

MIKTA

The Search for a Strategic Rationale



Perth USAsia Centre

Gordon Flake and Xu Wang
Perth USAsia Centre, January 2017



Perth USAsia Centre



CONTENTS

I. INTRODUCTION	3
II. HISTORY OF MIKTA	3
a. Origins	3
b. Meetings to date	4
c. Review of statements to date	6
d. Supporting non-governmental / academic initiatives	6
III. COMPARISON OF MIKTA COUNTRIES	8
a. Economy	8
b. International trade	14
c. Regional influence	17
d. Relative global competitiveness	19
e. Assessment of core commonalities and key divergences	21
IV. REVIEW OF NATIONAL STRATEGIES AND PERSPECTIVES TOWARD MIKTA	22
a. Mexico	22
b. Indonesia	23
c. Korea	23
d. Turkey	24
e. Australia	24
V. INSTITUTIONAL COMPETITION: MIKTA'S INTERNATIONAL ENVIRONMENT	25
a. United Nations	25
b. G20	25
c. WTO	26
d. OECD	26
e. APEC	26
f. East Asia Summit	26
g. Review of organisational structure and functional roles	26
VI. FORGING A STRATEGIC RATIONALE FOR MIKTA	28
a. On balance: Assessing strengths versus weaknesses	28
b. A niche of need: areas of potential collaboration	28
c. Structural considerations	33
d. Strategies for forging a collective identity	33
e. Likely challenges on the way	34
VII. CONCLUSION & NEXT STEPS	35





I. INTRODUCTION

2016 was a challenging year for the international community. The “Brexit” vote by citizens of the United Kingdom to leave the European Union has shaken the EU and will have longer term implications for Great Britain as well. The ruling of a special United Nations Tribunal on the South China Sea has gone largely ignored and while the risk of conflict in the region increases, the salience of the United Nations Convention on the Law of the Sea (UNCLOS) wanes. In the United States, President Donald Trump has reiterated his campaign promise to withdraw from the Trans-Pacific Partnership Agreement (TPP) on the first day of his Administration. More broadly there is a sense of rising nationalism globally and concern about public support for international trade, international organisations, and internationalism itself.

Amid this malaise one discordant positive development has been the continued development of MIKTA, a less known diplomatic grouping of Mexico, Indonesia, Republic of Korea, Turkey and Australia (MIKTA.) Foreign Ministers from these five nations convened for the eighth time on 25 November 2016 in Sydney and their Joint Communiqué reads like a roadmap for a more optimistic approach to global challenges. Amid 19 forward looking points, the statement expresses the five nations’ “common interest in upholding an effective rules-based global order,” their “ongoing commitment to resisting protectionism and strengthening the global trading system.”

As Australia completes an active year as Chair of MIKTA and Turkey assumes its rotation as Chair in 2017 it is an opportune time to examine this unique grouping more closely.

II. HISTORY OF MIKTA

Since the first meeting of Foreign Ministers in September of 2013, officials from MIKTA member countries have met regularly and have established increasingly meaningful patterns of consultation and cooperation. Yet to the uninitiated, the first reaction to a list of the member states that make up the MIKTA acronym is bewilderment. To a world grown accustomed to regional, economic or issue based groupings, there is no immediately obvious rationale for the grouping of Mexico, Indonesia, Korea, Turkey and Australia. Yet in just three years MIKTA has convened 12 senior level meetings, issued 11 joint statements, issued 6 joint communiqués, created an academic network and launched a website:

www.mikta.org

a. Origins

While the first Foreign Ministers Meeting in September of 2013 marks the formal start of MIKTA, there is no single origin event or formal agreement. Unlike formal organisations or negotiated agreements, MIKTA is most often referred to as a “grouping” or a “consultative forum.” For its first three years the development has been a process and that process appears to be ongoing. One thing that is certain is that MIKTA was born of the growing familiarity between the five member countries as they worked together in the context of the G20.

