SPOTLIGHT, SECURE, SCALE-UP & STRATEGISE

Reimagining Australia’s Asia Engagement Capability
The paper is intended to contribute to a discussion about how Australians can acquire the skills and capabilities that we will need as a nation if we want to grow our economic influence in Asia. It provides a starting point for Australian businesses who are understandably concerned about how to navigate the cultural differences and business practices in Asia.

There is already a significant group of Australians who have deep Asian capabilities. How these groups can be utilised is being addressed by the Asian-Australian and Diaspora Subcommittee who will publish a separate paper on their findings.

This Discussion Paper has been prepared as part of a series of short reports on specific topics identified by the Business Council of Australia and Asia Society Australia Asia Taskforce (Taskforce) to supplement the findings and recommendations contained in the Interim Report and Final Report (due out in late 2020). One of the objectives of the Taskforce was to identify barriers to success in Asia – our Asian Engagement Capability was identified as a critical national asset that requires on-going investment by business and government.

**Key Points**

In this Discussion Paper we aim to:

- Explain why Asian literacy and language skills are important to Australia.
- Provide an overview of the current state of Australia’s Asian literacy and language skills.
- Make practical recommendations for Business and Government to build the skills needed to support Australia’s aspirations to engage more effectively in the region.
INTRODUCTION

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In taking this opportunity forward we argue for four critical interventions to be led by government and business to spotlight, secure, scale-up and strategise Australia’s long-term Asia engagement.”

Australia faces a critical juncture in the future direction of its engagement with Asia. While increasingly clear that Asian economies will be central to global economic recovery in the post-COVID era, Australia’s ability to capitalise on the recovery and growth opportunities presented in our region is not assured. Success will be underpinned by our capability to engage effectively.

Effective engagement demands capability - a new emphasis on Asia-related skills and expertise, familiarity with the region, and an ability to navigate complex sets of relationships, regulations and dynamics within a diverse and contested world. Policy-makers and business leaders are right to be concerned. The skills required are not only in short supply, they are at serious risk of being overlooked and undervalued just at the time they are needed most.

COVID-19 offers a strategic, but narrow window of opportunity for government, business, education and community sectors to reimagine the nation’s approach to Australia’s Asia capabilities. While recognising the efforts and achievements in bringing Asian literacy to the fore of national education policy and debate over past decades, it is clear that a new model is required for ensuring Australia’s Asia-engagement capabilities are fit for the challenges that lie ahead.

Addressing these challenges will leverage digital connectivity and be responsive to the evolving political and geopolitical context of the region. Most importantly, they will also enable our business community to maintain economic linkages, jobs, and enable future growth.

In taking this opportunity forward we argue for four critical interventions to be led by government and business to spotlight, secure, scale-up and strategise Australia’s long-term Asia engagement.

In the short term:
• Shine a spotlight on what works and secure those initiatives from impacts of Covid-19

In the medium term:
• Consult, scale-up, strategise for the future.
CHAMPIONING AUSTRALIA’S ASIA ENGAGEMENT CAPABILITY

Over the past five decades, academics, policy-makers, business leaders and educators have championed the case that expertise in the languages and cultures of Asia would enhance Australia’s influence, relationships and reputation within its wider region. Successive state and federal government policy initiatives and programs in support of Asian languages and studies have been attempted with the aim of enabling an ‘Asia-literate’ nation, even if these efforts have frequently lacked coordination and not always been sustained. The intent: to broaden Australia’s cultural perspective while recognising the imperative of emerging Asian geopolitical and economic realities, though accepted in some policy circles, is yet to reach a general level of acceptance in the business and wider communities.

