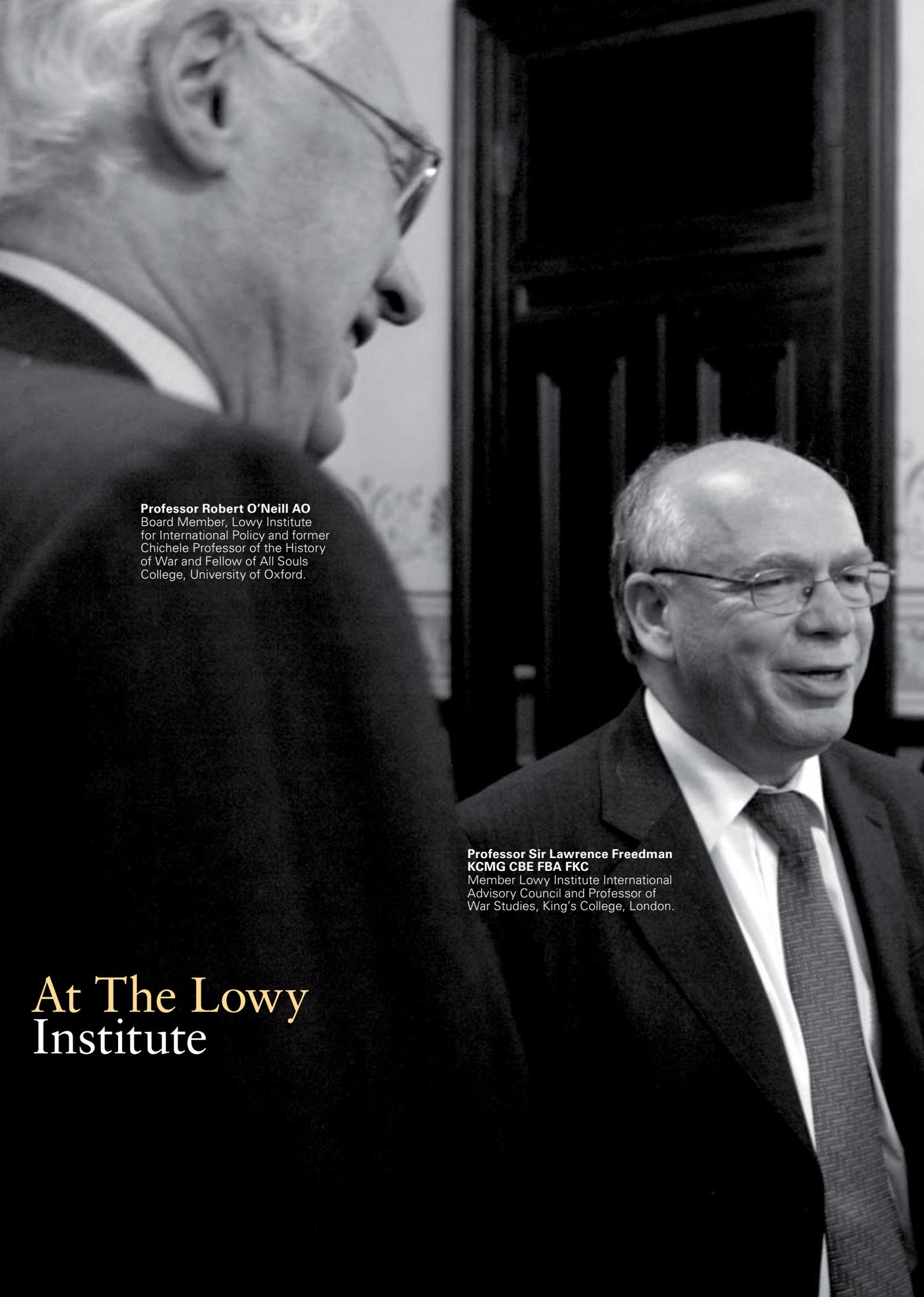




The  
Lowy  
Institute  
Review

**LOWY INSTITUTE**  
FOR INTERNATIONAL POLICY



**Professor Robert O'Neill AO**  
Board Member, Lowy Institute  
for International Policy and former  
Chichele Professor of the History  
of War and Fellow of All Souls  
College, University of Oxford.

**Professor Sir Lawrence Freedman**  
**KCMG CBE FBA FKC**  
Member Lowy Institute International  
Advisory Council and Professor of  
War Studies, King's College, London.

**At The Lowy  
Institute**



**General Peter Cosgrove AC MC**  
Former Chief of the  
Australian Defence Force.

**Mr Frank Lowy AC**  
Chairman  
Lowy Institute.

**Mr Glenn Stevens**  
Deputy Governor  
Reserve Bank of Australia.

**Owen Harries**  
Visiting Fellow  
Lowy Institute.



The Hon. William J. Clinton, former President of the United States.

Right: The Hon. Alexander Downer MP, Australian Minister for Foreign Affairs.



In early 2005, the Lowy Institute moved into its permanent home at 31 Bligh Street, Sydney.

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Mr Onkar Kanwar from the Federation of Indian Chamber of Commerce & Industry with High Commissioner John McCarthy AO.

Left: His Excellency Mr Cho Sang-Hoon, Republic of Korea Ambassador to Australia.



Kevin Rudd MP, Australian Shadow Minister for Foreign Affairs.



Dr Rita Hauser member Lowy Institute International Advisory Council and Chair International Peace Academy, New York.

*The Lowy Institute* is an international policy think tank based in Sydney. It provides an independent voice on international issues that affect Australians and generates new ideas on Australia's role in the world. Through excellence in scholarship, it offers practical options for improving public policy in Australia and around the world.



**Frank Lowy AC**

Chairman

Good ideas are not the preserve of the most powerful nations. I believe that Australia, with its small population and geographic position, is as capable of first-rate thinking as any other nation on earth. Australians have already made a rich contribution to their region and, in different ways, to the world.

But there is more to be done. For many years I have felt that Australia needs an independent forum to generate creative ideas for improving the way it engages with world issues.

The Lowy Institute provides such a forum, backed by excellent scholarship and offering a reputable voice that could be heard anywhere in the international marketplace of ideas.

By bringing leading thinkers to Australia and by taking our ideas to the world, the Institute – now in its third year – is connecting Australia with this marketplace.

It is possible for the world to govern itself better so that it becomes a safer place for us all. There is a pressing need to deal with issues such as transnational threats of terrorism, weapons of mass destruction, the threat posed by pandemics and the crisis in institutions of global governance. Australia can inject fresh thinking into the debate about these contemporary challenges.

Our aspirations are high at home too. In Australia, we don't just want to debate decisions that have been made, we want to influence the national agenda. Despite its youth, the Institute has already made a contribution to public policy in this country.

In 2005, the Institute moved into its permanent home in Sydney's CBD and was honoured to have Australia's Prime Minister, John Howard, formally open the building. He used the occasion to deliver the inaugural Lowy Lecture on *Australia in the World*, which was one of the broadest and most reflective speeches given about Australian foreign policy in many years.

An institution is only as good as its staff, its board and International Advisory Council. The Lowy Institute has gathered individuals of outstanding capabilities in academia, business, governance and policy. I want to thank them and our world class research team for putting the Institute on the map.

I look forward to us working together so the Institute can grow and extend its influence. My hope is that we can broaden our constituency through encouraging others to invest in our mission.

This is our first annual review. In it, you'll see what we are reaching for and I hope you find it inspiring.

**Frank Lowy AC**  
Chairman  
Lowy Institute for International Policy

# Chairman's Report

# Executive Director's Report

This has been an intensely active year for the Lowy Institute, Australia's first privately funded think tank devoted to international issues.

It has also been its first full year of operation at its permanent Sydney headquarters, where it hosted more than 100 events and produced 29 publications. The new location, in the centre of Sydney, has enabled the Institute to strengthen its engagement with a diverse audience.

This growing engagement – with political leaders, policy advisers, journalists, diplomats, academics, the interested public and companies whose success is linked to developments in the outside world – is an affirmation of the value of what the Institute does.

As a think tank, the Lowy Institute is in the business of applied research and produces independent and empirically driven work to inform and deepen the debate about international policy in Australia.

We focus on issues which require a complex policy response rather than a simple rhetorical one. Our research agenda centres on matters that directly affect the country's interest and on areas where Australia can make a helpful contribution to wider international objectives.

There is no "Lowy Institute view" of the world. Its mandate is broad, it has no partisan axe to grind and carries no torch for a particular philosophical position. Its vision is one of an open Australia, engaged with the world.

The contemporary world is increasingly defined by interdependence and interaction between domestic and international events. There is little that now happens in the world which will not have an impact on Australia's economic or strategic interests.

In this review you can see the multiplicity of issues covered by the Institute this past year. Highlights include: the inaugural Lowy Lecture on *Australia in the World* by the Prime Minister of Australia, John Howard; the publication of the Lowy Institute Poll which is the first Australian poll dedicated to gauging how Australians view their relationship with the world; and conferences ranging from the role values play in foreign policy to the social and economic impact of avian flu, to the future of Papua New Guinea and football diplomacy. For this, we have drawn on both Australian and international

expertise. Similarly, our speakers' program has consistently attracted contributors of distinction and quality.

While the Institute has a core of research staff and visiting fellows, drawn from academia, government, business and civil society organisations, in equal measure it also draws on external partners, both individual and institutional, and invites leading international figures to participate in the Institute's activities.

We see special value in developing links with counterpart organisations internationally. We have worked with other think tanks in Australia and from Asia, the United States and Europe including the International Peace Academy, International Crisis Group, the Woodrow Wilson International Center for Scholars and The Japan Centre for International Exchange. As these relationships can cut across established ways of thinking and help shed fresh light on international issues, we continue to seek new relationships with organisations that share our policy interests.

HIV/AIDS has spread alarmingly in the Asia-Pacific region and this year the Institute was commissioned by Australia's international development assistance agency, AusAID, to develop strategic links with the corporate sector and advise on how Australian business with interests in this region might help in combating the spread of the disease. In early 2006, the Institute was involved in a unique collaboration with AusAID, Australian business and The Clinton Foundation to work towards this goal.

While our home is in Sydney, we are determined to expand our activities into other parts of Australia and the world. For this we will need material support from many sources. Led by our Deputy Director, Martine Letts, and our Director for Business Development & Community Partnerships, Lisa Middlebrook, we are establishing incentives for financial and in-kind support for the Institute.