Following the global financial crisis in 2008-2009, the G20 emerged as the main primary platform for senior level dialogue on international economic cooperation. Around the same time that the G20 transitioned from being primarily an international forum for discussion for central bank governors from the top 20 global economies to a higher profile leaders’ summit in the face of the GFC, the first full scale diplomatic meeting of what was then BRIC (South Africa was not added until 2010) met. Intentional or not, this led to effective factions in the G20 – the leading economies of the G7 and the emerging economies of the BRICS. This development resulted in a group called by some the “missing middle” within the G20 which did not belong to either the G7 or the BRICS. Some academics have termed these countries “middle powers” to indicate their relative position between the G7 and



the BRICS. While not uniform in experience, these so called middle powers were often excluded from the hub of global governance and have traditionally sought alliances and coalitions to augment their influence. Such “middle powers” have participated in global governance by organising themselves into flexible caucuses of like-minded groups and positioning themselves in central roles with respect to world summits and some other major international conferences.¹

While the term “middle power” is a useful academic construct for helping to understand the behaviour of nation states of varying size and influence, it is a less useful construct for diplomats or policy makers. In a real sense, none of the MIKTA members are middle powers as they are all in the top 10 percent of economies globally and in certain sectors countries like Australia or Korea or top ranked global leaders.

Whatever they are called, the MIKTA nations within the G20 saw advantage in cooperation with like-minded countries to increase their voice in global governance. Just as the MIKTA Vision Statement has stated:

The five countries come from diverse cultures and regions, yet they share core values and similarities. What brings these geographically and culturally divergent nations together is a necessity to coordinate their efforts within G20 and beyond.

MIKTA coincides with the efforts of its member countries to participate in global governance. On one hand, MIKTA is an informal dialogue established by five like-minded middle powers to improve their involvement in global governance and to sustain their position in the G20, the major platform for international economic cooperation. On the other hand, individual MIKTA countries make efforts in agenda-setting by taking the hosting role in the G20 and other international summits. They are active in the hosting function of G20 summits, with Korea hosting in 2010, Mexico in 2012, Australia in 2014, and Turkey in 2015.

With the formation of G20 summit, countries not in the G7 or in BRICS were given some degree of an “insider role” in global governance. If they are able to leverage this opening, MIKTA might become an interesting model for diplomatic practice in the 21st century.² There are already some who see MIKTA as a blueprint for others who see a partnership of like-minded but diverse countries as a positive contribution to the global governance.

Under the heading “Why MIKTA” the Australian Department of Foreign Affairs and Trade’s website contains a succinct description of MIKTA’s formation and rationale:

The MIKTA countries are significant economic powers and play pivotal strategic roles in our regions. MIKTA countries are the 11th, 13th, 15th, 16th and 18th largest economies in the world.

We share important fundamental values and interests, including a commitment to open economies, human rights and democracy, and it matters to us all that international governance structures effectively address the problems we face.

Working together, our consultative forum can play a constructive role internationally. MIKTA partners can draw on our diverse perspectives to develop and promote a better understanding of how different countries view major global challenges. In this way, our diversity will enable us to build consensus to advance the common interests of the international community.

MIKTA’s diversity means that we have an opportunity to build consensus across very different constituencies. Consultations with MIKTA partners allow us to have a much better understanding of the positions and perspectives of our different constituencies.³

b. Meetings to date

MIKTA is led by their foreign ministers, who first came together at the inaugural MIKTA meeting in September 2013 in New York. As of June 2017, the foreign ministers have met eight times, and they have also held two Senior Officials’ Meetings (SOM) and two Speakers’ Consultations with parliamentary representatives. In addition to these official meetings, the G20 sherpas from the respective MIKTA nations have collaborated closely and the pace and scope of information collaboration among diplomats from MIKTA nations has continued to increase.

¹ Andrew, F. Cooper. 2005. Tests of global governance: Canadian diplomacy and United Nations world conferences. Tokyo: United Nations University Press.

² Andrew, F. Cooper. 2015. MIKTA and the Global Projection of Middle Powers: Toward a Summit of Their Own? Oxford University Press.

³ <http://dfat.gov.au/international-relations/international-organisations/mikta/Pages/mikta.aspx>



