

Adelaide Festival Centre's OzAsia Festival Keynote Address

Australian Fusion: Imagining our Eurasian Future

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Unedited transcript of the OzAsia Festival Keynote Address

Ms Elizabeth Ho

I'd like to welcome everybody here tonight. We're here as part of the OzAsia Festival, which is an absolutely stunning occasion that comes to Adelaide every year. I welcome you on behalf of the OzAsia Festival, the Hawke Centre and also the University of South Australia.

I'd like to begin by recognising that we are on Kurna land. It is very important that we pay our respects to the traditional owners, whose connection with country is both enduring and spiritual.

As the Director of the Bob Hawke Prime Ministerial Centre, I know that many people have come here tonight to learn something important about the connections between Asia and Australia, and that is what this wonderful festival embodies: a meeting point to build a fuller understanding of the complexities of arts, ideas and current affairs that distinguish the Asia-Pacific Region. At the Hawke Centre we relish the chance to contribute to better public understanding of the big issues, and thank you for your support this evening.

We also strongly encourage you to support the wider festival, which has everything from dance, theatre and film to an exhibition of embroidery in the program. You're all important tonight but there are a few special people to acknowledge: Mr Hieu Van Le, Lieutenant Governor of South Australia and Chairman of the Multicultural and Ethnic Affairs Commission, who will shortly introduce our speaker; the Hon. Bob Hawke, former Prime Minister of Australia, past keynote speaker and an architect of a much deeper relationship between Australia and Asia, who will deliver the vote of thanks; our speaker Jason Li, who will be formally introduced shortly. And from our University I note that our Vice Chancellor, Professor Peter Hoj, is present and also Pro Vice Chancellor Professor Pal Ahluwalia; Douglas Gautier, CEO of the Adelaide Festival Centre, and Jacinta Thompson, the Festival Director. It now gives me great pleasure to invite to the lectern the Festival's energetic patron, the man who spruiks the festival wherever he goes and does a marvellous job, Mr Hieu Van Le. Thank you.

Mr Hieu Van Le

Thank you very much for that very warm welcome and introduction. I also acknowledge the Honourable Bob Hawke, former Prime Minister of Australia; Vice Chancellor Professor Peter Hoj; Pro Vice Chancellor Professor Pal Ahluwalia; Douglas Gautier, CEO of Adelaide Festival Centre; and Professor Lowitja O'Donoghue and many, many distinguished guests, all fans and great supporters of the OzAsia Festival. Good evening, and thank you for joining us this evening for the OzAsia Festival Keynote Lecture. This keynote lecture is among many in the outstanding line-up of our OzAsia Festival events this year, which have taken and will continue to take place in Adelaide until 17 September. I'll repeat Elizabeth's invitation that everyone here should come to as many, many performances as possible; there are many still available until 17 September.

The OzAsia Festival has been running for the past five years and each year attracts talented artists, performers and speakers of outstanding calibre to perform, to inform and to inspire us all. The Festival is also a great opportunity for the whole community in South Australia to get involved and I would like to welcome many, many leaders from our culturally diverse community here in South Australia. Before I introduce our keynote speaker I would like to take this opportunity to thank the University of South Australia and the Director of the Hawke Centre, Elizabeth Ho, for her tireless effort in running the centre, her support of the OzAsia Festival and, in particular, her role in organising tonight's event.

Ladies and gentlemen, tonight I'm so honoured to introduce to you our keynote speaker, Jason Yat-sen Li, one of the young stars and leaders in our community. Jason has been an inspiration to me personally and no doubt to countless others of all ages and from all walks of life. Jason made a name for himself during the Pauline Hanson era, when he returned to Australia after working for the United Nations International Tribunal from 1996 to 1998, to campaign against racist politics, standing against the One Nation platform in the Unity Party. Jason is a voice of unity and harmony and, of course, of multiculturalism in Australia. He has clearly lived a life that fuses Australian and Asian experiences and which stretches from the philanthropic to the legal, with high academic achievements in Sydney, New York and The Hague and most recently as a business founder in China.

He is continuing to show how young Australians have made successful careers by seeing the potential in having an open mind and open doors with the world, in particular with our neighbouring Asian countries. We are very proud of the success of one of our own. Jason is also a great role model for young Australians, particularly those from culturally diverse backgrounds who may have encountered similar struggles, such as being questioned about their Australianness just because they don't look a certain way.

Jason, I believe that from a young age you learned that active participation in society was important and that through this participation one can break down prejudices, which breaks down stereotypes—a simple yet powerful message. Your encounters with people have shown that dealing with prejudice and racism is a matter of experiences. It's about having a positive experience with other cultures. Such a philosophy can lead to great things, as you have shown in your career thus far. We are so very fortunate that Jason has made the time to come to speak with

us tonight. As a young and committed Australian of Asian background, with so much to be proud of already in your life, we welcome you, Jason, and are very keen to hear you address us on 'Australian Fusion: Imagining our Eurasian Future'. Thank you.