Frank Lowy established the Institute in 2003 to mark his 50 years in Australia. He wanted to give something back to the country that had provided his family with so much opportunity and decided to make this long-term investment in Australian public life. I thank him for his vision, his personal commitment and his tireless dedication to the success of the Institute.

Thanks also to our Board for its counsel, to our International Advisory Council for its ideas and, importantly, to our staff, scholars, researchers and Visiting Fellows for a rich and busy year.

Allan Gyngell  
Executive Director,  
Lowy Institute for International Policy



**Allan Gyngell**  
Executive Director



**Key**  
Events

**President William J. Clinton**  
The Clinton Foundation

Australian Government

AusAID

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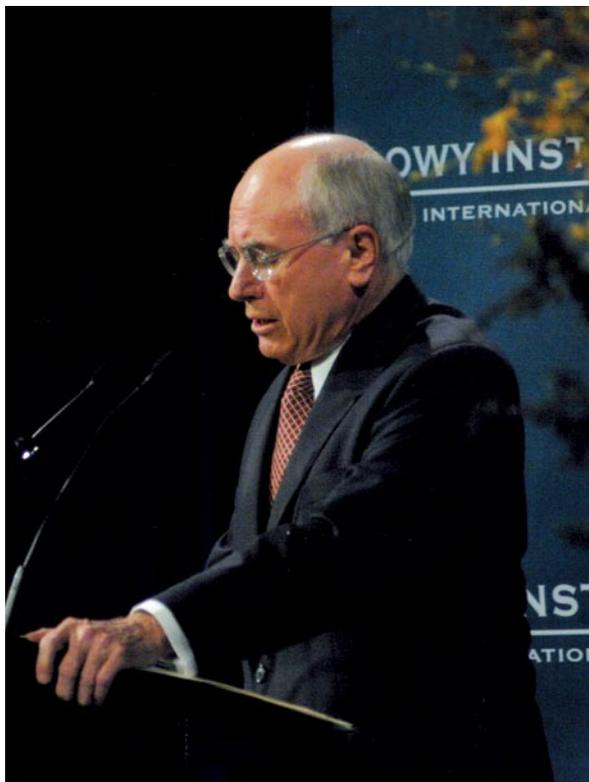
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**In February 2006**, the Institute and AusAID co-hosted a function at which President Bill Clinton, Foreign Minister Alexander Downer, Frank Lowy AC and Margaret Jackson AC, Chairman of the Asia Pacific Business Coalition on HIV/AIDS, announced significant steps to bolster the Asia-Pacific's response to HIV/AIDS.

**Margaret Jackson AC**  
Chair Qantas Airways Limited

ETTING

UT  
POLI



Prime Minister John Howard delivers the inaugural Lowy Lecture.



Top: General Peter Cosgrove AC MC.  
Below: James Fallows, National Correspondent *The Atlantic Monthly*.



H.E. Mr Ricardo Lagos,  
President of Chile.

## Key Events

The Lowy Institute encourages the exchange of ideas across academic disciplines and international policy areas. It brings together specialists from a variety of fields who might not always encounter each other in their daily work, but whose interaction can generate unique perspectives on international policy questions.

Its regular program of talks, seminars, lunches and conferences is attended by a diverse, informed community of Australians and international visitors who help to shape the public debate.

## Lowy Lecture

In April 2005, the Australian Prime Minister, John Howard, opened the Lowy Institute's new home and then, to an audience of more than 250 senior Australian and international guests, delivered the inaugural annual Lowy Lecture. In this lecture, designed to look at Australia's interaction with the world, he outlined the breadth, complexity and practical focus of Australia's global engagement. It was an important statement of Australia's foreign policy from a leader who had guided the country through almost a decade of considerable change in the region and in the world. His speech was a significant benchmark for the annual Lowy Lecture series.

## Distinguished Speakers Series

During the year, the Institute hosted the President of Chile, H.E. Mr Ricardo Lagos, and foreign dignitaries from several countries including India, Indonesia, Japan, Mexico, the United States, Pakistan, and the Philippines. Individually, many participated in the Distinguished Speakers Series, delivering lectures which provided an insight into their country or their country's relations with Australia. The series also provided a forum for discussion with several others, including: Australia's Leader of the Opposition, Kim Beazley; Australia's Treasurer, Peter Costello; Commander of the United States Central Command (CENTCOM), General John Abizaid; Professor of War Studies at King's College, London, Sir Lawrence Freedman; Director of the Earth Institute at Columbia University, Professor Jeffrey Sachs; and National Correspondent of *The Atlantic Monthly*, James Fallows.



Top: Mr Ric Smith, Secretary of Department of Defence, and Mr Allan Taylor AM, former Director-General Australian Secret Intelligence Service. Below: Vanessa Lesnie, Human Rights and Equal Opportunity Commission, and Rachel Hills.



Commander of the United States Central Command (CENTCOM), General John Abizaid.



Top: Professor Jeffrey Sachs. Below: Nobel Laureate, Professor Peter Doherty.

## New Voices

While most speakers at the Institute have experience and expertise, there is also a platform where young people can be heard. The annual New Voices conference brings together young professionals, under the age of 35, who have an interest in international issues. The 2005 New Voices conference focused on the practical effects of globalisation, avoiding the sweeping generalisations that characterise the debate and looked instead at the effects on communications infrastructure, economic integration and human rights. This conference exposes young people to a range of perspectives in order to help broaden the range of experiences and contact of our future leaders.

## Roundtable Discussions

These discussions are ideal for robust exchange, often conducted under the Chatham House Rule, to encourage open and free-flowing debate. Highlights included:

- ~ Robert Milliken, Australian correspondent, *The Economist*, and Chris Lockwood, Asia Editor, *The Economist*: **Changes in Australia's international economic environment.**
- ~ Delegation from National Institute for Defence Studies, Japan: **Australian views of East Asian security and potential areas of greater security cooperation between Japan and Australia.**
- ~ Delegation from the Indonesian Parliamentary Commission for Defence, Foreign Affairs and Information: **Present tensions and opportunities in Indonesia-Australia relations.**
- ~ Delegation from the Confederation of Indian Industries (CII), led by Y.C. Deveshwar, President of the CII, and Dr Janshed Irani, Chairman of the India-Australia Council: **Indian economic growth and global integration.**
- ~ Mr Dennis Richardson AO, Ambassador to the United States, **Australia/United States relations: Life after the FTA.**
- ~ The Hon. Mr Alexander Alexeev, Russian Deputy Foreign Minister: **Russia's position in the North Korea and Iran nuclear crises.**

## Lowy Institute Poll

In April 2005, the inaugural Lowy Institute Poll generated enormous interest in Australia, the United States and East Asia. It is the most comprehensive single survey of opinions on foreign policy ever undertaken in Australia and was much debated. The poll, which provides a snapshot of public opinion, will be conducted at regular intervals so that, over time, changes and trends in opinion can be tracked.



Mark Thirlwell, Program Director International Economy, Professor Robert Hathaway, Woodrow Wilson Center, Visiting Fellow Professor Hugh White.



The Hon. Peter Costello MP, Australian Treasurer.



Mr Frank Lowy AC with International Advisory Council member, Mr Rupert Murdoch AC.

## Wednesday Lunches

One of the Institute's most popular events is its regular "Wednesday Lunch". These casual gatherings, addressed by a research fellow, a visiting fellow or outside expert, provide an opportunity for Sydney's policy community and the interested public to discuss current international issues in an informal environment. Some highlights included:

- ~ Dr Jamie Shea, NATO Deputy Assistant Secretary General, Public Diplomacy Division: **Why is NATO relevant to Australian security?**
- ~ Andrew Goledzinowski, Assistant Secretary, Counter-Terrorism Policy: **After London: Implications for Australia's international counter-terrorism policy.**
- ~ Dr Robyn Lim, Professor of International Relations, Nanzan University, Japan: **Japan's threatening security environment.**
- ~ Mr Steve Smith, United States Consul-General: **My eight months in Baghdad as Chief of Staff to the head of the Provisional Authority in Iraq.**
- ~ Michael L'Estrange, Secretary Department of Foreign Affairs and Trade: **Weapons of mass destruction, Australia's role in fighting proliferation.**

## Lowy Lunches

More formal lunches are held regularly with distinguished visitors to the Institute. Some of these over the past year have included:

- ~ Dr Boediono, Finance Minister of Indonesia: **Insights into the Indonesian economy.**
- ~ Dr Alexander Livshits, Deputy Director General, Russian Aluminium: **Russian economic reform, politics and energy policy.**
- ~ Professor David Vines, Professor of Economics and a Fellow of Balliol College, University of Oxford: **China, the dollar, and the need for reform of the international monetary system.**
- ~ Mr Abdul Razak Baginda, Executive Director Malaysian Strategic Policy Institute: **Counter-terrorism and regional cooperation.**
- ~ Dr James A Boutilier, Special Advisor Policy Maritime Forces Pacific Canada: **The new contours of East Asia's strategic landscape.**
- ~ Ambassador Lourdes Arande, Vice Minister for Foreign Affairs, Mexico: **Australia-Mexico relations.**

## Seminars

Seminars are an important forum in which Institute staff come together with other experts to discuss and debate issues.

Highlights of the past year's program include:

- ~ Professor Warwick McKibbin, Professorial Fellow, Lowy Institute: **Sensible climate policy.**
- ~ Australian Heads of Mission in Europe: **Australia's foreign and security interests in Europe and the transatlantic alliance.**
- ~ Ms Levinia Crooks, Executive Director of Australian Society for HIV/AIDS Medicine: **Australia and the response to HIV/AIDS.**
- ~ South Pacific Heads of Mission: **The Pacific: beyond post-colonialism and the Pacific Way, a new era?**
- ~ Dr Alan Dupont, Program Director, Lowy Institute: **Australian merchant marine proposal.**
- ~ Co-hosted with Woodrow Wilson Center/ANZSOG: **United States and China: cooperation, competition or conflict?**



Hon Theo Sambuaga MP, Chairman, Commission 1 (Golkar)



Margaret Jackson AC.



Top: Steve Waugh AO, Former Australian Cricket Captain.  
Below: Ambassador Martin Indyk, Board Member Lowy Institute and Director of the Saban Centre for Middle East Policy at The Brookings Institution.

## Conferences

The Institute conducts a number of major conferences each year, often in conjunction with other think tanks, universities and businesses.