Table 1: The meetings of MIKTA to date

Meetings	Date	Locations	Issues
1st FMM	25 September, 2013 On the sidelines of the 68 th UN General Assembly	New York, USA	MIKTA foreign ministers convened for the first time to establish the informal consultative forum MIKTA and drafted MIKTA's aims.
2nd FMM	13 April, 2014	Mexico City, Mexico	Ministers discussed measures for cooperation on various regional and global issues including post-2015 development agenda, cyber security and climate change. They expressed concern over missile launches by North Korea by issuing a Joint Communiqué on the situation in North Korea.
3rd FMM	25 September, 2014 On the margins of the 69 th UN General Assembly	New York, US	Ministers discussed issues of common interests, including issues of regional concern and global challenges. They also agreed to issue a Joint Statement on the Ebola Outbreak and Global Health.
4th FMM	5 November, 2014 On the sidelines of the G20 Summit Meeting	Brisbane, Australia	Ministers noted that MIKTA was well placed to play a bridging role between advanced countries and developing countries on key global issues and agreed to work to advance discussion on such matters as: the development agenda beyond 2015; the role of food security in sustainable development; and a new effective agreement on climate change.
5th FMM	22 May, 2015	Seoul, Korea	Ministers discussed enhancing the visibility of MIKTA, its cooperative projects, the MIKTA Academic Network and the way forward for MIKTA cooperation. They also adopted the MIKTA Vision Statement containing its rationale, identity and future direction.
6th FMM	26 September, 2015 On the margins of the 70 th UN General Assembly	New York, US	The foreign ministers agreed to joint-MIKTA cooperation across six themes: energy governance, counter-terrorism and security, good governance, democracy and human rights, development cooperation and gender equality. They also released a joint statement on climate change.
7th FMM	22 September, 2016 On the sidelines of the 71 st session of the UN General Assembly	New York, US	At their second Senior Officials Meeting in January 2016, the MIKTA countries had agreed to cover one of the topics of the General Assembly session – humanitarian crises. However, given the gravity of the issue, they agreed to issue a joint foreign-ministerial statement on North Korea's fifth nuclear test as well.
8th FMM	25 November, 2016	Sydney, Australia	The MIKTA Foreign Ministers meeting reaffirmed their common interest to uphold an effective rules-based global order and discussed issues such as international energy, governance and energy access; global security and counter-terrorism; peacekeeping; trade and economy; gender equality; democracy and sustainable development.
1st SOM	27 February, 2015	Seoul, Korea	Officials discussed ways to further enhance cooperation on a range of bilateral and multilateral issues and sought ways to establish networks of think tanks and academics.
2nd SOM	27-29 January, 2016	Canberra, Australia	Officials discussed MIKTA's role in global and regional issues, intra-MIKTA cooperation and exchanges, proposals to guide MIKTA outreach and plans for the 7 th FMM.
1st Speakers' Consultation	1-5 July, 2015	Seoul, Korea	The Speakers of the Parliaments of MIKTA discussed how the parliaments of the MIKTA countries could contribute to the international community and strengthen relations among members.
2nd Speakers' Consultation	6 October, 2016	Hobart, Tasmania Australia	The Speakers of the Parliaments of MIKTA focused on the theme "Open Parliaments for Open Government." They had a broad-ranging discussion of the challenges, solutions and benefits of maintaining open parliaments in an age of accelerating change.

Source: MIKTA New Innovative Partnership



c. Review of statements to date

MIKTA has released a series of joint statements on the downing of MH17, the Ebola outbreak and global health, financing for development, climate change, terrorist attacks in Turkey,

a North Korean nuclear test, and the United Nations Secretary-General's Plan of Action to Prevent Violent Extremism.

Table 2: MIKTA statements to date

No	Subject	Date
1	Joint Statement of the Foreign Ministers of MIKTA concerning the downing of Malaysia Airlines Flight MH17	26 Jul 2014
2	Joint Statement of the Ebola Outbreak and Global Health	25 Sep 2014
3	Seoul Statement of MIKTA Speakers' Consultation	1-5 Jul 2015
4	MIKTA Joint Statement on Financing for Development	13-16 Jul 2015
5	MIKTA Foreign Ministers' Joint Statement on Climate Change	26 Sep 2015
6	MIKTA Foreign Ministers' Joint Statement - Terrorist attack in Turkey	12 Oct 2015
7	MIKTA Foreign Ministers' joint statement on the North Korean nuclear test	9 Jan 2016
8	MIKTA Foreign Ministers' Joint Statement on the United Nations Secretary-General's Plan of Action to Prevent Violent Extremism	16 Feb 2016
9	MIKTA Foreign Ministers' Joint Statement on the Terrorist Attack on Istanbul's Ataturk Airport	30 Jun 2016
10	MIKTA Ministerial Statement on the Democratic People's Republic of Korea Nuclear Test	22 Sep 2016
11	MIKTA Foreign Ministers' Joint Statement on Addressing the Challenges of Humanitarian Crises	22 Sep 2016

Source: MIKTA New Innovative Partnership, <http://www.mikta.org/document/state.php>

d. Supporting non-governmental / academic initiatives

In addition to the varied levels of official meetings, the MIKTA members have already come up with creative ways to build greater people-to-people links between each other. These have included exchanging diplomats, engaging in each other's graduate courses, exchanging academics, students and journalists,

to improve their understanding towards each other and the challenges facing them. MIKTA has also established its own website and a common vision to 'deepen bilateral ties, and find common ground for cooperation'.⁴ Of note, the MIKTA Academic Network has benefited tremendously from the leadership of scholars such as Professor Michael Wesley at the Australian National University as they consider areas for potential cooperation among MIKTA members.