Jason Yat-sen Li

Thank you very much, Hieu, and good evening ladies and gentlemen. It's a real pleasure to be here. Thank you to the Hawke Centre, the University of South Australia and the OzAsia Festival for having me back. It's really nice to be back in Adelaide; one of the nice things is that things are significantly more relaxed here than they are in Beijing. I was talking to Bob Hawke earlier on, who's in the audience, and I'm very honoured by that, and I said, 'Oh, Mr Hawke ...'. I addressed him as Mr Hawke and he said, 'No, call me Bob', and then I asked Liz how I should address Hieu. 'Should I call him Your Excellency?', and she said, 'No, just call him Hieu'.

The last time I spoke at the Hawke Centre was ten years ago and it seems a long time ago now; I was a lot younger back then. It feels a little bit like a Glen Shorrock return concert, but the world was a very different place ten years ago. If we look back at that time from today, we recall the September 11 attacks that happened ten years ago in three days' time, changing the world forever. China's economy was only one fifth the size that it is now; Asia was just beginning to recover from the Asian financial crisis; and Apple would release the iPod, in about a month's time.

If we look back even further, if we look back 100 years, one month from now the Revolution that would end the Qing Dynasty in China would start in Hubei and my namesake, Dr Sun Yat-sen would be named the first President of the Republic of China. My name, Li Yat-sen or [10:00] in Mandarin raises some eyebrows in China: it's a little bit too famous; it's a bit like being called Michael Jackson. What compounds the problem is that my father's name is Li Qian Yu (and there's no relation). When we first started to do some of this political work many years ago we went around to the editors of some Chinese community newspapers in Sydney and introduced ourselves, hoping they would support us. Nobody knew us then and I took my dad along and they said, 'Who are you guys?', and I said, 'Well, I'm Li Yat-sen and this is my father, Li Qian Yu', which would have sounded a bit like, 'Well I'm Thomas Jefferson and this is my father, Abraham Lincoln'. And they looked at us and just shook their heads and said, 'These guys are definitely dodgy'.

We're going to cover a huge amount of ground tonight. I'm going to spend the first part of my talk looking externally at Asia and asking the question, 'How might Australia belong in Asia?', and then we're going to shift gear a little bit and look internally at Australia and ask the question, 'How might Asia belong in Australia?'

Now a little bit of an apology to begin with: I'm going to focus a lot on China and that is not because I think China is the be-all and end-all. I know that many of you come from different places and would like to hear about many other places in Asia. It's just that in the interest of time I'm going to focus on that part of Asia that I know best. But Asia is enormous: it encompasses 37 nation states across five distinct subregions. It includes the world's most and least developed nations, some of the strongest and the weakest. No other region in the world even approaches the same degree of diversity as Asia.

One of the driving forces behind Australian Federation was the belief that the Australian states as a united Commonwealth would be better able to defend themselves against the marauding hordes, yellow hordes, coming down from the north.

This photo is of a Chinese beach in the summer time. Don't show this to those concerned with an influx of refugees from Asia, but I find this a remarkable photo. What it shows is that there's a hell of a lot of people in Asia, some 3.8 billion people, about 60 per cent of the world's population. Asia has about eight of the world's 15 most populous countries as well as the world's three largest Islamic nations—Indonesia; Pakistan and Bangladesh—with about 650 million Muslims, more than the entire Middle East combined.

Asia is also the region, the only region, in which all the major powers of the world interact: the US, China, India, Japan and Russia. So you begin to understand the complexity of the place from a strategic perspective.

But it's the economic story of Asia that we know the best and for that reason I'm not going to dwell on that; I think we all have heard enough about the economic rise of Asia.

This is a chart developed by Goldman Sachs, which shows the world in 2050, in about 40 years' time. It's one of a number of interesting projections. You see the size of the Chinese economy—at least a third bigger than the United States. India's approaching and then come the rest of the BRIC countries.

Part and parcel of this rise of Asia has also been an economic shift in gravity in terms of Australia. Whereas the bulk of our trade used to be with Europe, now it's definitely shifted: about 60 per cent of our trade is located in the Asian region, compared with about 14 per cent for the EU. There's something a bit ironic here, if you ask, 'What has created the conditions that have allowed these Asian economies to boom the way they have?' Hugh White from ANU argues that it's been Pax Americana. My daughter heard me discussing this concept of Pax Americana with a friend in Beijing and she came up to me and said, 'Daddy, is that a Starbucks coffee?' I said, 'No darling, it's not a Starbucks coffee; it's actually the peace and stability that comes from America's uncontested primacy in the region', and she went, 'Right'.

But when you think about it, maybe it is a little bit like a Starbucks coffee in the sense that, since the end of the Vietnam War, apart from a few minor skirmishes, no Asian powers have been involved in any significant military conflicts. In 1972, when Richard Nixon and Henry Kissinger reopened diplomatic relations in China, they did a pretty remarkable, extraordinary deal with Chairman Mao. They said, 'We will recognise you guys as the legitimate government of China as opposed to Taiwan', which was quite a big deal given that Taiwan is essentially a democracy and the Communists obviously were not, 'but in return you do not challenge US primacy in the region'. And then, the Americans went to their allies across the region—Japan, Singapore, Australia, South Korea—and said, 'Don't worry about China; don't worry about the Soviets. We've created the

security umbrella and we will keep things safe'. And because of that, because of this stabilising force, the Asian economies and countries could focus on business and trade.