The reality is that Australia’s Asia-literacy and language learning has not improved to the extent envisaged, and has declined in some areas. Recent studies undertaken by Asialink showing that a high proportion (over 90%) of Australia’s ASX 200 leaders are not Asia-capable, suggest that worrying capability gaps persist within Australia’s business sector. Overall success has been undermined by inherent tensions including:

1. Competing federal-state interests, including the way priorities are identified and funding is managed;
2. Structural barriers within and across the education sector;
3. Conflicting interests and priorities across diverse stakeholder groups spanning government, industry, education and community sectors;
4. Lack of sustained funding and investment to achieve impact;
5. Lack of sustained political energy and focus amplified by political volatility and short-termist thinking; and
6. Disconnect between policy ambition and learner motivations.

Consistent declines in language learning at school and tertiary levels and the loss of deep area studies expertise combined with the generally poor understanding that Australians have of the region provide cause for concern. The bold aspiration of Australia’s 2020 Summit that 60% of Australians would speak a second language is a dim memory.

However, there are also reasons for optimism. Early insights from an ongoing Asian Studies Association of Australia (ASAA) review of language learning in Australian universities suggests that while deep expertise in Asian language and cultural studies may be declining, more students are being exposed to Asia through mainstream programs. While it is not yet clear what impact federal government reforms on the tertiary sector will have on Asian language and cultural studies, a balanced approach that recognises the long-term value of Asian studies research excellence while also promoting general student exposure to Asian languages and cultures through broader curriculum offerings may be the way forward.
Evidence based, low cost and high impact scalable model: delivering results through digitally connected classrooms.

The Australian Education Foundation’s (AEF) program for Building Relationships through Intercultural Dialogue and Growing Engagement (BRIDGE) is a flagship professional development program that engages Australian and Asian teachers as leaders of intercultural dialogue and collaboration through school-based partnerships in Australia and across Asia. It is a unique program that emphasises the significance of teacher quality, leadership and enabling technologies in connecting Australian schools and communities to the region, inspiring curiosity and learning along the way. However, relying on demand driven funding and ad hoc project grants limits the extent and availability of BRIDGE programs to a few. Providing more sustained program funding would significantly enhance teaching quality and leadership alongside learner experiences of the region. This would be especially helpful for schools in rural and remote areas where there is appetite to build connections to the Asia Pacific region.

Innovative approaches to building Australia’s Asia-engagement capabilities have also emerged over the years with proven capacity for delivering positive outcomes. It is evident that these programs face potential financial distress and are at risk as a result of COVID-19 budget and travel restraints. Immediate intervention should be taken to sustain these activities in the short-term and steps taken to explore options for scaling up within the nation’s COVID-19 recovery strategy. Examples follow.

What’s meaningful and important for these children is to connect them …for learning about each other and developing better language skills, and understanding each others’ similarities and differences culturally.”

Myra Wearne
Principal, Nth Sydney Demonstration School

Source: www.asiaeducation.edu.au
The reason I love ACICIS and what we do is that not only does it introduce students to our nearest neighbour, the largest Islamic nation in the world, an important trading partner and a country beyond Bali, it opens students’ minds to the world, a different culture, ways of thinking and being beyond our own... It undoubtedly makes you more adaptable, open-minded, patient, nuanced and accepting.”

Janelle May
Farewell Reflections from the Deputy Resident Director, ACICIS 2020
Source: www.acicis.edu.au

Sustaining deep bilateral ties and educational outcomes with Australia’s largest neighbour and home to what is forecasted to be the world’s 4th biggest economy by 2050—Indonesia. Australian Consortium for In-Country Indonesian Studies (ACICIS) established in 1994 brought 23 Australian universities together to enable scale, durability and capacity required to sustain a diverse range of in-country learning experiences in Indonesia. In its 25 years of operation, ACICIS has supported some 3500 Australian students and partnered with 10 Indonesian universities to deliver 17 programs across disciplines. Many ACICIS students not only maintained their Indonesian expertise and networks but have found opportunities to incorporate them into their business, academia and government. Until recently, ACICIS employed some 20 full time staff in its Indonesian offices at Yogyakarta, Jakarta, Bogor and Bandung. COVID-19 brought ACICIS’ in-country programs to a halt and impacted funding lines, resulting in significant staff reductions. As the 2021 financial year commenced it was not clear whether ACICIS would survive through to 2021 an outcome that would have devastating impacts on Australia’s bilateral relationship and reputation in Indonesia. The government’s recent decision to temporarily adapt New Colombo Plan funding in support virtual or online study programs — including the Indonesia-focused programs run by ACICIS — has provided welcome financial and reputational relief. As ACICIS begins the task of transforming its in-country programs into engaging online educational experiences that connect Australian students to our largest neighbour, the imperative on government and business to future-proof the value of Asia engagement becomes all the more significant.
Students return to Australia with the practical skills and maturity to make an early contribution to Australia’s engagement with our neighbours and to our national prosperity.”