⁴ ANU. 2015. MIKTA: Benign middle-power diplomacy, or a risk for Australia? <http://regnet.anu.edu.au/news-events/news/6078/mikta-benign-middle-power-diplomacy-or-risk-australia> [Accessed 20 February 2016]



Table 3: Non-governmental / academic initiatives

	Initiative	Date	Locations
Academic Initiatives	1 st Academic Network Conference	11-12 May 2015	Seoul, Korea
	2 nd Academic Network Conference	14-15 Apr 2016	Canberra, Australia
Exchange Programs	MIKTA Young Professional Camp	6-11 Jul 2015	Seoul, Korea
	MIKTA Exchange Program of Journalists	19-26 May 2015	Seoul, Korea
	Training Program for Diplomats from MIKTA Countries	14-22 Feb 2016	Ankara and Istanbul, Turkey
	MIKTA Young Leader's Camp	3-5 Nov 2016	Gangwon, Korea
Workshops	The Second MIKTA Development Cooperation Workshop	11 May 2015	Seoul, Korea
	The Third MIKTA Development Cooperation Workshop	1 Apr 2016	Canberra, Australia
	MIKTA Workshop on Electronic Commerce	5 July 2016	Geneva, Switzerland
Outreach Activities	Joint Speech on the Occasion of Commemorating International Women's Day	19 Mar 2015	Geneva, Switzerland
	Diplomacy of MIKTA: Now and Beyond	24 Apr 2015	Geneva, Switzerland
	MIKTA in Brussels: briefing the European Parliament	19 Oct 2015	Brussels, Belgium
	Launch of MIKTA community football program	29 Jan 2016	Sydney, Australia
	International Women's Day event	8 Mar 2016	Canberra, Australia
	MIKTA Matters Seminar	22 Jun 2016	Dublin, Ireland

Source: MIKTA New Innovative Partnership

The exchanges between MIKTA countries have grown to encompass collaboration between academics, diplomats, journalists, parliamentarians, and experts in areas ranging from trade to international security, gender equality, governance and sustainable development. All the previous meetings, joint statements, academic seminars, cultural

exchange activities, and efforts to enhance the bilateral or multilateral trade linkages between the MIKTA countries have shown that they have both the eagerness and potential to be an important, functional, newly emerging multilateral platform.



III. COMPARISON OF MIKTA COUNTRIES

At first glance, the countries in MIKTA could not be more dissimilar. Located in North America, Northeast Asia, Southeast Asia, astride the Indian and Pacific Oceans and bridging Europe and Asia there is no geographic cohesiveness to the grouping. Turkey and Indonesia are majority Muslim nations, Mexico is predominantly Catholic, Korea is a mix of Christianity and Buddhism, and Australia is an increasingly secular country with a Judeo-Christian heritage. Comparisons of race, national narratives and histories also reveal few similarities between these five nations. At the same time, however, there are remarkable similarities for such a diverse grouping. The MIKTA countries are all relatively democratic societies and open economies with potential for relatively robust growth rates, international competitiveness, and populations with rising purchasing power. As of 2015 MIKTA's cumulative GDP is valued at roughly 5.4 billion USD and encompasses a population of around 530 million people. This accounts for about 7.4% of the world's Gross Domestic Product (GDP) and 7.3% of global population respectively. To better understand this group, core commonalities and key divergences will be assessed in terms of economy, international trade, regional influence and relative global competitiveness.

a. Economy

i. GDP of the MIKTA countries

The MIKTA countries have been considered by some to be "middle powers" in that they are not quite at par with the fully developed and larger economies of the G7, and yet are significantly more advanced than the developing world. The term "middle power," however, does the MIKTA nations an injustice. All 5 MIKTA nations rank within the top 20 economies of the world placing them all within the top 10 percent of all nations internationally. Their prominence and influence is further recognised in that all are members of the G20 which is hardly a middle-power grouping. Combined, MIKTA's GDP totals 5.4 billion USD, equivalent to about 7.4% of the world's GDP. South Korea, Australia, Mexico, Indonesia and Turkey ranked 11th, 12th, 15th, 16th and 18th respectively in the world, and they are believed to have the potential to lift their rankings higher in the future. For example, Goldman Sachs has predicted that Mexico may well become the 5th largest economy by 2050, and a PWC report estimated that if current growth rates are sustained, Indonesia will be the 7th largest economy by 2030, and 4th by 2050 – Turkey is also likely to be in the top 10⁵.

