaning whole of nation diplomacy may be a more relevant context within which to think of the nature and practice of Australian diplomacy.

Diplomacy serves to project and protect the interests of the nation state in international relationships. The capacity of the Department of Foreign Affairs and Trade to identify those national interests and to project and protect them may have been affected by the blurring of the functional boundaries of economic, social and political activities within Australia and by

similar developments in the nation states of the world. The Department would also have been affected by the reduction in funding imposed a decade or so ago. In part, the effects of functional changes and funding cuts have been ameliorated by greater efficiencies in the administration of the Department, supported by IT advances and by a shift to more 'generalist' capacities for the human resource.

The structural and behavioural shifts associated with globalisation do mean that the ability of DFAT to assess the national interests, ranging from very large issues like national identity through to business specifics in relation to foreign markets and to advance those interests in the increasingly diverse and pluralistic societies of a globalising world may be limited by the present generalist models of management practice and by the constraint on the resources available to the Department. It would also be reasonable to assume that. management practices in the face of resource constraints limit the capacity of the Department to engage in longer run, 'strategic' planning.

All of the above suggest that Australian diplomacy including public diplomacy is made more effective by the activities of bodies like the Council on Australia-Latin America Relationships (COALAR). In the promotion of Australian interests in an increasingly important region COALAR has the local knowledge and particular experience of relevant Australian interests and capacities and the ability to relate them to issues extant and arising in Latin America. The Council has shown an ability to identify developments in the region and to coordinate Australian resources and expertise to respond creatively to those issues. The work of the Council shows that functional efficiencies are possible in the conduct of diplomacy by the creation of access to national resources at relatively low cost and without the long run diversification and enlargement of the Department. The close association of COALAR with the Department enables the proper conduct of Australian diplomacy

through the nexus of DFAT but the relative independence of the Council ensures that the institutional and human resources of Australia relevant to the Latin American region can be mobilised to meet perceived national needs. The success of the regional Council model in relation to DFAT leads naturally to suggestions that Australia might benefit through further development of that model. In particular the realisation that diplomacy may well face out from Australia to the world but that the ability of Australia to identify opportunity and threat in the world is improved if mechanisms are developed to more effectively bring national resources to bear on the issues; 'looking in' as well as 'facing out'. The developing experience of COALAR in relation to Australian university resources for instance. The Councils would also seem to be the logical forum for the development, discussion and communication of longer run strategic thinking on regions and associated issues.

In sum, it seems that the nature of changing global and national circumstances requires the generalist, flexible models of diplomacy that are most suited to those circumstances. However, those generalist models are inadequate to serve national needs without the association and cooperation of institutions like regional Councils. This institutional relationship is dynamic and evolving like the national society whose needs it serves and like the world within which that society finds itself. COALAR needs to broaden the base of national resources on Latin America available to it by building on the already effective cooperation with business and government in Australia and to support those resources by appropriate communication with public and private sector agencies. Finally that the Council should promote longer run strategic thinking exercises.