- ~ **Overcoming constraints in Papua New Guinea** (with support from AusAID). Speakers included Ila Geno, Papua New Guinea Chief Ombudsman, Bob Lyon, Managing Director ANZ Pacific, Dr Ila Temu, General Manager, Government Relations, Placer Nuigini.
- ~ **Macroeconomic policy and structural change in East Asia.** Led by Stephen Grenville AO, Visiting Fellow Lowy Institute.
- ~ **New Voices: Binding the world together, the prospects for and impacts of globalisation.** A conference for rising professionals under age 35.
- ~ **Financial and fiscal challenges of demographic change.** APEC young leaders think tank with Dr Robin Brooks, International Monetary Fund, and Malcolm Edey, Reserve Bank of Australia.
- ~ **Papua New Guinea update.** Co-hosted by the Lowy Institute and Asia-Pacific School of Economics and Government, ANU.

- ~ **The Chinese economy: the impact on Korea and Australia.** Co-hosted with the Australia-Korea Foundation, the Korea Australia Foundation and Macquarie Bank.
- ~ **Asian Economic Panel Forum.** Led by Glenn Stevens, Deputy Governor Reserve Bank of Australia.
- ~ **Football Diplomacy: Engaging Asia through sport.** Lowy Distinguished Speaker Mr Steve Waugh AO.
- ~ **The consequences of a possible avian influenza pandemic.** Co-hosted with CARE Australia, Dr David Nabarro, Senior System Coordinator Avian and Human Influenza, United Nations, David Templeman, Director-General Emergency Management Australia.
- ~ **Values and foreign policy.** The role of values in foreign policy, with guests James Fallows, National Correspondent *The Atlantic Monthly*, and Dr Charles Krauthammer of the *Washington Post*.
- ~ **Globalisation and regionalism.** Lowy Institute/ANU/European Central Bank.
- ~ **Public-Private Partnerships for Papua New Guinea.** Lowy Institute/ABN Amro.

## HIV/AIDS

HIV/AIDS has reached alarming proportions in the Asia Pacific and in 2005 the Institute was commissioned by Australia's international development agency AusAID to develop strategic links with the Australian corporate sector and to advise how Australian business with interests in the region might play a more significant role in combating the spread of this disease. Business leaders responded enthusiastically to the subsequent AusAID/Lowy Institute initiative on HIV/AIDS. In October, Australian Foreign Minister, Alexander Downer, hosted a luncheon at the Institute that brought together senior business leaders who resolved to develop ways to help curb the spread of the disease and to work with key agencies engaged in the same task. In February 2006, the Institute and AusAID co-hosted a function at which President Bill Clinton, Mr Downer, Frank Lowy and Margaret Jackson, Chair of the Asia-Pacific Business Coalition on HIV/AIDS, announced significant steps to bolster the Asia-Pacific's response to HIV/AIDS. A Memorandum of Understanding was signed between The Clinton Foundation and AusAID that will extend the provision of anti-retroviral therapies to China, Vietnam and Papua New Guinea.

## Football Diplomacy

In October, the Institute held a one-day seminar on "Football Diplomacy" which brought together Australian business, sport, administrators, economists and foreign policy specialists in an effort to understand how sporting relationships affect Australia's engagement with Asia and how the opportunities created by regular international sporting meetings might be leveraged.

# Lowy Publications

All Lowy Institute publications are available at the Institute's website at [www.lowyinstitute.org](http://www.lowyinstitute.org).

The site contains an archive of earlier publications as well as commentary on contemporary events and information about upcoming events and research projects.

Biographical and contact details of research staff and Visiting Fellows are also available at the website.

## Lowy Institute Papers

Lowy Institute Papers are the flagship publications of the Institute. These are monograph length, policy-oriented papers on international issues containing extensive original research. They are peer-reviewed and closely edited.

## Briefs

Policy Briefs are designed to address a particular current policy issue and to suggest solutions. They are deliberately prescriptive, specifically addressing two questions: What is the problem?; What should be done?.

## Analysis

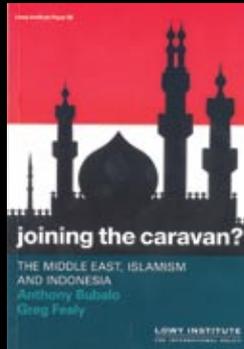
These papers address broader or longer term issues facing Australia or the international community. They are designed to deepen the understanding of the public and the policy community about important international developments.

## Perspectives

These are occasional papers, essays or speeches on international events and policy which make a useful contribution to deepening the debate about international policy. They are more discursive and personal than the other publications.

## Working Papers in International Economics

These are detailed research-focussed papers on a wide range of Australian and international economic issues.



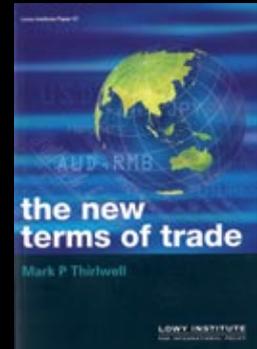
### Lowy Institute Paper 05 March 2005

September 11 2001 and the Bali Bombing in November 2002 evoked images of a militant Islamist wave sweeping the globe from the Middle East, radicalising once peaceful Muslim communities around the world. This Lowy Paper critically examines the truth of this perception by exploring the impact by exploring the impact a number of Islamist and "neo-fundamentalist" currents from the Middle East have had in Indonesia.



### Lowy Institute Paper 06 April 2005

China is growing increasingly worried that Taiwan is "drifting away" from China's goal of peaceful reunification, leading China to put more pressure on countries to actively reaffirm their One China policies. Supporters of the cross-strait status quo, like Australia, now need to think how to incorporate Taiwan's social and political change into their cross-strait deliberations or risk being caught by surprise when cross-strait relations take a turn for the worse.



### Lowy Institute Paper 07 November 2005

The landscape of the international trading environment is changing. Progress in the Doha Round remains painfully difficult, a powerful symbol of the mounting stresses and strains on the multilateral trading system. This Lowy Paper looks at this transformation in the international context for trade and trade policy.



### Lowy Institute Paper 08 December 2005

How has the Australian-American alliance survived for more than 50 years? How can Australian governments ensure that it retains public support for another 50 years? Drawing on decades of research and writing on the alliance, this Lowy Paper seeks to answer these questions in the context of a century of Australian-American relations.



### Lowy Institute Paper 09 December 2005

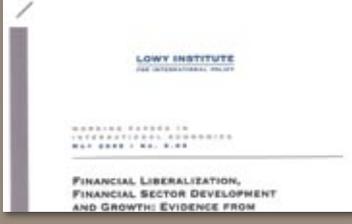
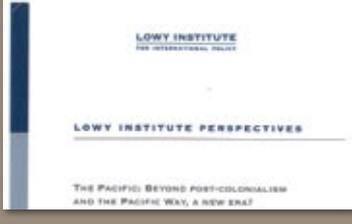
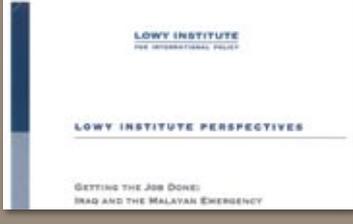
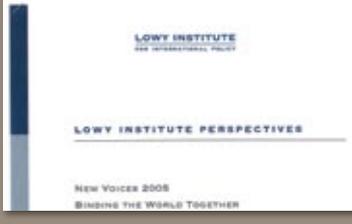
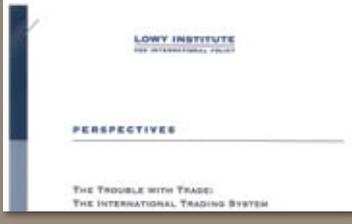
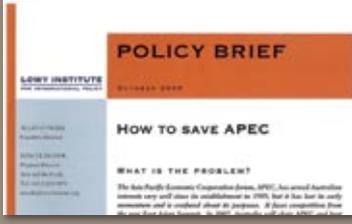
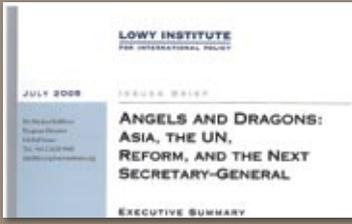
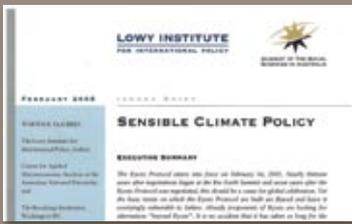
Australia has, perhaps, no closer or more complicated a bilateral relationship than that with Papua New Guinea. Australia is deeply entwined with its nearest neighbour and has a major stake in its future. This Lowy Paper calls for a new political system in Papua New Guinea and a new focus for Australian engagement.



### Lowy Institute Paper 10 January 2006

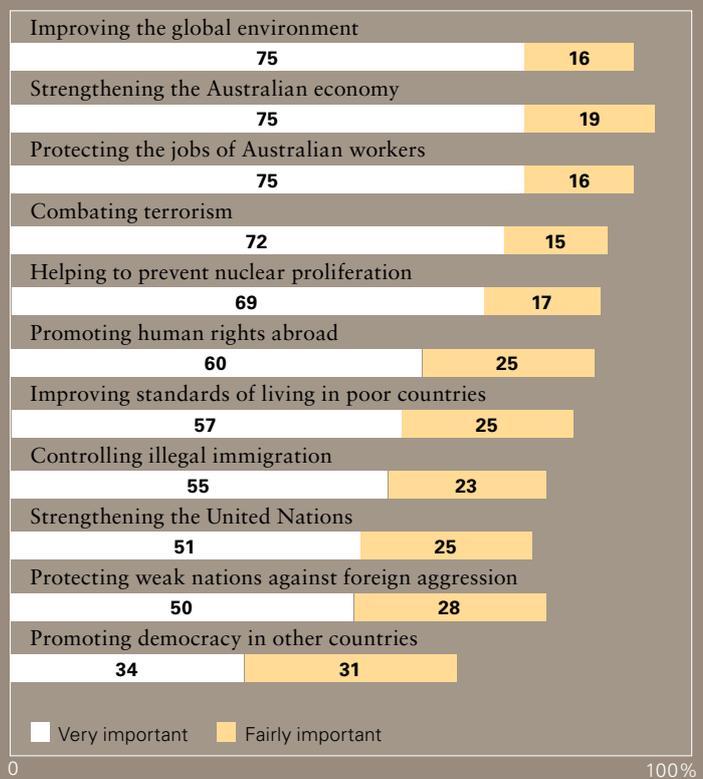
This Lowy Paper examines the role national intelligence does and could play in addressing threats to international peace and security, with particular reference to the contemporary threats of terrorism and proliferation of WMD.