Table 4: GDP of the MIKTA countries in 2005 - 2015

Country	Rank in World 2015	GDP (current price); \$ billion		Share in world GDP (%)		GDP per capita (\$)	
		2005	2015	2005	2015	2005	2015
Mexico	15	866	1,144	1.84	1.56	7,894	9,009
Indonesia	16	286	862	0.61	1.17	1,263	3,347
Korea	11	898	1,378	1.91	1.88	18,658	27,222
Turkey	18	483	718	1.03	0.98	7,117	9,130
Australia	12	693	1,340	1.47	1.82	33,983	56,328
Total		3,226	5,442	6.85	7.41	--	--

Source: The World Bank

⁵ Julie Bishop. 2015. Address to MIKTA outreach event, available from: http://foreignminister.gov.au/speeches/Pages/2015/jb_sp_150624.aspx, accessed on 20 April, 2016.



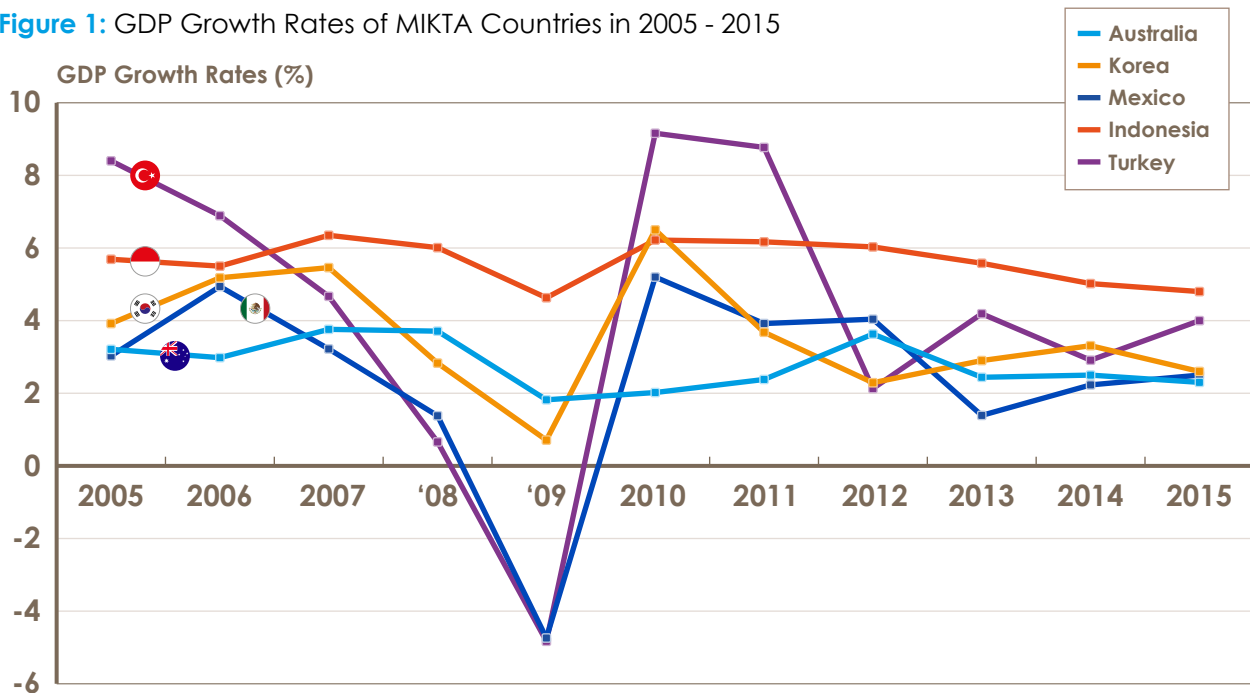
Focusing on global rankings and comparing national economic output highlights the proximity in the weight and influence the MIKTA nations are able to bring to bear in the international community. That said, however, there remain significant economic differences when the dramatic differences in populations are taken into account. In terms of GDP per capita MIKTA countries occupy a much broader swath of the of the development spectrum. This ranges from Indonesia's per capita GDP of US\$3,347 to Mexico and Turkey's of around US\$9,000, Korea's of US\$27,222 and Australia's of US\$56,328. One of MIKTA's developing mantras is "strength through diversity". Each country has similar weight and influence internationally, but faces dramatically different economic situations domestically. The relative economic weights help explain MIKTA's membership while its diverse levels of development and population sizes add weight to its effort to address global and regional issues since MIKTA spans a large segment of the development spectrum. Each statement or agreement by MIKTA in effect represents a consensus reached between countries with per capita GDPs of both under \$4,000 and over 10 times that amount at nearly \$57,000 no mean achievement.