Australia has been a major beneficiary of this, as well, because, as these economies boomed, we got to sell them more and more of our resources and commodities, and this has underwritten our growth. We've had it really good for about the last 40 years; the problem is that things are beginning to shift now.

This chart shows the expected trajectory of Chinese economic growth and how it's projected to overtake the US as the world's biggest economy in about 20 years, give or take. As China grows stronger and stronger it's really not conceivable that China's just going to sit back and continue to accept US primacy in the region.

Many years ago I was part of a fantastic program called Eisenhower Fellowships in the US. At the end of it Dr Kissinger, who was the Patron, presented us with our awards. We were announced by the organisers, not by name but by country. So because I was representing Australia I was first cab off the rank. They called, 'Australia', and I stood up and started walking towards Dr Kissinger, who looked at me and then looked at the MC as if there'd been some sort of scripting error, and then, when he worked out what was going on, he got a wry smile; and when he was shaking my hand and he whispered to me, 'So the Chinese are taking over Australia too are they?'

This power shift is going to force Australia to make choices that we've never had to make before. We've always sort of aligned ourselves with the dominant power. When Britain had the dominant and most powerful naval force in the region we hitched ourselves to her; then it was the US. Things are very different now. We are confronted with a much more complex world; a complex region; complex choices. Economically there's no question that our future sits in Asia. But do we continue to see ourselves as European in heritage and relying on the US for strategic security? Now there are a lot of other countries, but I believe our future world, our prosperity and our peace really pivot on this central relationship between the United States and China. Why? Because both are quite particular types of countries, both are exceptionalist nations, which is a fancy way of saying they've got pretty big tickets on themselves. Both believe that they have a special place in history. This relationship will touch all other countries in the world; they're the only two superpowers now.

I'm not going to spend a lot of time talking about the United States and the particular conditions that have made it the remarkable place that it is now; instead I'd like us to take a little closer look at China. China's a place of such complexity at multiple levels that anyone who says that they really understand the place is probably lying. My parents are Chinese, I've been living there for about seven years now; and it does my head in every time I come close to saying that I understand what goes on there. What I would like to do is offer three principles that I think go some way to explaining some of the complexity that you see there.

First is a sense of history. China's got a history that stretches back a long time, much of it through the written language. This history permeates the language, the way people understand the world.

It's as if there's a thin thread that links the past, the present and the future, and this in some ways explains a lot of the contradictions that you see in China. It's modern and yet it's ancient; it's fabulously wealthy and yet it's desperately poor; there's continuity and yet there is this anchoring in the past. So seen this way China is really a continuation of the way China has always been for thousands of years: there is a ruler and there are the ruled; it's just that the Emperor has been replaced by the Communist Party and you see that sometimes in the way that the Chinese people react to you. Many of my colleagues are foreign educated, effusive; confident, outgoing people, but there are some situations when, confronted with authority, there is this remarkable ability to just fade out, and it's remarkable to watch; in an instant they can almost fade into the background and I think it's a sort of a protective mechanism in the face of authority.

The second principle is a lack of trust. There is a profound lack of trust within the Chinese society, probably caused by the Cultural Revolution and the upheaval there. People don't really trust each other and they certainly don't trust public institutions. Here in Australia when you meet somebody for the first time, your starting point is, 'This is a decent person and they're going to act in good faith'. A lot of the time in China if you meet somebody, your starting point is, 'This person is a cheat and they're going to fleece me for everything I'm worth', unless they have been introduced through a friend or a guanxi relationship.

And you see this everywhere you go: when you're in the department store, for instance, you can't pay for your goods with a sales person; you've got to go to a centralised desk because they don't trust the sales person to handle cash. You can't cold call companies; you can't ring a company and say, 'Can you put me through to the purchasing manager?' You need to go through someone else—you need to call 'Mr Hawke' and say, 'Mr Hawke, can you introduce me?' This lack of trust is a serious problem for Chinese society because if you don't have trust how do you build social capital? How do you get people to work together because they want to and not because they are forced to?

The third principle is protecting the centre. The number one concern of the Chinese state is its own self-preservation and the maintenance of its sovereign integrity. China's pretty much been One Nation since the first Emperor, and breaking it up is pretty much unthinkable; again this is a continuation of history. This is why Taiwan and Tibet are such red line issues in China. Rarely does China go out, in fact China really doesn't want to go out and expand territorially. It's big enough; it's got enough issues on its plate at the moment. Watch for when China does go out; it's really about gathering resources and bringing things back into the centre. The complexity around that arises when you think about how China protects those resources overseas, and the transport routes to bring them back.

Proponents of the so-called Beijing consensus argue that what is truly disruptive about China's economic success is that it's disproven a mainstay assumption of the western development model: that if you have a free market you're going to have democracy that follows. China has had miraculous economic growth, great economic success, but it remains an authoritarian state. Now there are all sorts of emerging countries that are watching China's success and, in particular, a bunch of dictators who go, 'Mmm, I really quite fancy that model; you can have terrific economic

growth, but I don't need to let go of power'. And so this model becomes really quite appealing when compared to the western development model, where institutions such as the World Bank and the IMF force democratic reforms down the throats of developing countries. So it is argued this could become China's most profound export yet: a particular Chinese form of capitalism on what they call the market authoritarian model. And so, it's argued, this is not so much a challenge to western military or economic terms but rather to world views of values and influence.