It argues it is neither feasible nor desirable for the United Nations or other international organisations to develop an independent capacity to collect secret intelligence; however, they should be able to receive, access and use sensitive information.

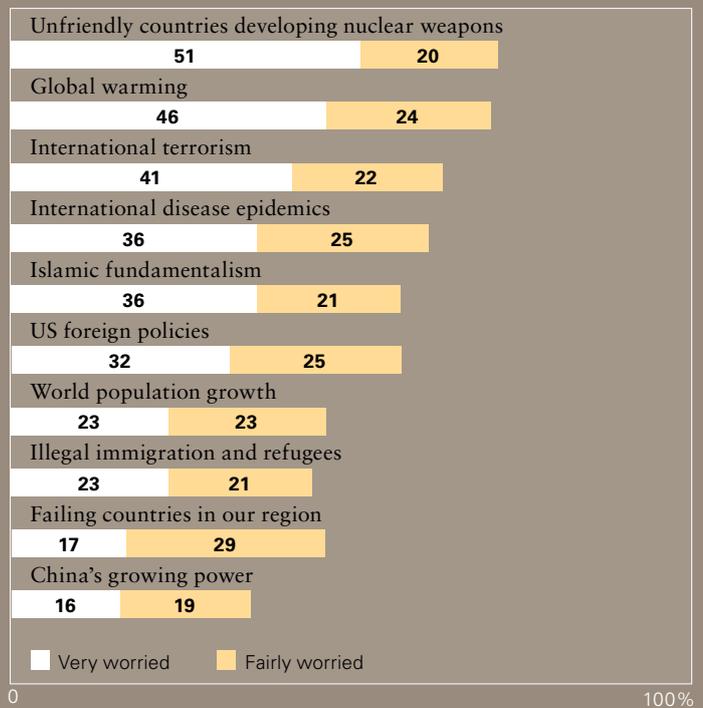


# The Lowy Poll

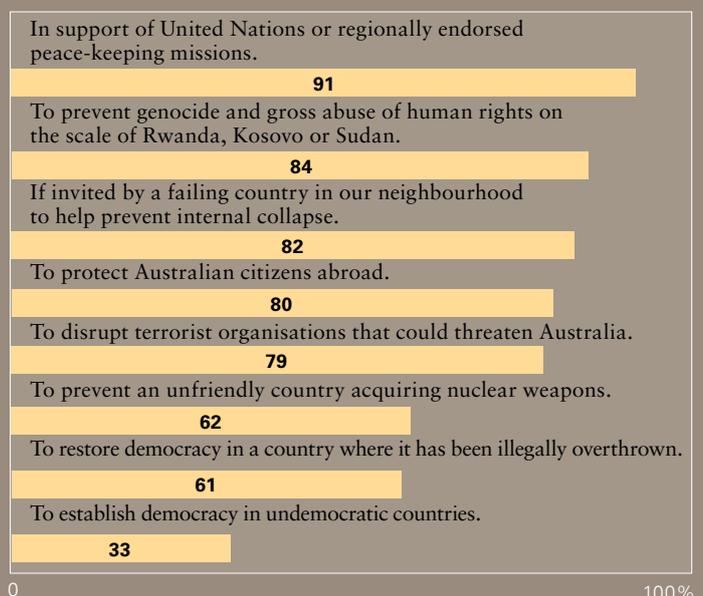
“Thinking about what Australian foreign policy should be trying to achieve, I am going to read a list of goals, and ask you to tell me how important each one is for Australia:”

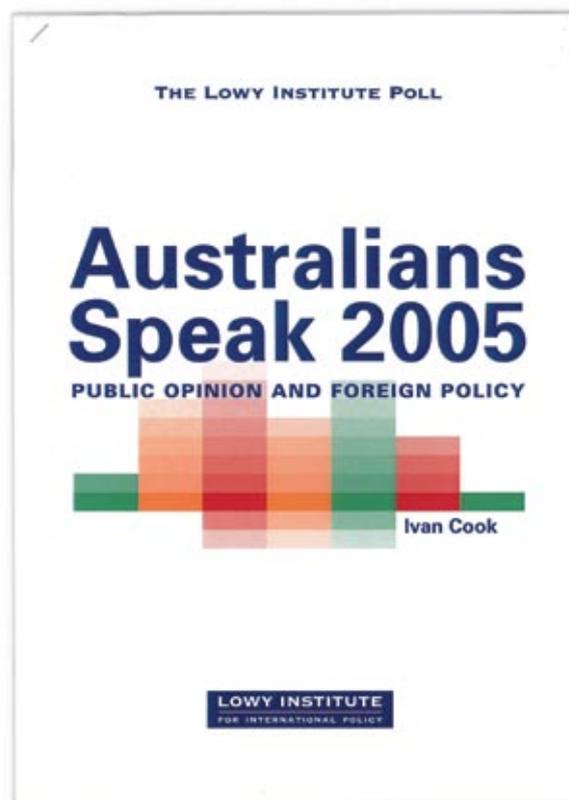


“How worried are you about the following potential threats from the outside world?”



“Thinking about how we use our military forces, should we have the right to use armed force outside Australia in the following ways?”





The Lowy Poll is the most comprehensive single survey of opinions on foreign policy ever undertaken in Australia.

The Lowy Institute Poll, conducted for the first time in 2005, is the most comprehensive single survey ever taken of Australian public opinion on foreign policy. It generated enormous interest in Australia, the United States and East Asia.

As the Lowy Institute's mission is to inform and deepen debate about international policy in Australia, it is important that it draw out and clarify public opinion about the underlying issues. This survey is the first of a series to be repeated at regular intervals. A core set of questions will be asked in each survey, so that over time an ever deepening set of compatible data will be built. While each survey will deliver a snapshot of Australian views at a particular moment, over time the series will enable long-term changes in public attitudes to be tracked. The past five years have been tumultuous and it might be that some of the attitudes revealed in the current survey are only temporary. Future polls will settle that question.

The poll is designed to capture Australian opinion on a broad range of foreign policy issues chosen for their importance to our nation. While the survey sample is representative of all Australians aged 18 years and over, it reveals differences of opinion between different demographic groups.

The inaugural 2005 poll found that the vast majority believed Australia was "a good international citizen", was "important in Asia" and "well placed to succeed in a competitive world". At the same time, about three-quarters thought Australia was "vulnerable to external threats" and more than half were as worried by American foreign policy as by Islamic fundamentalism. About two-thirds thought Australia was "a follower not a leader".

Looking beyond our shores, the poll echoed the findings of other surveys in revealing some antipathy about the reach and influence of United States' policy, and in this case, over Australian affairs. But, being ever pragmatic, more than 70% of Australians thought the ANZUS alliance was very or fairly important for Australia's security. The results of the survey have been published in a report called *Australians Speak 2005: Public Opinion and Foreign Policy*.

The 2006 edition of the Poll will feature a set of questions developed in cooperation with the Chicago Council on Foreign Relations and partner organisations in East Asia. This will allow direct comparison of Australian and international opinion and will draw out international public reactions to the shifts in the balance of economic, political and strategic power in the region and the world.

**Ivan Cook**  
Research Associate



Institute  
Programs

Yabunaka Mitoji

**North East Asia** featured prominently in the Institute's events calendar. Japan's Deputy Foreign Minister for Economic Affairs was one of our distinguished speakers.

Allan Gyngell

# Global Issues

Dr Michael Fullilove  
Program Director



2005 United Nations World Summit Begins Daniel Berehulak/Staff/Getty Images



Michael Fullilove with Swedish Foreign Minister Laila Freivalds



## FOREIGN AFFAIRS

MARCH / APRIL 2005



### All the Presidents' Men

The Role of Special Envoys in U.S. Foreign Policy

Michael Fullilove

Volume 4 • Number 1

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## Disaster shapes world view

The tsunami has revealed another face of globalisation, writes Allan Gyngell.

It was clothed and handsome, but, in so other, that nation's generosity reassured itself and America's matchless capacity to deploy resources remained the globalised world of how much it continues to rely on US power.

Multilateral organisations and great powers will play their part in the response to the crisis but, as so often recently (think of East Timor and Solomon Islands), the most useful responses we have seen have been the result of a sort of ad hoc realisation — a coalition of the afflicted and the effective.

Today's summit, for example, was initiated by the new Indonesian government. It is an important sign that Indonesia is again taking a regional leadership role.

Jakarta's sensible decision to involve non-government organisations in the co-ordination of aid delivery is another indication of the way the region has been opened up.

The economic impact of the tsunami on South-East Asia's poor will be more limited than the financial crisis of 1997-98, but the political and social impact will be substantial.

The devastation was greatest in Indonesia's Aceh province and in north-western Sri Lanka, two areas already torn by civil conflict.

In each case, the crisis may provide a crucial break, an opportunity to redefine the terms of the dispute. Speedy and incoherent relief and rebuilding operations alone will not be enough to

secure this, but they are essential building blocks. In Aceh, President Susilo Bambang Yudhoyono has good credentials. He knows the region and has grappled with its problems in the past.

Other long-term international trends are also evident in the response to the crisis. China, for example, has again set out to show itself as a helpful regional partner with sophisticated capacities to help.

Japan, silent to China's regional leadership ambitions, has directed more to the relief effort than any other country.

The disaster will shape Australian foreign policy as well. The government's response has been quick and sensitive. As we saw after the Bali bombings, the Australian public service responded very well to the complex crisis and to the broader humanitarian challenges.

"We were on the phone and doing things while others chattered," one public servant said.

And the police and military have yet again shown how important they have become to Australia's protection of its overseas interests.

Australia's rethinking on the region, evident since Howard's re-election, has developed another dimension.

Today's meeting in Jakarta looks very like the membership of the Asian Summit of which Australia wants to be part, and Australia's actions since Bandung. They have demonstrated again what a valuable contribution it makes to regional outcomes.

The way we see this crisis through will help define our relations with our neighbours for a long time to come.

Allan Gyngell is executive director of the Lowy Institute for International Policy.

## Celebrities should stick to their day jobs

Let us not work too hard to characterise people as celebrities with no other skills. The fact that they are famous is not a good thing. The fact that they are famous is not a good thing. The fact that they are famous is not a good thing.