ii. GDP Growth Rate

With some volatility, over the past decade MIKTA countries have experience relatively fast GDP growth. Even at the peak of the global financial crisis in 2009 when economic activity contracted in the world as a whole, Indonesia, Australia and Korea still achieved a positive growth rate. Indonesia's 4.63% growth rate during that period was especially impressive. Mexico and Turkey were severely influenced by the crisis, but they improved significantly in subsequent years for the past few years the comparative growth rates of these five countries have narrowed considerably.

There is diversity in economic performance among the MIKTA countries, with the growth of Indonesia, Australia and Korea more consistently robust and the growth of Mexico and Turkey more volatile. After the global financial crisis, the world economy appears to be settling into a "new normal" of lower economic growth, lower productivity growth, and higher unemployment.⁶ Indonesia and Turkey still recorded high economic growth rates in 2015, while the other MIKTA countries' growth rates roughly reflected the world average.

Figure 1: GDP Growth Rates of MIKTA Countries in 2005 - 2015



Source: World Development Indicators

⁶ IMF. 2015. World Economic Outlook July 2015 Update: Slower Growth in Emerging Markets, a Gradual Pickup in Advanced Economies. Washington, DC: IMF.

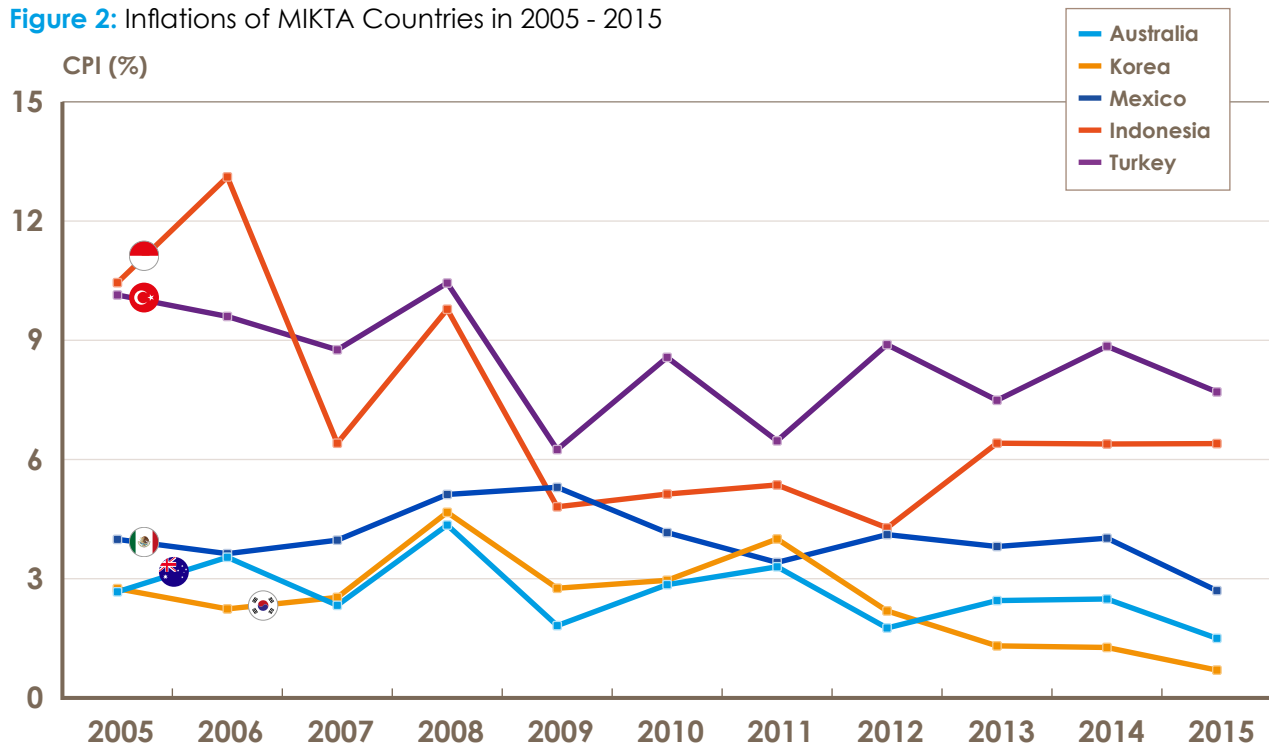


iii. Inflation