This hasn't come at a great time for the West; the West hasn't really been covering itself in glory recently. There's the debt crisis in the US and the way that Congress dealt with that; the debt crisis in the Euro Zone and everything that's happening there; the London riots; Japan cycling through its sixth Prime Minister in five years; the Italian Prime Minister about to go on trial for allegedly having sex with a 16-year old; the *News of the World* scandal striking at one of the foundations of western democracy, the freedom of the free press and the independent press; and here in Australia we seem to have failed to have an adult, mature, honest debate about as critical an issue to the nation's future as carbon.

My Chinese friends are watching all of this with a mixture of bemusement, bewilderment and anxiety. This doesn't mean that China's got it right either. I think the Beijing consensus is really jumping the gun about China's success, because beneath the surface China's got some major challenges: how to transition smoothly to a more sustainable growth model based on domestic consumption in globally competitive institutions; how to tackle corruption; how to tackle structural inefficiency; environmental devastation; unemployed workers seething with resentment; rampant inflation; how to build trust in a society where there is none. It's also important to point out that perhaps where there is the least consensus about the Beijing consensus is in Beijing itself. There is currently a raging debate about the China model and about the future and role of the authoritarian state.

This slide, which shows Chinese GDP growth from 1978, shows the ability of the Chinese government to pull on crude levers to control the pace of growth of the Chinese economy. You'll notice here that there is a medium band of about seven to eight per cent, and during the first financial crisis it was all about what they call protecting the eight [27:11]. The reason for that is it is surmised that seven to eight per cent growth is the minimum level at which social unrest begins to ferment; if it goes below that level all of the tensions and the imbalances caused by the rapid growth model so far start to become uncontrollable. You can begin to understand the anxiety now as the world approaches the second crisis because, unlike the first one, if the West slows down again, China is going to find it really difficult to pump another four trillion yen into the system, and that's because inflation in China is running at about 6.5 per cent. If you pump another four trillion yen in, inflation's going to go through the roof.

We all have an interest in China working through these enormous challenges because, if China were to tank, that would be devastating for the world economy and it would be devastating for the Australian economy. So there is competitive rivalry between China and the West, but there's also the realisation of how much we are interconnected and how much our futures are intertwined. It's popular sport to lecture and pressure China about reform: how do you improve

the rule of law; how do you build transparent and accountable government that's in touch with the people; how do you build trust in society and nurture social capital; how do you build a free press that speaks the truth to power and its abuse? The Chinese leadership know all of this. Indeed I'm an optimist for reform in China. As people get wealthier they inevitably become more focused on individual rights rather than the communal good. The Chinese blogosphere and social media are a thriving hotbed of democratic expression. Here, official corruption, scandals and malfeasance are courageously reported with a moral outrage that's holding the government to account and, where you don't have an independent press, Chinese netizens are playing this role.

This is a photograph taken from a recent press conference held by the Hubei Public Security Bureau where an anti-corruption official was stabbed 11 times, stabbed to death, and after a thorough public enquiry it was announced that he committed suicide. Now these are some of the comments from Sina Weibo, which is China's Twitter; I'll just let you read some of those.

True multi-party democracy in China might be a bit of a pipedream and may be ultimately unsuitable but, certainly, transparent, accountable government under the rule of law is well within their reach. But, as we think about the soft infrastructure that China desperately needs to secure its future, it dawns on us that maybe we in the West need to say, 'Our urging of China to reform must be met by a parallel commitment to our own reform'.

The debate about debt levels in the US, our Australian carbon tax debate, show how the concept of public interest can be lost in adversarial politics. Trust in public institutions in the West plumbs new lows; greed and self-interest still drive our financial markets; and lessons from the first GFC seem to have been forgotten. The War in Iraq flouted international law; global institutions such as the World Bank and the IMF do not sufficiently reflect a changed world where the BRIC countries demand and deserve more influence.

This is a photo of Gary Lock, the former Commerce Secretary of the US and newly appointed Ambassador to Beijing. This photograph caused a sensation on the Chinese internet. Why? Because it showed him at a Starbucks café in Seattle on his way to fly to Beijing to take up his posting; it caused a sensation because he was actually buying his own coffee and he had a backpack on. Similarly, when Barack Obama landed in Beijing on a rainy night and came down from Air Force One carrying his own umbrella, the Chinese internet exploded because the citizens of China were so used to official corruption, abuse of power, excess, that these simple images and gestures engendered genuine admiration.

The best case we can make for liberal democracy is by living it well and making it work better. We in the West, I think, have to rediscover the enlightenment values which our democracy sprang from in the first place and, yes, China needs to reform fundamentally if it is to continue to grow, addressing the major tensions that rapid growth brought about and that have now threatened to tear it apart.

So we both need to lift our game and, maybe because of this—this dual need for reform—future engagement between the West and Asia, between the US and China, might just have the

opportunity to be just that little bit less arrogant, just that little bit less belligerent and just that little bit more cooperative; and it's through this lens that I put to you that we should see Australia's role in the region.