It is not surprising that the public is so disillusioned with celebrities. They are not doing their jobs. They are not doing their jobs. They are not doing their jobs.

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Iranian nuclear program the world's next hot potato

Despite Iran's claim of not developing weapons, defying its nuclear ambitions may be the defining item on next year's international policy agenda, suggest Michael Fullilove and Anthony Roberts

The world's most powerful nations are engaged in a high-stakes game of hide-and-seek over Iran's nuclear program. The world's most powerful nations are engaged in a high-stakes game of hide-and-seek over Iran's nuclear program.

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## Climate pact a good beginning

The new emissions partnership could be a sensible step, argues Warwick McKibbin.

There is much to be encouraged about the new partnership. There is much to be encouraged about the new partnership. There is much to be encouraged about the new partnership.

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**The global issues program identifies** the points at which world events and trends intersect with Australia's concerns, and subjects these to rigorous analysis. The two major themes in the program's work are the United States and the United Nations.

The direction of United States grand strategy was assessed in the Lowy Paper *Bush is from Mars, Kerry is from Mars too*, which argued that a new appreciation of the limits of American power would lead to more moderate international policies in President George W. Bush's second term. The role of special envoys in United States foreign policy was also examined in an article for the international journal, *Foreign Affairs*.

The program published Peter Edwards's survey of Australia's most important alliance relationship, *Permanent friends? Historical reflections on the Australian American alliance*, and Visiting Fellow Owen Harries continued to publish insightful observations on the United States. A future publication will deal with the implications for Australia of strategic competition between the United States and China.

On its second theme, the United Nations and global governance, the program published a sustained series of comments on the United Nations reform process which culminated in the World Summit in September 2005. A paper was published on the United Nations and Asia – an underexplored topic that may increase in salience with the likely election of an Asian Secretary-General in 2006. Simon Chesterman of New York University published a Lowy Paper on another emerging issue, the role that national intelligence plays in resolving international peace and security questions. A review of the Australian-led Regional Assistance Mission to Solomon Islands (RAMSI) and its implications for international state-building was also published.

The Iranian nuclear question became a focus of the Institute's work over the past with the publication of *Iran, the international community and the nuclear issue: where to next?*. The Institute maintains a watching brief on international efforts to resolve this defining issue.

The Institute continues to lead a national discussion on the Australian diaspora and published *Diaspora: The world-wide web of Australians*. This report was cited by Prime Minister John Howard and its recommendations were endorsed by a Senate committee and the Opposition Leader, Kim Beazley. A forthcoming brief will examine another important question: how capital punishment is dealt with in Australian foreign policy.

The global issues program contributed regular op-ed pieces and commentary to Australian and international newspapers and broadcasters, on issues as diverse as the bombings in Bali and London, foreign aid, and the Anglosphere. The program director also participated in international debates through appearances on CNN International and speeches at venues such as United Nations Headquarters in New York, Ditchley Park and Wilton Park in the United Kingdom, and Uppsala University in Sweden.

As part of its extensive and lively series of events on global issues, the program has run several seminars dealing with concerns such as the Iraq occupation, European integration and international law. It has hosted talks with visiting British ministers, European parliamentarians, US congressmen, and the heads of Australia's diplomatic missions in Europe; and speeches by policy-makers such as Ambassador Martin Indyk and former Downing Street adviser Geoff Mulgan.

During the period, the program organised three major international conferences: a meeting on the UN's contribution to Asia-Pacific security, which was co-hosted with the New York-based International Peace Academy and brought foreign ministers, officials and commentators from around the world to Sydney; a conference on values and foreign policy, which was addressed by James Fallows of *The Atlantic Monthly*, Charles Krauthammer of the *Washington Post*, and the author and diplomat Robert Cooper, and a trilateral dialogue between German, New Zealand and Australian diplomats and analysts.



Londoners' Muslims at the Barbican Centre in north London. The city has a high concentration of militant Islamists

## Blair's front line

The bombings show London matters as much as Baghdad in the war against terror, write Anthony Bubalo and Michael Fullilove

**T**HE world is already asking whether London, like Madrid before it, has paid the price this week for its close alliance with the US and its prominent role in the war in Iraq, a question that is obviously relevant to Australia as well. But its focus on reaction we should not ignore an equally important factor in determining where countries will differ most significantly: London is more centrally located than

THE AUSTRALIAN July 9 2005

## Words find their mark in power stakes

**I**n London, the words of the British Prime Minister, Tony Blair, were widely seen as a key moment in the war on terror. Blair's speech to the House of Commons on July 7, 2005, was widely seen as a key moment in the war on terror. Blair's speech to the House of Commons on July 7, 2005, was widely seen as a key moment in the war on terror.



The Sydney Morning Herald January 5 2006



Thai military at Pattani Danial Berehulak/AFP/Getty Images

## Asia's alliance with the Middle East threatens America

**A** new global alignment is emerging that will have profound implications for the shape of the international system and the Middle East. It is a new alliance between the Middle East and Asia, one that is being forged in the shadows of the war on terror. This new alliance is being forged in the shadows of the war on terror. This new alliance is being forged in the shadows of the war on terror.

FINANCIAL TIMES October 5 2005

## World must back peace push begun in Gaza

**M**onths of internal Israeli ferment over the Sharon government's decision to withdraw settlements from the Gaza Strip and parts of the West Bank will come to a head this week. The process is bound to be traumatic. But it is what happens on the day after the withdrawal that will be really significant for both Israeli Prime Minister Ariel Sharon and Palestinian leader Mahmud Abbas. Success could help rebuild trust between Israelis and Palestinians and lead to the resumption of the peace process. Failure will cost both leaders their jobs, and worse, lots of Israeli and Palestinian lives.



FINANCIAL REVIEW August 16 2005



Anthony Bubalo  
Research Fellow, Lowy Institute

**Opinion**  
**Why West should come to Islamist party**  
Some Muslim political groups can be a force for moderation and democracy, say Anthony Bubalo and Greg Fealy

**P**akistan, Malaysia, a number of other Muslim countries have seen a rise in Islamist political groups. These groups are often seen as a force for moderation and democracy. Some Muslim political groups can be a force for moderation and democracy, say Anthony Bubalo and Greg Fealy.

THE AUSTRALIAN March 29 2005

Among those who observe South East Asia, there is currently a concern that Indonesian Muslims are being radicalised by external influences. In 2005, a Lowy Paper examined how Islamist thinking from the Middle East had impacted in Indonesia. The paper, *Joining the caravan?: the Middle East, Islamism and Indonesia* was a collaboration with Dr Greg Fealy of the Australian National University, one of Australia's leading Indonesia watchers. It argued that while Islamists from the Middle East had played a critical role in shaping the emergence of certain forms of activism in Indonesia, it would be wrong to underestimate the role of local factors, both as a source of radicalism and in mediating and modifying ideas imported from the Middle East.

The paper's relevance was not limited to an Australian audience. Interest in the United States saw the publication of an abridged version by the Brookings Institution as a part of its project on "US Policy Towards the Islamic World". Strong interest in Indonesia also resulted in a decision to publish an Indonesian-language translation. The paper's authors were invited by the Australian Embassy in Bangkok to brief the Thai National Reconciliation Council, which has been working to promote a peaceful resolution to the conflict in the Muslim-majority areas of southern Thailand. As a follow-up, the Institute has begun research into the role of external influences on Islam in Thailand.

On a different theme, the unprecedented move by Australian football into the Asian Football Confederation in 2005 was expected to have commercial, cultural and political implications for Australia's engagement with Asia. In an effort to understand the broader implications, the Institute held a seminar in October 2005 on "Football Diplomacy". This brought together Australian business, sports administrators, economists and foreign policy specialists in an effort to understand the effects of the engagement and explore how the opportunities created by regular international sporting meetings might be leveraged by business, government and other sectors of the Australian community. The seminar highlighted the broader relationship between sport and international policy and ideas raised in discussion were distilled and further developed into a policy brief. The Football Federation of Australia and the Government have already acted upon one of the brief's recommendations.

During 2005, the Institute produced research on the Israeli-Palestinian conflict, looking, in particular, at the role Australia might play in strengthening the rule of law in the Palestinian territories. It published an issues brief, *Building a democratic Palestine: An Australian contribution to legal and institutional development in the Palestinian territories*, in which it urged the Australian Government to provide technical support to the Palestinian reform effort, particularly in the security sector. Some two months after the brief's publication, the Australian Government announced that an Australian army officer would join the international team working on Palestinian security sector reform.

The Institute also brought together a small group of government officials, diplomats, academics and commentators in a seminar on Iraq. Entitled "Taking Stock", the discussion provided an opportunity to assess the direction of events in Iraq and ways in which Australia and other actors might best pursue the reconstruction and stabilisation effort. The discussion was introduced by Professor Anthony Cordesman of the Center for Strategic and International Studies in Washington.



The Institute's international security program contributes to the national debate about Australia's defence policy and to international debate about the strategic environment and global security threats. Strategic issues in Asia and the Pacific are a special focus of its work. In its strategic assessments and policy development, the program takes a holistic approach.

Its broad view of international security incorporates elements of the traditional and the new security agendas. Within the traditional agenda, a major study of Japanese security policy by the Institute was subsequently published in amended form in the influential United States policy journal *The National Interest* (Spring 2005) under the title "The Schizophrenic Superpower". Within the new agenda, the program engages in cutting-edge policy research on transnational security threats such as the security consequences of climate change. Its study on these consequences for Asia and the Pacific is scheduled for publication in 2006. This collaborative project is co-authored by Dr Dupont and the former Chief Atmospheric Scientist at the CSIRO, Dr Graeme Pearman.

Four other prospective studies include an analysis of the forces, pressures and challenges confronting the international system and the implications for Australian foreign and security policy, by Dr Russell Trood, a distinguished former academic and now Liberal Party Senator from Queensland; an innovative project assessing the need for an Australian counter-insurgency policy by Army Fellow Lieutenant Colonel Mark O'Neill; collaborative research on energy and security in Asia and the Pacific; and a forward-looking program for the corporate sector and government identifying international developments that might challenge Australia's future security and economic prosperity.

The international security program hosted two major events in 2005. The first was the Sturdee Symposium on Grand Strategy in partnership with the Army's Land Warfare Studies Centre in Canberra. This reflected on the absence of an Australian grand strategy, examined the seminal changes in Australia's security environment and considered possible policy responses. It brought together leading Australian thinkers and practitioners in defence and foreign policy, including Defence Minister Robert Hill and the Chief of the Defence Force, General Peter Cosgrove.