One key divergence among the MIKTA economies is the relatively high inflation in Indonesia and Turkey. Turkey posted the highest level of inflation (consumer prices) with 7.7% in 2015, followed by Indonesia with 6.4%. The high inflation rates have significant macroeconomic and social implications for these two countries.

For example, the high inflation will potentially limit space for monetary policy to support growth through a more accommodative stance, and high inflation will also reduce the purchasing power of households which in turn places pressure on social stability.

Figure 2: Inflation of MIKTA Countries in 2005 - 2015



Source: World Development Indicators



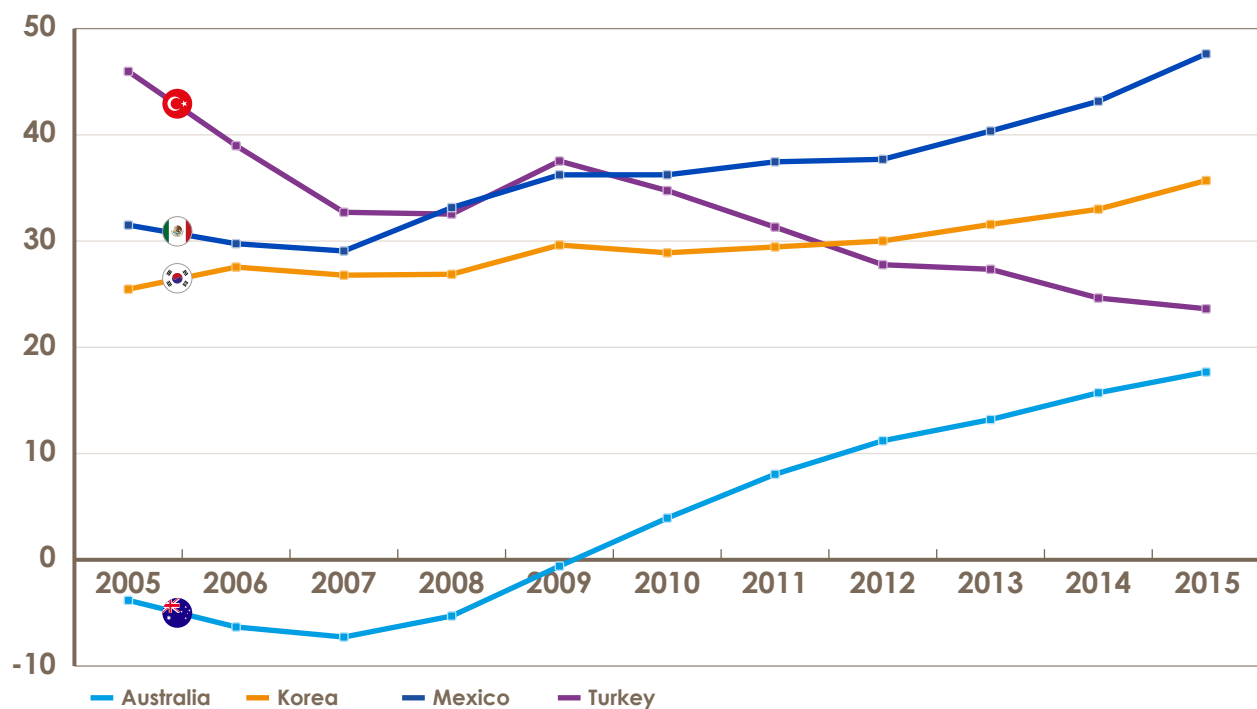


iv. Deficit and Debt Sustainability

The figure below depicts the general government's net debt (% of GDP) of MIKTA countries (with the exception of Indonesia for which the data set is lacking) from 2005 to 2015. The ratio of Turkey's general government net debt to GDP has been decreasing except for an increase in 2009, indicating the debt sustainability is encouraging. The debt ratio

of Mexico and Korea is increasing at a small rate. Although the debt ratio of Australia also increases at a higher rate than Mexico and Korea, its ratio is still the lowest among the MIKTA countries. The general debt situation of MIKTA countries, excluding Indonesia (due to lack of information), can be characterised as stable.