Let's change gears a little bit now. We've spent the last 20 or so minutes looking externally, looking at Asia. Let's look internally now at Australia and ask ourselves, 'If our future belongs in Asia can we honestly say now that Asia comfortably sits amongst us?' In 1901, just six months into Federation, our first Prime Minister Sir Edmund Barton said, 'The day will come and perhaps is not too far distant when Chinamen and the Natives of Hindustan, the States of Central and South America and African Nations of the Congo and Zambezi are represented by fleets in European Seas, invited to attend international conferences and welcomed as Allies. The citizens of these countries will then be taken up into the social relations of white races. Is this not something to guard against?' It's nice to see that we've become precisely the sort of society that our founding fathers would have publicly denounced!

I was born in Sydney and I grew up in a suburb to the south called Bexley. I grew up with my next-door neighbour, Ryan Coleman, and we'd play in the gully next to our houses, catching tadpoles and selling lizards that we had caringly housed in Coke bottles, and we'd sell them to hapless construction workers who happened to pass by our stand. We'd race our BMX bikes up the street to the corner store where we'd buy footy cards to swap and milk bottle lollies to eat and, if we were lucky, play those new Space Invader machines. On summer afternoons we'd play cricket in the middle of the street with an old bat and a real cricket ball that would dent those old tin rubbish bins that we used to have and Mum and Dad would often watch us. Mum would be watering the front garden and Dad would be mowing the lawn with his Victa mower and wearing a white Bonds singlet. So this is my Australia, growing up under a vault of blue sky and with that understanding of freedom and possibility that the gift of space I think gives children in Australia. We were super lucky. And I've since been lucky, as well; I've had the chance to live in many places around the world and when I'm overseas I like striking up conversations with the locals. Inevitably they ask where I'm from and I always say, 'Look, I'm Australian'. A lot of the time they'll look at me a bit strangely and say, 'You know, you don't look very Australian. Are you sure you're not Japanese?'

The Republican debate was my first exposure to mainstream politics and talkback radio. Some of the comments that came in were my first experience with that nasty side; they were saying things like, 'You shouldn't listen to that Jason Li fellow, he's not a ... he's not a real Australian'. I used to be pretty hard on Australia, I used to think a lot of Australians were racist and, you know, there is racism in Australia, some of it really stupid, economically stupid. But a lot of the other stories ... How much of that is about racism and how much is it about just not having the opportunity for exposure and interaction?

When you look at the Australian psyche and character there are some really glaring paradoxes. Our response to the Bali bombings was profoundly different from the response of the US to 9/11. In general we are a fair-minded, peaceful and benevolent people: we reject capital punishment; we're not bent on revenge; in difficult times we look inwards and we support our communities

rather than lash out with international acts of aggression; we are in general an open and tolerant society. In contrast to this, next month marks the tenth anniversary of the sinking of the SIEV-X where 350 asylum seekers, mostly woman and children, drowned on the sea, and the Australian public, fuelled by talkback, were saying horrific things like they were queue jumpers and they asked for it. Ten years later, the asylum seeker issue is still as ugly, still as unresolved, still as all-consuming as ever. How do we reconcile these competing, opposing images of an Australian reaction to tragedy? Benevolence, goodwill, generosity of spirit on the one hand with Bali; xenophobia, callousness and lack of compassion on the other.

The answer to this paradox, I think, rests in two things: the first is the historically complex deep-seated distrust within the Australian psyche of immigration and immigrants; this has been with us as for as long as we've been a nation. The second thing is leadership: negative leadership or lack of leadership. I heard an interview with Helen Clark, the New Zealand Prime Minister, at the time of the Tampa crisis, and the interviewer asked her, 'Why is it, given the Australian popular opposition to accepting asylum seekers, that when you declared that New Zealand would allow them to land it was greeted with upwards of 80 per cent support from the New Zealand public?' And she said, 'It's leadership'.

Who belongs in Australia? Who are we as Australians? What's an Australian meant to look like, and what are the values and the bonds that bind us together as a people? For Australia to belong in Asia, for our neighbours in the region to fully accept us amongst them, we first have to be able to fully accept that Asia is part of us; we need to be comfortable with that. We need to ask whether our national identity is currently one that makes all Australians feel they belong and can share in what the nation stands for. This is so important, because if you don't feel you belong to something you're unlikely to want to participate in it, so belonging goes to the heart of social capital; it goes to the heart of citizen participation and social cohesion. I think these are the questions that the UK needs to ask itself as it struggles with the question of why those who are terrorising their communities are actually young people born in the UK, but who somehow never felt part of British society.

Non-English speaking background and Indigenous Australians are still massively under-represented in our national and state parliaments and it's terrific to have somebody like Hieu being a role model here. Those groups are massively under-represented on boards of publicly listed companies, among media personalities, and generally in positions of visibility around the place. It's interesting; we had a look at the ASX 50, at the boards of directors at the ASX 50. You'd struggle to find a single director of Asian background there. Apart from the representation issues, you've got to wonder whether that's commercially prudent given how important Asia is in terms of our economic future.