The Institute also convened a workshop to examine a proposal to reconstitute an Australian merchant marine. This was attended by key figures in the navy transport, corporate, industry, government and union sectors.

It was a busy year for program staff who, among other things, participated in a forum on AIDS at La Trobe University in Victoria, addressed the National Advisory Group on Environment Business Australia, attended the Chief of Army Conference in Canberra and an Australia-Japan meeting in Melbourne, addressed the Australian Industry Group on Bird Flu and Pandemics and participated in defence workshops facilitated by the Kokoda Foundation. Internationally, the Senior Fellow briefed defence officials in London on East Asian security developments, made a presentation on energy security at a United States-Australia policy forum in Los Angeles organised by the Australian Consulate-General and discussed regional security trends with officials in Beijing, Tokyo and Singapore.

This coming year, a second Sturdee Symposium is planned.

The program continued its involvement with the Australian National University on the "languages of security" project, funded by an Australian Research Council Industry linkage grant. This three-year project employs a cross-disciplinary approach to examine the different languages of security used in the region. It explores the way security issues are understood not only by policy elites of the different societies of Asia and Australia but by the public. The project will investigate ways in which divergent understandings can cause far-reaching damage to security cooperation.



The Institute's international economy program identifies and interprets trends that contribute to changes in the international economic environment that affect Australia. It looks beyond short-term fluctuations of the international business cycle and focuses on the underlying forces at work. One of the most significant trends is the re-emergence of China and India as major economic powers.

China's rapid growth has seen it become Australia's second largest trading partner, and its rising economic and political weight is exerting an increasingly powerful influence on Australia's external environment. During 2005, a series of papers, seminars, and presentations analysed some likely consequences. An Institute Working Paper examined the environmental consequences of China's rising energy use, two papers in the Institute's Perspectives series looked at China's influence on the world economy, as did presentations at conferences organised in conjunction with the Australia-Korea Foundation and with the Woodrow Wilson Center and the Australia & New Zealand School of Government.

India remains a key focus for the Institute. In 2004, the Institute released a Lowy paper on India's economic prospects, *India: The next economic giant*, and in 2005 hosted visits from the Indian Commerce and Industry Minister and a high level delegation from the Confederation of Indian Industries. The Institute continued to provide commentary and analysis of India's economic transformation and a research trip to the country included meetings with senior policy-makers and representatives of leading economic think tanks. This year will see the publication of a new paper on China, India and the world economy.

The changing geographic distribution of economic weight in the world economy has significant implications for the effectiveness of the international economic architecture. In a series of articles and op-eds, including several pieces by Visiting Fellow Dr Stephen Grenville, the Institute has pressed the case for reform, advocating the G-20 as the peak body for managing globalisation. With Australia due to host the G-20 meeting in November 2006, a further paper on this issue will be released soon.

The process of demographic change is another major force transforming the international economic environment. Professorial Fellow Warwick McKibbin produced a series of working papers examining the global macroeconomic impact of demographic change. He presented this work at several events, including a G-20 workshop and a conference of the Asian Economic Panel which featured the noted international economist and Director of the Earth Institute, Professor Jeffrey Sachs.

Trade and trade policy were important themes in 2005. In January, the Australia-United States Free Trade Agreement came into force and confirmed a pivotal shift in Australia's trade strategy. Much of the year was dominated by the tortuous build-up to December's Hong Kong WTO ministerial meeting and the likely fate of the Doha Round of multilateral trade negotiations. The Institute analysed many of these developments in the Lowy Paper *The new terms of trade*, by Mark Thirlwell. This paper describes how the international trading environment facing Australia has changed and examines policy challenges that have resulted.

The need to tackle the problem of climate change is now a pressing challenge for policy-makers worldwide and the coming into force of the Kyoto Protocol, in February 2005, was a major event. The Institute launched a brief on the subject called "Sensible Climate Policy", which argued that Kyoto was badly constructed and likely to achieve very little in the quest to address the problem of climate change. This brief has been the subject of a series of high level presentations and seminars given both in Australia and internationally by Professor Warwick McKibbin, one of the world's leading authorities on climate change policy.

With Australia's economic future increasingly tied to developments in East Asia – the region now accounts for roughly half of all Australian merchandise trade – the program kept a close eye on regional economic trends. The Institute hosted the inaugural Australian meeting of the Asian Economic Panel, bringing together leading international economists and policy-makers to discuss economic issues of major importance to Asia. It also hosted a conference with the Australian National University's Centre for Applied Macroeconomic Analysis and the European Central Bank on globalisation and regionalism and provided a venue for a conference organised by the Australian Treasury on Macroeconomic Policy and Structural Change in East Asia at which Stephen Grenville spoke.



**Almost all the work at the Institute** involves relations within the Asia Pacific, the region where Australia's economic, political and security interests come together most directly. The Asia-Pacific program is roughly divided into three sub-regions – North East Asia, South East Asia and the South Pacific – as Australian interaction and interests in these three are significantly different.

In the South Pacific, Australia is the main foreign power with both a deep current engagement and a colonial history. This is the area of the world where Australia carries the most weight and responsibility and where its foreign policy makes a substantial difference. Australia-Papua New Guinea relations is the most important and delicate issue in this sub-region and the main focus of the Australian aid program. In 2005, a number of public events, visits, and research publications focused on this bilateral relationship and on Australia's "great power" position in the South Pacific.

In late 2005, a Lowy Paper titled *Re-imagining Papua New Guinea* called for longer-term, broader engagement with Papua New Guinea. This research was supported by an earlier AusAID-sponsored international conference which looked at commercial and governance successes in Papua New Guinea. At a roundtable with the Australian Pacific Heads of Mission a workshop was held about Australia's regional role. In 2006, the Institute will host a conference with AusAID on the Government's Pacific 2020 plan and a workshop on effective public diplomacy.

South East Asia is the region of greatest security concern for Australia and plays a central role in Australia's interests in a deeper Asian integration. In this respect, bilateral relations with Indonesia are most important and are a major focus of Australian foreign policy. Growing concern about Islamist terrorism, and the second set of bombings in Bali in 2005, made engagement with South East Asia and Indonesia even more important.

The Institute held several events and workshops on Australia-Indonesia relations and contributed heavily to the media's coverage of the Boxing Day tsunami. As part of the Distinguished Speakers Series, Philippine Foreign Secretary Alberto Romulo spoke on the future of East Asia. In late 2005, the Institute published a Policy Brief entitled *How to save APEC*, focusing on Australia's hosting of APEC in 2007 and on how to ensure that this cooperative organisation and the region it represents remains relevant. The Institute runs the annual APEC young leaders think tank in collaboration with the Australian Government.

In 2006, the program will publish papers on topics including: the growing warmth and diversity of China-South East Asia relations; the prospects for the Mindanao peace process; and the Papua problem and Australia-Indonesia relations. Collaborative follow-up work on the APEC Policy Brief and on Australia-Indonesia relations is also planned.

Economically, North East Asia is the most important region for Australia. It provides Australia's three largest export markets and is the region where great power tensions hold the greatest risk of entangling Australia. While Australia has little ability to affect changes in North East Asia, it remains highly sensitive to them. In early 2005, the Institute published a Lowy Paper entitled *Balancing act: Taiwan's cross-strait challenge* looking at domestic social change in Taiwan and its impact on relations with China. It also published a Perspective on Japan's changing foreign policy.

The region featured prominently in the Institute's event calendar with a conference on Australian and Korean responses to the rise of the Chinese economy. This conference was sponsored by the Australia-Korea Foundation and Macquarie Bank. The Deputy Foreign Minister of Japan, Yabunaka Mitoji, also addressed the Institute as part of the Distinguished Speaker Series.

In 2006, the Institute published a brief examining changes to the Japanese economy, political system and foreign policy that challenge assumptions about Japan and its future. The Institute is also planning events relating to the proposed China-Australia Free Trade Agreement.



Mr Frank Lowy AC



Mr Robert Ferguson



Professor Ross Garnaut AO



Ambassador Martin Indyk



Mr Peter Lowy



Mr Steven Lowy



Mr Ian Macfarlane AC



Professor Robert O'Neill AO



Mr Mark Ryan



Professor Judith Sloan



Mr Michael Thawley

# The Directors

**International Advisory Council** provides advice and contributes to setting the research priorities of the Institute. The council comprises: **Dr Pervaiz Iqbal Cheema**, President of the Islamabad Policy Research Institute, Pakistan; **Sir Lawrence Freedman**, Professor of War Studies at King's College, London; **Dr Rita Hauser**, Chair of the Hauser Foundation, New York; **Professor Francois Heisbourg**, Chairman of the Foundation for Strategic Research, Paris; **Professor Robert Joss**, Dean of Stanford Graduate School of Business, California; **Professor Lord (Robert) May OM AC Kt PRS**, Past President of the Royal Society, London; **Mr Rupert Murdoch AC**, Chairman and Chief Executive of News Corporation, New York; **Mr Wiryono Sastrohandoyo**, Senior Fellow at the Centre for Strategic and International Studies, Jakarta; **Mr James Wolfensohn AO**, Former President of the World Bank, Washington DC.

**Mr Frank Lowy AC**

Frank Lowy is executive chairman and co-founder of the Westfield Group, a global shopping centre company. He is a director of Daily Mail and General Trust plc (UK) and chairman of the Lowy Institute for International Policy and the Football Federation of Australia Limited.

**Ambassador Martin Indyk**

Martin S. Indyk is the director of the Saban Center for Middle East Policy at The Brookings Institution in Washington DC, and a former US ambassador to Israel. Before entering government, he was the founding executive director of the Washington Institute for Near East Policy, and adjunct professor, Johns Hopkins University School of Advanced International Studies. Ambassador Indyk holds a PhD from the Australian National University.

**Mr Ian Macfarlane AC**

Ian Macfarlane has been Governor of the Reserve Bank of Australia since 1996. His background is as an economist and he is a Fellow of the Academy of the Social Sciences in Australia. Prior to joining the Bank in 1979, he worked at Monash University, Oxford University and the OECD in Paris.