Julie Bishop
Minister for Foreign Affairs (2013-2018)

• Connecting business with the next generation of young Australian Asia-capable leaders — the New Colombo Plan (NCP). Established in 2013, the NCP has been a game-changer in the way that it firmly placed outbound student mobility to Asia and the Pacific in the sphere of national interest and influence. More importantly, the NCP galvanised collective government, business and university interest in building Australia’s Asia capabilities. We see opportunities to preserve and build on the success of NCP. Anecdotal evidence regarding the early experiences of NCP scholars is positive, but gaps in the empirical data mean that the impact of this program over the long term is not clear. Opportunities exist to rethink the ‘rite of passage’ promised by NCP around short term (semester-based) mobility programs with adjustments to the way incentives are directed towards to students and participating universities. We also recommend further investment in an impact study of the program to date with an emphasis on outcomes for NCP students, universities and business.

Furthermore, while in-country immersion is the hallmark of NCP success, recent news that the NCP program will support virtual options in response to the impact of COVID19 is welcome. The ability to engage successfully across the region through virtual platforms will become increasingly critical across all sectors, and programs like NCP will play an important role in supporting this upskilling process. Other opportunities exist to extend offerings of the NCP pre-departure training and orientation (especially if delivered online) beyond the elite scholarship cohort to all tertiary students engaging in Asia-Pacific mobility experiences. Not only would such approaches enable greater access and equity in the scheme, they help to further deliver on the aspiration that engaging with Asia becomes a ‘rite of passage’ for young Australians.

Government plays a critical role in developing the NCP, but this is just a first step. Bipartisan commitment to preserve NCP funding for the next generation, coupled with deepened business engagement will ensure impact for the long term. Recommendation 3.5 of the Asia Taskforce Interim Report calling for business to provide 30 internships for returning scholars is a helpful start, but more needs to be done to further enhance the long-term effectiveness of the program.

• Australia’s evolving ecosystem of institutional and people-to-people networks, programs and initiatives will continue to shape the nation’s broader Asia-engagement capabilities and aspirations. A broad array of Asia-focused research centres, think tanks and institutes exist across the country as a reflection of longstanding institutional commitment to Asia-engagement. Importantly, they will continue to play a critical role in delivering research, enabling debate, informing policy and connecting Australia through myriad activities, interactions and collaborations towards Asia.

Similarly, successful volunteer-based bilateral and multilateral youth dialogues continue to build, maintain and mobilise professional networks between young Australian leaders and their peers in the region. These include the Australia-China Youth Dialogue, Australia-Japan Youth Dialogue, Australia-India Youth Dialogue and the ASEAN-Australia Strategic Youth Partnership. These networks bring necessary depth and breadth to Australia’s engagement in the region and have a pivotal role to play in building capability and capacity of skills of Australian business into the decades ahead.
BEYOND ASIA LITERACY: ENSURING SKILLS FOR NAVIGATING A DIVERSE AND COMPLEX WORLD

In today’s world successful Asia engagement demands a breadth of skills, knowledge and competencies that extend well beyond traditional notions of ‘Asia literacy’ (ie. language and cultural competence). For example, contemporary scholarship and experience underscores the significance of a global mindset alongside cultural intelligence in establishing mutual understanding and meaningful interactions in a diverse world.