The media is also particularly important because it's through the media that millions of young Australians get their signals about who belongs and who doesn't—and I see Annette Shun Wah in the audience as well, another fantastic role model for us. When I was growing up I saw this so rarely that I often didn't feel I belonged; the faces that I saw on TV—none of them looked like me. The only time you saw Asian faces on TV were embarrassing: the TV television commercials for

Dim Sum and things like, 'You ring, we bring'. Some years ago a report found that not one Asian actor had been cast in a sustaining role in an Australian television drama or play and that problem continues today with the exceptions being Master Chef and Border Protection. I hate that, I hate that program. Anthony Wong parodied the roles into which he'd been cast during his career and I'd just like to read this to you because I think it's fantastic. He says, 'Hello, my name is Greg Fu Yung and I am a Kung Fu instructor. I am also a Chinese cook; a waiter; a servant; a drug dealer; a Triad boss and a part time nuclear physicist. In my spare time I like to do Tai Chi, Chi Gung, I Ching, Feng Shui, ping pong and bungy jumping. I am also a Master of Acupuncture so if you need a prick just call me'.

Multiculturalism has become a poisoned word in Australia, which is a shame because, if you think about it, at the heart of most conflicts around the world now, there's a failure, a failure of multiculturalism. Multiculturalism is in fact part of a far larger set of issues about how we reconcile sameness and difference: when you treat people exactly the same and when you have to account for differences. I think part of the problem with multiculturalism here in Australia is that it's so static. There are these groups and they never change: there's the Vietnamese; the Lebanese; the Chinese and the Indians; the Anglo-Celtic Australians and then they're stuck in these groups. But that's not the way it works; culture evolves. Culture evolves as people change; it's a natural process.

I remember as a young boy watching my grandmother. She had a ritual of praying every night before she went to bed and there were three places in her living room she would move between. The first place, there was a statue of the Virgin Mary and she would kneel and pray before the Virgin Mary; and then she'd move a little bit to her right where there was a Buddha and she would kneel and pray before the Buddha; and then she'd move a little bit to the right where there would be ashes of my late grandfather and she would pray before the ashes of my grandfather. And so, you see, this is what happens: this is the natural process when you have migrants and you uproot them from one cultural context into another: It's an evolutionary process. This is also an example of my grandmother demonstrating that international relations principle of strategic hedging.

These are my children; now these guys have lived all their lives in China. The total amount of time they've spent in Australia when we come over for Christmas and to see families is probably no more than about three months. And when you ask them, when I ask them, or when people ask them, 'Where are you from?', you know in Chinese the [43:12] they will say, 'I'm Australian'. That's amazing; it amazed me when I heard that.

In an Asian century, when power shifts from West to East, questions of what role Australia plays in the region and how we remain competitive and how we remain relevant deserve genuine national attention. In relation to Asia, what was the tyranny of distance becomes the advantage of proximity; no other Western country is as close to Asia as we are.

We are part of Asia and Asia is a part of us. This is as distinctive a comparative advantage as our endowment of natural resources. Our potential is to become a powerful advocate for liberal democracy and cooperation rather than competitive rivalry. This is because we have the

opportunity to possess a much more nuanced understanding of both worlds. We are Eurasians. To use an imperfect term we're a child of both parents. But to play this role properly we have to be engaged in the region; we have to be competitive and we have to be confident.

What are some of the things we could do better? I think we could better leverage our comparative advantage in minerals, energy including clean energy, water and agribusiness. These are all critical issues for the region, around which there is a scarcity. We should be leading regional dialogues on the responsible development and allocation of resources and energy. There's no reason also why the premier commodities exchanges in the region should be in Singapore or in Hong Kong; they should be here in Australia where the resources are located, maybe in partnership with Jakarta and Mongolia. We need a more strategic relationship in China. So far Chinese investment here has been a little bit haphazard and we've somehow managed to give the Chinese the impression that their money may not be all that welcome here and so they're beginning to look at Africa and, well, definitely look at Africa—and South America.

We need, I think, a much more detailed strategy that takes a bigger picture look at the strategic relationship. What does China want? China wants our resources, our agricultural expertise, our water expertise. What do we need? We're a big country separated by vast distances; we don't have the population to build that critical public infrastructure that's so important for efficiency. Is there something that can be done here? We need to maintain an independent foreign policy; we cannot be seen in the region as automatically following the US into whatever. We automatically followed Britain into World War I and into World War II. Will we automatically follow the US into a conflict with China in the case of a Taiwan conflict?

We need to improve our Asia literacy, that is, Australia's understanding of an ability to interact with Asia, and maybe we can also have the confidence to ask not only does Asia have something to learn from us but do we have something to learn from Asia. What might this be? What about longer term thinking in politics? Could we ask, 'Are there some issues of sufficient complexity and critical national importance that they should be lifted out of the political battlefield, subjected to some sort of rational bi- or multi-partisan debate and then dropped back in?' Are there some things that we can learn in terms of a Confucian approach to the political economy: the value of frugality and the importance attached to education; serious national approaches to the development of strategic industries; a long term sovereign wealth fund; a generational approach to child care? But for each of us, we too have a role to play in extending and deepening the people relationships between Asia and the West.

These links through business, education, marriage, migration, sports, social media, art—as this OzAsia Festival demonstrates—these are the real international relations: far more textured, far more nuanced and more compassionate than state-to state-relations in our highly globalised and interconnected world.