**Professor Judith Sloan**

Judith Sloan is an economist with a special interest in the labour market. She is currently Commissioner of the Productivity Commission and Director of Santos Ltd. She has held academic appointments at the University of Melbourne and Flinders University. She was appointed Professor of Labour Studies in 1989. She has written widely in books, journals and newspapers. Her previous appointments include Deputy Chair of the Australian Broadcasting Corporation, Director of Mayne Group Ltd and Director of the South Australian Ports Corporation.

**Mr Robert Ferguson**

Robert Ferguson is one of Australia's most respected business leaders. He was Managing Director of Bankers Trust Australia and is Deputy Chair of The Sydney Institute and Director Sydney Writers' Festival.

**Mr Peter Lowy**

Peter Lowy is Group Managing Director of the Westfield Group. Prior to joining Westfield in 1983, he worked in investment banking in the US and UK. He has resided in the US since 1990. He serves on the Executive Committee of the Board of Governors for the National Association of Real Estate Investment Trusts and is on the Board of Directors of The Association of Foreign Investors in Real Estate.

**Professor Robert O'Neill AO**

Robert O'Neill retired as Chichele Professor of the History of War and as a Fellow of All Souls College, University of Oxford in September 2001. He was also Chairman of the Council of the International Institute for Strategic Studies, London, 1996-2001, Chairman of Trustees of the Imperial War Museum 1998-2001, a director of the International Peace Academy, New York, 1990-2001, Chairman of the Council of the Australian Strategic Policy Institute in Canberra, 1999-2005, and Deputy Chair of the Council of the Graduate School of Government at the University of Sydney, 2002-2005. Prior to his appointment to Oxford in 1987, Professor O'Neill was Director of the International Institute for Strategic Studies (IISS) in London. He was Head of the Strategic and Defence Studies Centre of the Australian National University (ANU), 1971-1982.

**Mr Michael Thawley**

Michael Thawley is Senior Vice President of Capital Strategy Research Inc, a member of the Capital Group companies. Until May 2005 he served as Australia's ambassador to the United States. Before that, he was international adviser to the Prime Minister, Mr John Howard, and served in a variety of positions in the Australian Government in Canberra and overseas.

**Professor Ross Garnaut AO**

Ross Garnaut AO is Professor of Economics, Research School of Pacific and Asian Studies, Australian National University (ANU). He is a Fellow of the Academy of Social Sciences of Australia and Honorary Professor Chinese Academy of Social Sciences. From 1985 to 1988 he was Australian Ambassador to China. He is the author of numerous books, monographs and articles on international economics, public finance and international development, particularly in relation to East Asia and the Southwest Pacific.

**Mr Steven Lowy**

Steven Lowy is Group Managing Director of the Westfield Group. Prior to joining Westfield he worked in investment banking in the US. Steven is a director of the Victor Chang Cardiac Research Institute; a member of the Prime Minister's Business-Government Advisory Group on National Security; a member of The Australian Graduate School of Management (AGSM) Advisory Council; a Director of the Lowy Medical Institute Limited; and a trustee of the Art Gallery of New South Wales.

**Mr Mark Ryan**

Mark Ryan has extensive experience in government, media and the corporate sector. Between 1985 and 1994 he held a number of positions with State and Federal Government Ministers, including as Senior Political Adviser to the Australian Prime Minister. Since then he has been a director of a Sydney-based investment bank and is now Director of Corporate Affairs for the Westfield Group. He is a director of the Shopping Centre Council of Australia and the Australian Football League Foundation.



Allan Gyngell



Martine Letts



Anthony Bubalo



Ivan Cook



Dr Malcolm Cook



Dr Alan Dupont



Dr Michael Fullilove



Lisa Middlebrook



Mark Thirlwell

# Institute Staff

## **Lowy Institute administrative staff**

Nicky Baker  
Office Manager  
Joanne Bottcher  
Information Manager  
Orietta Melfi  
Media & Events Manager  
Justine Lane  
Executive Assistant

### **Allan Gyngell**

Allan Gyngell, Executive Director, has an extensive background in international policy-making in Australia. He joined the then Department of External Affairs in 1969 and had postings to Rangoon, Singapore and Washington. He also held positions at the Office of National Assessments and the Department of the Prime Minister and Cabinet. From 1993 to 1996, he was foreign policy adviser to Prime Minister Paul Keating. He has worked as a consultant to a number of Australian companies. In 2003, Cambridge University Press published *Making Australian Foreign Policy*, a book he co-authored with Michael Wesley. He is a member of the Australian Government's Foreign Affairs Council, and was educated in history and political science at Melbourne University.

### **Ivan Cook**

Ivan Cook, Research Associate, joined the Institute in July 2004. Ivan manages and reports on the annual Lowy Institute Poll and New Voices Conference along with various other research projects and events. He has a Bachelor of Arts (Honours) from the Australian National University and a Master of International Studies from the University of Sydney.

### **Dr Michael Fullilove**

Michael Fullilove, Program Director for Global Issues, has worked as a lawyer, a volunteer in the United Nations Transitional Administration in East Timor, and as an adviser to Prime Minister Paul Keating. Michael graduated in international relations and law from the universities of Sydney and New South Wales, with dual university medals. He also studied as a Rhodes Scholar at the University of Oxford, where he took a master's degree in international relations and wrote his doctorate on Franklin D. Roosevelt's foreign policy. His dissertation was awarded the annual prize for the best international history thesis in Britain. His first book, *Men and Women of Australia! Our Greatest Modern Speeches*, was published by Vintage in November 2005.

### **Martine Letts**

Martine Letts, Deputy Director, joined the Institute following four years as the Secretary General (CEO) of the Australian Red Cross and a 17-year career with the Department of Foreign Affairs and Trade. She served as Australian Ambassador to Argentina, Uruguay and Paraguay, Deputy Head of Mission to the International Atomic Energy Agency (IAEA) and was an adviser to Foreign Minister Evans from 1992 to 1994. Throughout her career she specialised in arms control and disarmament. She serves on the Executive Committee of the Council on Latin America Relations (COALAR) and the National Consultative Committee on International Security Issues (NCCISI). She is a member of the ANU Council and of the inaugural Board of Nonprofit Australia. She was educated in Political Science and German at the Australian National University.

### **Dr Malcolm Cook**

Malcolm Cook, Program Director Asia-Pacific Program, completed a PhD in international relations from the Australian National University, and holds an MA in international relations from the International University of Japan and an honours degree from McGill University in Canada. Before moving to Australia in 2000, Malcolm lived and worked in the Philippines, South Korea and Japan and spent much time in Singapore and Malaysia. Before joining the Institute in November 2003, Malcolm ran his own consulting practice on South East Asian political and economic policy reform and risk analysis.

### **Lisa Middlebrook**

Lisa Middlebrook, Director for Business Development & Community Partnerships, spent five years with the Democratic Leadership Council (DLC) and Progressive Policy Institute (PPI) in Washington DC where she was responsible for corporate and foundation fundraising and external relations. Prior to this, she served at the Australian Embassy in Washington working on US Congressional relations and trade issues. Lisa is a graduate of the University of California, Los Angeles (Political Science and International Relations).

### **Anthony Bubalo**

Anthony Bubalo, Research Fellow for Global Issues, Anthony graduated from the University of New South Wales with a Bachelor of Arts Honours, majoring in Political Science. He joined the Department of Foreign Affairs and Trade in 1991. He undertook long-term Arabic language training in Egypt, and has served in Australia's embassies in Saudi Arabia and in Israel. More recently he was a Director on the Iraq Task Force and was the Department's senior speechwriter. He also served as Middle East Analyst in the Office of National Assessments from 1996 to 1998.

### **Dr Alan Dupont**

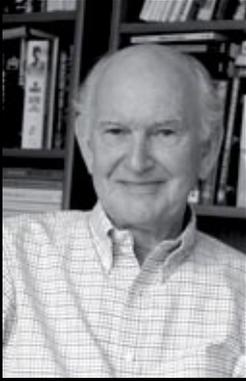
Alan Dupont, Senior Fellow, was formerly Senior Fellow and Director of the Asia-Pacific Security Program at the Australian National University's Strategic and Defence Studies Centre. He is a graduate of the Royal Military College Duntroon and has a PhD in International Relations from the Australian National University. Alan has over 25 years' experience in government with the Departments of Defence and Foreign Affairs and Trade, and served in the Australian embassies in Seoul and Jakarta. He has also worked as a freelance journalist in South America and as a consultant to government and the corporate sector. Dr Dupont is a member of the Australian National Committee of the Council for Security Cooperation in the Asia Pacific (CSCAP), a member of the Council of the Australian Strategic Policy Institute and a member of the Foreign Affairs Council. He was appointed to the Management Board of the Land Warfare Studies Centre by the Chief of the Australian Army in July 2005.

### **Mark Thirlwell**

Mark Thirlwell, Program Director International Economy, is a graduate of Cambridge University and has an MPhil degree in economics from Oxford. Mark began his career as an economist in the Bank of England's international division, where he focused on emerging market issues. He also spent some time in the Bank's UK structural economic analysis division. He subsequently joined JP Morgan, where he was a vice president in the economic research department with responsibility for Central and Eastern Europe. Before joining The Lowy Institute, Mark was senior economist at the Australian Export Finance and Insurance Corporation from 1999 to 2003, where he worked on country risk issues, with a particular emphasis on East Asia.



Dr Stephen Grenville AO



Owen Harries



Peter Hartcher



Paul Kelly



Professor Warwick McKibbin



Lt Col Mark O'Neill



Dr Milton Osborne



Ben Scott



Dr Russell Trood



Professor Hugh White

# Visiting Fellows

#### Dr Stephen Grenville AO

Stephen Grenville works as a consultant on financial sector issues in East Asia. He is a Director of AMP Capital Investors Limited and SFE Corporation Limited, an Adjunct Professor at the Australian National University and a member of the Foreign Affairs Council. Between 1982 and 2001 he worked at the Reserve Bank of Australia, for the last five years as Deputy Governor and Board member. Before that, he was with the Organisation for Economic Cooperation and Development in Paris, the International Monetary Fund in Jakarta, the Australian National University and the Department of Foreign Affairs.

#### Professor Warwick McKibbin

Warwick McKibbin is a Professor of International Economics and Convenor of the Economics Division in the Research School of Pacific and Asian Studies at the Australian National University. He is also a non-resident Senior Fellow at the Brookings Institution in Washington DC, and President of McKibbin Software Group. He is a member of the Board of the Reserve Bank of Australia.

