

## **PERSPECTIVES**

AUSTRALIA AND INDIA: HOW TO ADVANCE

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Australia and India: how to advance

**Rory Medcalf** 

Based on a speech delivered at the Advance Global Australians Emerging Leaders' Conference

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Australia and India are natural partners. It is therefore baffling, frustrating and worrying that the

relationship continues to fall short of a truly strategic partnership - by which I mean a

relationship in which each country contributes greatly to the other's resilience and strength.

Our nations are multicultural democracies facing shared hopes and challenges in the Asian

century. The new India's human capital, growth and buzzing spirit of enterprise is a perfect match

for Australia's unique combination of resources, development and proximity. We are neighbours

in the Indian Ocean.

What keeps us apart? In recent years it has been a mixture of flawed policy and flawed

perception, especially on the vexed issues of student welfare and uranium, that have stood in the

way.

The Australian Government is making a real effort to build the relationship, whether with greater

diplomatic resources, high-level visits, efforts to build defence ties or endeavouring to push along

preparations for a free-trade agreement. At the same time, it is constrained by frankly outdated

and ideological thinking in some quarters, which prevents the sale of uranium to India for civilian

energy purposes – an area where we should have led.

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This is a policy that desperately needs to change, and the challenge here is for the Labor party to get up to date, to acquire a contemporary understanding of and policy towards India. India's democractic and developmental mission – led by Manhoman Singh and dynamic new figures like Rahul Gandhi – is surely in step with Labor values of maximising human welfare.

Sadly, Australia-India relations have also been harmed by the unexpected fallout of an education relationship that grew too fast in the wrong directions, plus the exaggerated negative coverage in some parts of India's hyper-competitive mass media.

Third, I am beginning to suspect that the relationship is being held back in some quarters of what I call Old India – including parts of the Indian bureaucracy – because of some people holding outdated, stereotyped attitudes about Australia's and India's own place in the world.

That, in turn, is part of a wider malaise within India. India is becoming a globally important, powerful and dynamic country, but not all Indian policymakers are living in this present, or in the future: some would rather defer making hard decisions or charting a strategic direction for their nation.

Thank all the gods for the private sector, then. For trade is rocketing along. India is our fastest-growing large trade partner: two-way trade has grown a staggering ten-fold in the decade since I first came to this city as a diplomat, and our exports last year grew something like 50 per cent. Coal, gas, copper, gold, education and other service industries all help to drive the development India needs to continue in its historic quest to lift hundreds of millions lives to material security, opportunity and self-respect.

But there are many legs to a truly close partnership between two nations. One, to be sure, is the traditional diplomacy of governments, the game of political and strategic power. But thankfully these days our economic relations have a life all of their own, quarantined from the sometimes mysterious highs and lows, the announceables and the obstacles, that are the diplomat's lot. A second is trade and investment.

But a third is human – what we diplomats and former diplomats tautologically call people-to-people ties.

And here I think the potential of Australia-India relations is massive. The Advance organisation of global Australians is to be congratulated on identifying several topics for this conference in which the human dimension of economic interactions is to the fore: innovation, education, mega-event management and the creation of global citizens, for instance.

In enhancing the people-to-people side of the relationship, the role of the media is vital.

Now some of my best friends in India are journalists. And despite the sometimes grievous misreporting that we Australians have endured in the past year, I still see the Indian media – with its democratic and hypercritical ways - as on balance a great asset to this country.

And yes, on the student issue, some of the Indian media coverage has helped Australia to uncover and address a problem it should have spotted and addressed earlier. But now I hope that our friends in the Indian media will help us to repair the relationship, bring it to a higher level, and move on.

One story we do not read about enough in this country is that there are many Indians and Australians of great goodwill towards each other, fascinated with each other's societies, and willing to work hard – as global citizens – to build a deep and lasting strategic partnership.

Nor is this entirely a new thing. Australia's first novelist, John Lang, was a global citizen and a great friend of India in the 19<sup>th</sup> century, a crusading newspaperman and lawyer who stood up to the East India Company – in other words, the British – on behalf of notable Indians such as the Rani of Jhansi, the heroine of Indian resistance in 1857.

Now is the time for a generation of entrepeneurial, open-minded citizens of both our democratic countries to take the time and trouble to build their own creative links across the Indian Ocean.

This will not always be easy. India makes no claim to be an easy country to understand or to work in. And many young Indians have found their Australian experience tougher than they had hoped.

First up, we have some hard work to do and some problems to overcome.

The finding of a new opinion poll by the Lowy Institute, which I am announcing here today, shows that almost three quarters of Australians believe that violence against students has damaged Australia-India relations.

The nationally representative survey of 1,001 adult Australians was made in March 2010, and follows almost a year of media attention on the problems facing some Indian students in Australia, including vulnerability to criminal violence and the poor quality of some vocational courses.

The fact that 74 per cent of Australians perceive real diplomatic damage underlines the need for Canberra to sustain exceptional efforts to repair Australia's reputation in India. The good news is this suggests that most Australians now care enough about the relationship to notice damage when it is done.

Of course the causes of the problem are much more complex than the racism that some Indian media reports have alleged. But these poll findings emphasise the need for the Rudd government not to slacken in its efforts to put new life into links with one of our most important strategic and economic partners.

Canberra needs to clear the air, by releasing as soon as possible the findings of a criminological study into what actually happened, especially in Victoria, so that we can move on. No doubt some of the violence had a racial edge, but much of it – I suspect most of it – did not. We need to clear the air

One silver lining from the crisis over student welfare is a recognition by the Australian and Indian governments that they needed to treat the bilateral relationship as a priority.

The challenge is for both nations to approach this partnership in an open-minded way. The potential for each nation to help the other grow in resilience and strategic weight – including in education, security and all forms of energy – remains huge. It is an opportunity neither country can afford to miss.

Why should we make the effort? All other factors aside, India's demographics, environmental challenges and energy needs make it a crucial state to the global future, whether it stays on track or hits trouble.

Australia, for its part, is a lot more than just another middle power lining up for a chunk of India's vast future.

Australia's hybrid character offers India a singular combination of qualities as a collaborator. We have massive natural resources yet a developed economy and democratic polity. Our nation is Western yet Asian. It is allied with the United States yet with independent diplomatic, military and intelligence clout. It has proximity as an Indian Ocean neighbour, yet deep global enmeshment. Australia has political stability alongside population growth and multiculturalism. We are a secure nation, yet we worry about the same uncertainties that rattle India, including terrorism and the meaning of a powerful China – the one country, incidentally, that gains in geopolitical terms from trouble between Canberra and New Delhi.

In sum, we have much more to gain from partnership than from letting pride and hesitancy keep our nations aloof.

I wish you all an enlightening exchange of ideas.

## **ABOUT THE AUTHOR**

Rory Medcalf directs the international security program at the Lowy Institute for International Policy. He has worked as a diplomat, intelligence analyst and journalist. He served at the Australian High Commission in New Delhi from 2000-2003, where he contributed to advancing the bilateral relationship after its low point of the 1998 nuclear tests, as well as monitoring regional security issues such as terrorism and India-Pakistan tensions. He has twice convened an Australia-India second track dialogue, supported by the Australia-India Council. Mr Medcalf publishes widely on Asian strategic issues, nuclear arms control and Australia-India relations.



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