Perhaps international relations is far too important a topic to leave purely in the hands of government bureaucrats and politicians. There's a fantastic story I like to tell of a former Vice President of the United States, who was at a fancy state dinner where there was only one piece of

butter with his bread roll. He called the waiter over and said, 'I want another piece of butter with my bread', and the waiter said, 'I'm really sorry, sir, we've only got one piece per guest. 'Do you know who I am?' said the Vice President, 'I'm the Vice President of the United States of America'. 'Oh, that's very nice', said the waiter. 'Do you know who I am? I am the man who's in charge of the butter'.

This has been a period of great challenge for the West. Perhaps we've had it too easy and we've been too complacent about our institutions and our democracy. At the bedrock of our system is competition and perhaps it is this competition, now, from Asia and China, not only economically but also in terms of values, world views and ideologies, that might just cause us to lift our game to reform and to innovate again. We as Australians have a unique and critical role to play to ensure that the West and Asia run along a track of mutual cooperation rather than competitive rivalry, suspicion and conflict, but to play that role well we need concerted leadership; we need concerted effort and we need to ensure not only that Australia can belong in Asia but that Asia can belong in Australia. Thank you.

Elizabeth Ho

Jason mentioned that he spoke for the Hawke Centre about ten years ago. I think at that stage we recognised in Jason great potential and I'd like to mention a very special person who's here tonight, who I think might have been there when Jason spoke the first time, but certainly has also admired him, especially for the work he did then against racism and for the fine mind that he brings to all of us. That is Lowijta O'Donoghue, a Patron of the Hawke Centre, and a first Australian, a woman who has been a leader of her people; she has joined us tonight and I'd to acknowledge her. The other person who is very important to us, who has been very important to the OzAsia Festival is the Honourable Bob Hawke. He is the namesake of our centre; he's been an enormous support to the University of South Australia and I know that he is very anxious to deliver a vote of thanks to Jason this evening. Thank you, Bob.

The Hon Bob Hawke

There are too many distinguished guests to name you all so I simply content myself with saying thank you, Lieutenant Governor and other distinguished guests, ladies and gentlemen. Well, we have been privileged tonight and I want to give a very sincere vote of thanks, before giving you one, Jason, to the OzAsia Festival and my colleagues at the Hawke Centre for having organised this evening.

I have, as you know, a long and profound interest in and commitment to Asia and the Australian–Asian relationship and I've heard many people talk about it. But I must say to you, Jason, that what we've heard tonight has been one of the best expositions that it has been my privilege to hear of the facts, underlying implications and responsibilities for the future, and I thank you most sincerely. You rightly said at the beginning that it made most sense for you to talk particularly about China because that was your area of particular knowledge and expertise; I'll make a couple of comments about what you've said there and then just take my remarks a little bit beyond China.

There is no doubt, ladies and gentlemen, in my mind, that the single most important peacetime decision of the 20th century taken by any national leader was that decision taken by Deng Xiaoping at the end of the seventies to move towards a market economy and open it up to the outside world. You've seen on the charts and the statistics that Jason presented the result of that decision. It was first of all important because of what it did and what it continues to do for the Chinese people. Some four hundred, five hundred million people lifted out of poverty; the standard of living rising; a magnificent achievement unparalleled before a rate of growth over that period since '78 of—some people put it 10 per cent, or seven to eight per cent—but a very, very significant achievement that has been unparalleled in the history of the world.

And there is one thing, Jason, which doesn't get mentioned often enough—I'm not criticising you for not mentioning it—but what is not sufficiently well recognised, in terms of what China has done for itself in moving towards a market economy and opening up to the outside world, is what it has done in terms of the rest of the world in changing totally the composition and structure of the global market economy. Of course, by themselves moving toward a market economy, China brought in 1¼, 1.3 billion people; but what is not sufficiently recognised, and what needs to be emphasised in terms of indicating what we owe to China for what they've done, is the impact they had in the rest of the world in bringing so much of the world into the global market economy.

First of all there is no doubt at all—it is absolutely irrefutable—that the single most important external factor in the collapse of the Soviet command system was what China did in turning towards a market economy. I know this from my direct experience in talking with Chinese leadership and then talking with Gorbachev. Gorbachev didn't want to talk about anything else but what was happening in China; and it was the stark comparison between the transformation of the lives of the Chinese people, and their move to a market economy, with the sclerotic condition of the Soviet command economy which finally brought that down. So not only the 1.3 billion Chinese, but all the people of the Soviet Union and its satellites.

That's perhaps understood to some extent, but what is never really properly appreciated is the fact that Chinese success turned India around. India until 1991 had basically been most influenced by the Soviet economy; they weren't a replication of it, in terms of it being an absolute command economy situation, but they were very much influenced by the Soviet system. But when the Soviet Union fell, under the influence of what happened in China, then you had something like a billion Indians. So you look at it and bring it all together: the result of what happened in China was the best part of three billion people hitherto outside the global market economy now becoming part of it. And this is a measure of the achievement of China. And of course for Australia, in particular, this has been remarkably important.