Professor McKibbin has worked at the Reserve Bank of Australia, the Japanese Ministry of Finance, the United States Congressional Budget Office and the World Bank. He has been a consultant for many international agencies and governments on issues of macroeconomic policy, international trade and finance, and greenhouse policy issues.

He received his B.Com and University Medal from the University of NSW, and his AM and his PhD from Harvard University. He is a Fellow of the Australian Academy of Social Sciences and a founding member of the Harvard University Asian Economic Panel. He was awarded the Centenary Medal in 2003 "For Service to Australian Society through Economic Policy and Tertiary Education".

#### Dr Russell Trood

Prior to his election to the Australian Senate, Dr Trood was Associate Professor of International Relations at Griffith University. He was trained in law (LLB) at the University of Sydney and has a Masters' degree (M.Sc. Econ) in strategic studies from the University of New South Wales and a Doctor of Philosophy (PhD) in international relations from Dalhousie University, Canada. He is a former Director of the Centre for the Study of Australia-Asia relations at Griffith University and has been a member of the Foreign Affairs Council, the Board of the Australia-Indonesia Institute and the Australian Committee of Pacific Economic Cooperation. He is the author of numerous articles and books on security and foreign policy.

#### Owen Harries

Owen Harries is a Senior Fellow at the Centre for Independent Studies, and member of the Global Advisory Council of *The American Interest* magazine.

In the late 1970s he was head of policy planning in the Australian Department of Foreign Affairs, and senior adviser, successively, to the Minister for Foreign Affairs (Andrew Peacock) and the Prime Minister (Malcolm Fraser). In 1978-79 he was Chairman of the Committee on Australia's Relations with the Third World. During 1982-83 he was Australian Ambassador to UNESCO. In 1983-85 he was a fellow at the Heritage Foundation in Washington DC.

#### Lieutenant Colonel Mark O'Neill

Mark O'Neill is the Army Fellow at the Lowy Institute for International Policy, seconded from the Australian Army.

Mark graduated from the Royal Military College, Duntroon, in 1988 and from the Australian Command and Staff College in 2002. He has served in a variety of postings in Australia and overseas which have included command, staff and instructional appointments. During 1993 he served in Somalia on Operation Solace, Australia's contribution to Operation Restore Hope. In 1999 Mark served as a Technical Adviser to the United Nations Development Program's Accelerated De-mining Program in Mozambique. He completed undergraduate studies at the University of Adelaide, and has post-graduate qualifications from Deakin University and the University of Canberra.

#### Professor Hugh White

Hugh White is a Professor of Strategic Studies at the Australian National University. He writes regularly on security and international issues for *The Age* and *The Sydney Morning Herald*. From 2001 to 2004 Professor White was the first Director of the Australian Strategic Policy Institute (ASPI). Before that he had served as an intelligence analyst with the Office of National Assessments, as a journalist with *The Sydney Morning Herald*, as a senior adviser on the staffs of Defence Minister Kim Beazley and Prime Minister Bob Hawke, and as a senior official in the Department of Defence, where from 1995 to 2000 he was Deputy Secretary for Strategy and Intelligence. In the 1970s he studied philosophy at Melbourne and Oxford Universities.

#### Peter Hartcher

Peter Hartcher is an award-winning journalist and author. After three years in Washington DC as the correspondent for the *Australian Financial Review*, he returned to Australia at the end of 2003 and joined the Lowy Institute as a visiting fellow. In 2004 he became political and international editor for *The Sydney Morning Herald*.

He was awarded the Gold Walkley Award, for his investigative series on Australia's secret security treaty with Indonesia. He won the Citibank award for business reporting for his coverage of the Asian economic crisis. He has testified as an expert witness to Federal Parliamentary inquiries into Australia's relations in the Asia Pacific.

His book, *The Ministry*, the first detailed study in English of Japan's Ministry of Finance, is a window onto Japan's disastrous bubble economy. In 2005 he published another book, *Bubble Man: Allan Greenspan and the Missing Seven Trillion Dollars*.

#### Dr Milton Osborne

Milton Osborne, is a graduate of Sydney and Cornell Universities, and has held academic positions in Australia, the United Kingdom, the United States and Singapore. He was posted to the Australian Embassy in Phnom Penh in 1959.

He is the author of nine books and many articles on Asian subjects including: *South East Asia: An Introductory History*, now in its ninth edition; *River Road to China: The Search for the Source of the Mekong* (a New York Times "notable book"); and *The Mekong: Turbulent Past, Uncertain Future*. Since 1993 he has been an independent writer and consultant on Asian issues and is an adjunct professor of Asian studies at the Australian National University.

#### Paul Kelly

Paul Kelly is Editor-at-Large of *The Australian*. He was previously Editor-in-Chief of *The Australian* (1991-1996). He writes on Australian and international issues and is a regular commentator on television.

Paul is the author of six successful books. *The Unmaking of Gough* (1976), *The Hawke Ascendancy* (1984), *The End of Certainty* (1992), *November 1975* published in 1995 and a collection of articles *Paradise Divided* (2000).

He has written widely on international affairs in America, Europe and Asia. A Fellow of the Academy of Social Sciences in Australia, he is a participant in the Australia-America Leadership Dialogue. In 2002 he was a Visiting Fellow at the Kennedy School of Government and a visiting lecturer at the Weatherhead Center for International Affairs at Harvard University.

#### Ben Scott

Ben Scott was seconded to the Lowy Institute from the Department of Foreign Affairs and Trade in 2005. He joined DFAT in 1997 after completing his Articles of Clerkship in a Melbourne law firm and has worked primarily on the Middle East and the South Pacific. He served as part of the Bougainville peace monitoring team in 1998 and was posted to Tel Aviv from 1999 to 2003. His next posting is to Ramallah where he will head the Australian Representative Office.

Ben has a Bachelor of Arts (Honours) and Bachelor of Laws (Honours) degrees from the University of Melbourne and a Graduate Diploma in Foreign Affairs and Trade from Monash University.

# The Lowy Institute for International Policy gratefully acknowledges the following organisations for their contributions, cooperation and support:

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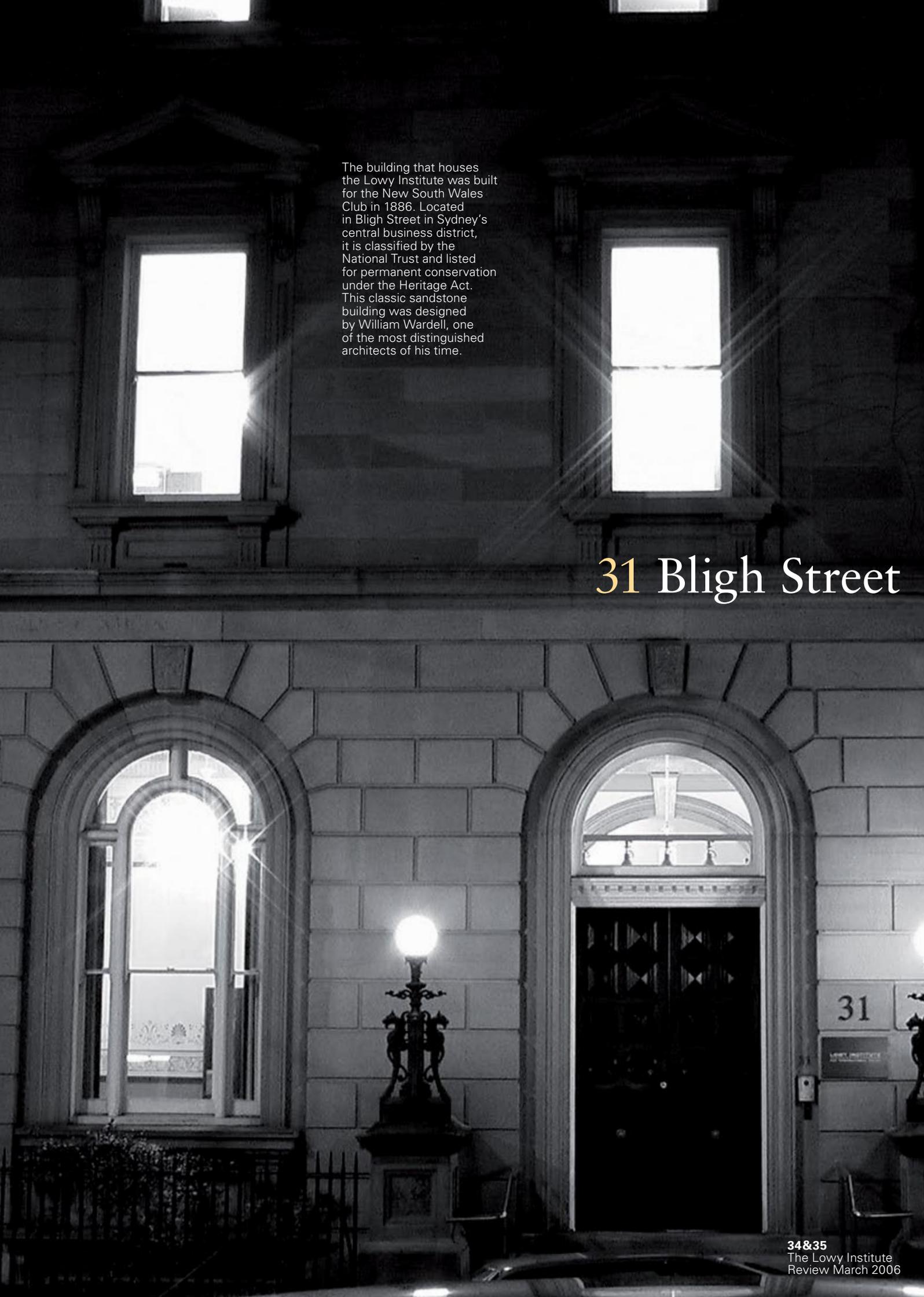
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For information about corporate membership of the Lowy Institute please contact Lisa Middlebrook at [lmiddlebrook@lowyinstitute.org](mailto:lmiddlebrook@lowyinstitute.org)



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Printed by Southern Colour on FSC (Forest Stewardship Council) accredited stock. Spicers Paper, 9 Lives.



The building that houses the Lowy Institute was built for the New South Wales Club in 1886. Located in Bligh Street in Sydney's central business district, it is classified by the National Trust and listed for permanent conservation under the Heritage Act. This classic sandstone building was designed by William Wardell, one of the most distinguished architects of his time.

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