Asia capability requires recognition of the impact and contribution of our diversity at home, and to our place in the region. According to census data, one in five Australians speaks a language other than English at home, and 12% of Australians identify as having Asian cultural heritage. How we understand, construct and project our ideas of Australian culture, its unique aspects and implicit biases matters. Developing cultural intelligence demands an emphasis on self-reflection to challenge assumed universalisms and identify ‘Australian ways’ of doing business or ways of doing things that might appear odd or different to others. It also involves openness to different ways of knowing, being and doing, that reflect appreciation for cultural difference, curiosity and a willingness to engage, and demonstrate sensitivity to other cultures.

Importantly this argument extends the significance of Asia-engagement capabilities well beyond the instrumental approach of simply improving business effectiveness in the region. Rather these are the skills and attributes necessary to guard against insularity and isolation, enable better strategic decision-making across nearly every policy-domain while fostering the conditions for a more sophisticated and nuanced debate about future priorities. Equipping policy and business leaders with the skills and strategies that enable them to navigate difference, build resilience, and operate outside myopic or self-referential echo chambers will also equip them for operating effectively in an increasingly dynamic and challenging future – at home and in the region.

Business operates in an enabling environment, and it is also important to recognise the role of regulators and industry bodies in supporting Asian business engagement in and with Australia. The broader business ecosystem—from how the Australian Securities and Investments Commission (ASIC) regulates corporations, to Foreign Investment Review Board (FIRB) approvals and Export Finance Australia services, and the decision-making approaches within, all require a depth of Asia capability and nuanced understanding of governance within the region. Asia capability is equally relevant and important within this context.

“Do you identify as Asian Australian?”

According to recent research conducted by the ANU, some 14.7% of Australian adults are estimated to identify as Asian-Australian. Of those who did identify as Asian-Australian, 30.5% were born in Australia.
The discussion of Australia’s Asia capabilities cannot take place in isolation from broader conversations about the changing complexion of Australia’s cultural diversity and identity. Yet much of the debate about Asia literacy and capability—particularly as it arises in a business context tends to occur within a particularly non-diverse cohort of the Australian community. Ultimately, it appears transactional, has potential to alienate wider mainstream audiences, and tends to overlook the richness of Asia-capability, knowledge and networks that already exists within our communities, especially amongst Australians of Asian heritage.

The time is ripe for establishing a new context for the development of Australia’s Asia-engagement capabilities; starting at home. Opportunities exist to establish an important framework for recognising and celebrating our rich and diverse multicultural heritage while also drawing Indigenous Australians, who have been similarly excluded, into the conversation. Ensuring more accurate representation of Asian Australians in corporate leadership positions, while taking steps to map and showcase the extent of cultural diversity across Australian workforce will lead to more sophisticated understandings of diversity and better decision-making about Australia’s future direction. The immediate benefits—including in overcoming notable barriers to effective business engagement in the region and globally—are clear. The wider social benefits bring potential to address embedded bias and prejudice that to exist at every level of Australian society. The challenge is for business to set the pace in taking this agenda forward.

Outside Australia’s own communities, there are other rich sources of knowledge, skill and capability, including in the vast and diverse international student population. For example, the Brisbane City Council—a recognised leader in city-led international student engagement—works in collaboration with local business to support short-term paid internships for international students connected to one Brisbane’s nine sister cities. Again, shining a light on innovative models of engagement will continue to stretch the bounds of new ways of engagement.

Launched in 2019, Brisbane City Council’s Sister City Internship program is designed to enhance the future employment prospects of international students and support their professional development, while providing small-to-medium sized Brisbane businesses the opportunity to leverage the knowledge, cultural understanding and language skills from emerging international talent.”

Brisbane City Council
Sister City Internship Program

AUSTRALIA’S ASIA-ENGAGEMENT CAPABILITY STARTS AT HOME
The ability to engage fully and deeply with the nations of Asia in a post-COVID world demands our reimagined commitment to enhancing, mobilising and celebrating Australia’s Asia-engagement capabilities. As a subcommittee we recognise the positive strides made by number of scholars, leaders and policymakers across previous decades to locate Asia-literacy on the Australian agenda.