I was particularly pleased, Jason, that you were so balanced in your assessment of the sort of criticisms that can be made of China, and of course there are criticisms that can be made. And the Chinese leadership accepts that. What they don't like is being preached to from the public pulpit by the United States, because they are entitled to say, 'Well look, you know, if you really examine yourself there are a lot of flaws in your situation'. One of the statistics that I always quote, Jason, when I'm talking about this was brought out by the World Bank in the end of last century, in the

late 1990s—a remarkable statistic—it said that a child born in Beijing or Shanghai had a better chance of reaching the age of 12 months than a child born in Washington or New York; that was true then and it's at least as true now. So these criticisms can be made; the Chinese leadership are prepared to listen; they like to talk about these things privately.

I have no doubt that there has been a remarkable improvement in the fabric of Chinese society since 1978 and the best example, I don't know whether you've read the article, Jason, but I highly recommend it to you, it's from about 1996, written by Henry Rowen of Stanford University, the Hoover Institute, and it's called, 'The Short March: China's Road to Democracy', and he points out a whole range of areas and improvements that are gradually taking place.

But what you rightly say is that are those who are critical of China—and there are areas in which there's room for criticism—we in the West have so much to examine in terms of our own performance. You listed the sorts of things where our performance has been so pathetic: you talked about American, European and our incapacity in this country to properly, rationally and sanely debate issues of fundamental importance, like the carbon tax and the issue of what we're going to do to protect the environment. And I think you rightly say that we can best be of help to our friends in China and Asia—we can best be of help to them in terms, not merely of economic performance, but in terms of the whole social fabric, by getting our own house in much better order than it is; and you spelt that out so eloquently and correctly.

In terms of the sort of things we can do in Australia to help, you referred to energy. I've just come back from China on Tuesday, my 89th visit to China, and one of the things on there was a conference near Guangzhou with representatives of China and Australia. There was agreement, you'll be pleased to hear, Jason, and we were talking in practical terms not just theoretical, that there should be a move to get Chinese officials and Australian officials together to map out the economic growth patterns of China, and to try and get a picture well into the future of the ways in which we can best be of assistance—in terms of developing our resources to help them meet their economic expansion plans, and in terms of energy, in particular, an agreement that we should sit down and talk further about the ways in which we can cooperate, as we already are, but cooperate even further in the development of clean energy.

I would like to also acknowledge your important reference to the importance of education. If there's one thing more than another that I think we're indebted to Asians in general, and Chinese in particular, for, it's the impact that they have upon the thinking of our students. Chinese students come down here, Asian students come down here. You look year after year at the matriculation results; the university results, at the disproportionate number of the people in the top echelons of those results with Asian names. Education is fundamentally important to the people of Asia. The parents see the significance of a good education for the future wellbeing of their children and I think that is rubbing off to some extent, it has been rubbing off to some extent on our people. I certainly hope so. One of the things that I think, Jason, we ought to particularly be doing is to look at the fact that there has been a rundown in the amount of expenditure by governments on the development of Asian language teaching in Australia. That is a very foolish thing to have allowed to happen, and I hope that that will be turned around.

Could I just finally end off by saying, because this is the OzAsia Festival, in terms of looking beyond China—and our capacity to look at China has been significantly enhanced by your contribution here tonight, Jason— I just make this point: that one of the things that Jason said correctly was that one of the significant factors which has facilitated enormous economic growth of China in particular, and much of the rest of Asia in general, has been the relative absence of armed conflict in the last 40 years, since Vietnam; and that is the truth. And it's one of the reasons why I'm absolutely convinced, I'm certain that talk about Chinese military expansion is absolute nonsense, because the Chinese realise the truth of the fact that this relatively peaceful international environment has been almost a sine qua non for what they have experienced, and I think some of the flash points that we've talked about in the past in Asia have become less of a concern. I'm absolutely certain there will be no conflict in regard to Taiwan, for the very simple reason that the Taiwanese economy is now totally enmeshed with that of mainland; the Taiwanese business leadership would not tolerate political adventurism by any of their political leaders to provoke conflict with China.

And I must say, if we're talking about the prospects for a peaceful environment, the flashpoint that worries me is Pakistan. I believe that Pakistan is the most dangerous flashpoint in the world. You have a dysfunctional state; the absence of any functioning democracy; a military which is divided, with sections of it sympathetic to the Taliban and Al Qaeda; and a considerable store of nuclear weapons. This is an inherently extremely dangerous situation and it's my hope that the leaders in our region will recognise this fact and try and do their best to sit down with the leaders in Pakistan, with India, to try and get a situation of greater stability there.

But that's enough from me. I simply want to conclude again, Jason, by saying you are a young man of extraordinary talent; your knowledge of and perception of the issues of the past which are relevant today and their implications for the future is quite outstanding. And if I can say this, I would very much like to see, ladies and gentlemen, Jason move to a level and into forums in which his unique capacities can be of even greater service: in other words, to be specific, I'd like to see you in the Federal Parliament, Jason, and, of course, sitting on the Labor side. And if there's anything that I can do to help just ring me up.

Now, my friends, I have a feeling of absolute confidence that you share with me the appreciation that I feel for Jason's address tonight, its depth of understanding; the clarity of its exposition, mixed with a delightful sense of humour. So will you be upstanding and join with me in saying and carrying the vote of thanks which I hereby propose to Jason. Thank you very much.