

For Australia, it's been a hard power year.

Hard power is about military capacity or the threat to exercise it. Economic power used coercively can also be so categorised.

Soft power — a concept developed a generation ago by Harvard professor Joseph Nye — is the power to influence and persuade without coercion. It is about national reputation in terms of governance, values, reliability and a preparedness — using an old-fashioned term — to do the right thing. Economic performance, technological capacity and education can also fall under the soft power rubric, particularly as they relate to reputation.

Western soft power as initially conceived by Nye contributed to the fall of the Soviet empire. Since then, the concept has taken a knock with the Trump era and the global growth of authoritarianism and decline of democracy.

The theory has also been muddled by consultants and think tanks who have developed surveys measuring and ranking nations' soft power. The criteria for these surveys have included almost anything attractive about a country, even cuisine.

The methodology in these surveys has also favoured developed Western countries over the developing world. (Given our governance and natural assets, we come about the middle of the OECD pack, a tad behind Canada.)

All this said, the soft power concept remains relevant to international relations. Reputation counts. The reputation of the United States under Trump, including domestic policy, had a significant impact on thinking about the United States' long-term reliability. Notably, a feature of President Biden's inauguration speech was that American influence depended on getting its house in order.

The reputation of Japan — a country with limited hard power assets — has been high for years. According to a Singapore think tank, the ISEAS-Yusof Ishak Institute, Japan is seen in south-east Asia as easily the most trusted of that region's partners.

Effective external policy must draw on all a country's assets. Recognition of this essential truth, including by Nye, led to the development of the concept that "smart power", namely that the use of both hard and soft power — implicitly in the right proportions — was necessary to further a nation's interests.

The Morrison government understands hard power. The sensible build-up of our military assets testifies to this. The store placed in the Quad, the expansion of the mandate of the Five Eyes and now the creation of AUKUS — without judging these developments — all suggest an almost unqualified hard power mindset.

However, we have paid scant attention to the accretion and exercise of soft power.

This may in part be because many in the political class find the concept of soft power as, well, soft — and hence inconsistent with a self-image of muscular nationalism.

Moreover, soft power is misunderstood in the community and there is no real lobby for it. The proponents of soft power tend to see it as something vaguely altruistic or in terms of people-to-people contacts, mainly through the arts and sport. The education lobby thinks of its product more in terms of income than of soft power.

Last year, the government abandoned a review of soft power, which the Coalition had itself mandated two years earlier.

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This was a bad decision. The effective use of soft power is a matter of national interest. We need to focus on several things.

Irrespective of the merits of the AUKUS deal, the manner in which it was conducted damaged the degree to which we are trusted: by France; probably by some other Europeans; and by some south-east Asians. We cannot afford to be seen as untrustworthy in the conduct of foreign relations. In international dealings, middle powers need trust more than big ones.

We have a global reputational problem because of our policies on climate, refugees and treatment of Indigenous Australians.

Our reputation in future decades will rely on our knowledge of the region, which has fallen dramatically since the '80s. To do something about this shortcoming is all the more important because we are at base an anglo-celtic country whose primary focus is on a region whose members mostly have quite different cultural, historical and ethnic backgrounds to our own.

We must recognise which of our soft power assets are most usefully exercised abroad. Apart from the norms and values to which we adhere, these assets are education and technology – especially in agriculture, water management, health, mining and energy.

Of a lesser order are the arts (with the exception of Aboriginal art, which awakens interest because it is different), and sport. (Cricket has not been a key to our relations with India, nor soccer to dealings between Argentina and Brazil. The Olympics have been the cause of more international political turmoil than a salve.)

Much of the exercise of soft power happens without government involvement – through business, private education and tourism. But governments can make a difference. Again we are behind the game.

The right foreign assistance in times of crisis builds reputation. Former prime minister John Howard demonstrated this with his \$1 billion gift to Indonesia after the 2004 tsunami.

Cooperative programs in technical areas where we are perceived as strongest are important. Joint research programs like the one we have with India should be emulated elsewhere – starting with Indonesia.

Effective public diplomacy — seeking to influence foreign publics — has been ignored. Australia has never devoted real resources to it and is doing pitifully little now. Apart from scholarships, we must greatly enhance visitor programs, particularly involving youth; and have more outward programs such as the New Colombo Plan; and public policy exchanges. We should revive an international broadcasting service with up-to-date technologies. The priority audience should be the South Pacific. And we need to overhaul and streamline our battered and picayune public diplomacy machinery.

Such policy enhancement will have a limited effect in the short term. It is an investment in the future. After all, our submarines will not begin to arrive before the end of the thirties.

The government can re-enter the soft power ring where it threw in the towel two years ago. By so doing, we might eventually achieve the right smart power blend.

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John McCarthy AO

John McCarthy AO is currently a Senior Adviser to Asialink, a Senior Adviser to Mitsubishi Materials Corporation, Tokyo and a member of the Board of the Australian India Institute at Melbourne University. John is a former Chair of the Griffith Asia Institute (2012-2019) and between 2009 and 2015 was the co-convenor of the Australian Indonesian dialogue, Chair of the Australian-India Council and National President of the Australian Institute of International Affairs. In his career as a diplomat, John served as Australia's Ambassador to the US, Japan, Indonesia, Vietnam, Thailand and High Commissioner to India.