We are also cognizant of important initiatives, including the 2020 Review of Asian Studies led by the Asian Studies Association of Australia (ASAA), and the Diversity Council of Australia’s (DCA) Counting Workforce Diversity Project currently underway that will deliver important learnings for the decade ahead.

Notwithstanding, there is a sense of urgency about the opportunity that exists—a narrow strategic window—to build on the gains that have been made, and ensure broader momentum in the development of Australia’s Asia engagement capability is not lost. Our approach is underpinned by four key steps:

1. Spotlight the initiatives that have proven results in building capabilities required to navigate a complex world;
2. Secure those initiatives most at risk from COVID-related impacts;
3. Scale up key initiatives to achieve impact;
4. Strategise for long term success in Asia engagement that is not just a better fit for our time but fit for a changing future world.

These recommendations are developed here:

**Recommendation 1**

Immediate action should be taken to spotlight and secure initiatives and models that have proven success in enhancing Australia’s Asia-engagement to ensure they are sustained through the challenge of COVID-19 and scaled-up as key elements in Australia’s strategy for recovery.

- Fund ongoing opportunities for teachers, especially in rural and remote schools to participate in BRIDGE teacher led intercultural programs.
- Future proof existing proven models of in-country learning with commitment to long term funding, and support for emerging blended and digital engagement models.
Recommendation 2
Recognise that today’s Asia-engagement capabilities include ongoing commitment to traditional Asian language and cultural programs but also demand broader emphasis on the skills and capabilities required to navigate the complexities of our dynamic world. We must be able to build expertise and develop capabilities on multiple fronts.

- Business plays a critical role in highlighting the value and significance of deep Asian language and cultural studies expertise and should invest in building and maintaining Australia’s Asia expertise building stronger collaborations with Australia’s Asia-focused universities, institutions and research centres along the way.
- Develop and disseminate a ‘Asia-ready’ predeparture training program for all Australian tertiary students that take up outbound.

Recommendation 3
Invest in targeted efforts to recognise, mobilise and showcase the wealth of Asia capability, talent and leadership potential that exists already, especially amongst Australians with Asian heritage.

- Identify and showcase models of success, to engage business in the leadership challenge of building Asia-engagement capabilities at home.

Recommendation 4
Establish a strategic national network to champion for Australia’s Asia-engagement capabilities for long-term influence and impact.

- Support ongoing collaborative dialogue - bringing young voices to the table - to share experiences, advocate change, and role model the skills and capabilities required for deeper, more effective, long term engagement in Asia.
NOTES


4. These tensions have been well established through a series of reviews and reports on Australia’s Asia capabilities notably the Fitzgerald Report 1980 and the Maximising Australia’s Asia Knowledge: Repositioning and Renewal of a National Asset commissioned by the Asian Studies Association of Australia in 2002.


6. See for example the Lowy Institute Poll, which consistently points to lack of knowledge among Australians about the region, particularly about Australia’s largest neighbour, Indonesia. For example, in 2020 only 39% of those polled agreed that Indonesia was a democracy. Available online: https://poll.lowyinstitute.org/


In October 2019, the Business Council of Australia and Asia Society Australia together with knowledge partners PwC Australia and the University of Sydney Business School formed the Asia Taskforce of senior leaders from the business, education and government sectors to examine how Australian companies and organisations can increase their presence and position in Asia to ensure our continued prosperity and deliver progress for future generations.

While the Asian Languages and Cultural Studies Sub-Committee Members named below have provided input into the discussion paper, the views expressed do not necessarily reflect the views of any individual or the organisations they represent.

This report refers to Asia as the countries of South East Asia, South Asia and North East Asia.

This Discussion Paper and other publications by the Taskforce can be found at https://asiasociety.org/australia/asia-business-taskforce

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