Figure 3: General government net debt of MIKTA Countries (% of GDP, 2005 – 2015)



Source: IMF, World Economic Outlook Database, April 2016





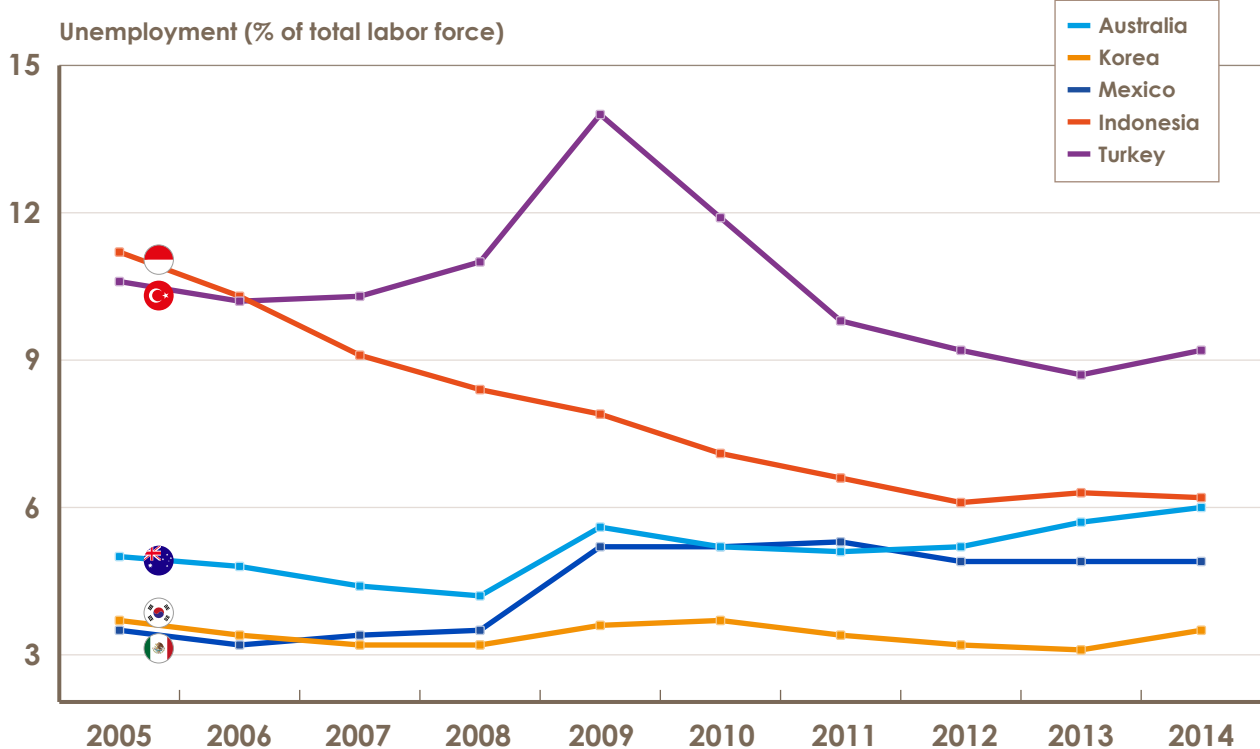
v. Unemployment and Population Structure

The unemployment rate for Mexico, Turkey and Australia increased at the peak of the global financial crisis in 2009. Although the unemployment rate for Turkey has since been receding below its pre-crisis level, it is still relatively high at 9.2% as of 2014. Since the global financial crisis, the unemployment rates in Mexico and Australia have yet to recede to their pre-crisis levels. Australia recorded a 6% unemployment rate in 2014. Indonesia's unemployment rate has continued to descend, even during the financial crisis, but it still

reported a 6.2% unemployment rate in 2014. Korea's average unemployment rate has been moderate lingering around 3%.

The size of a country's labor force is an important determinant for future economic growth. The combined population of MIKTA countries is around 530 million, which accounts for about 7.4% of the world's population. However, the MIKTA countries display significantly different population structures, a factor which will invariably affect the prospects for each country's economy.

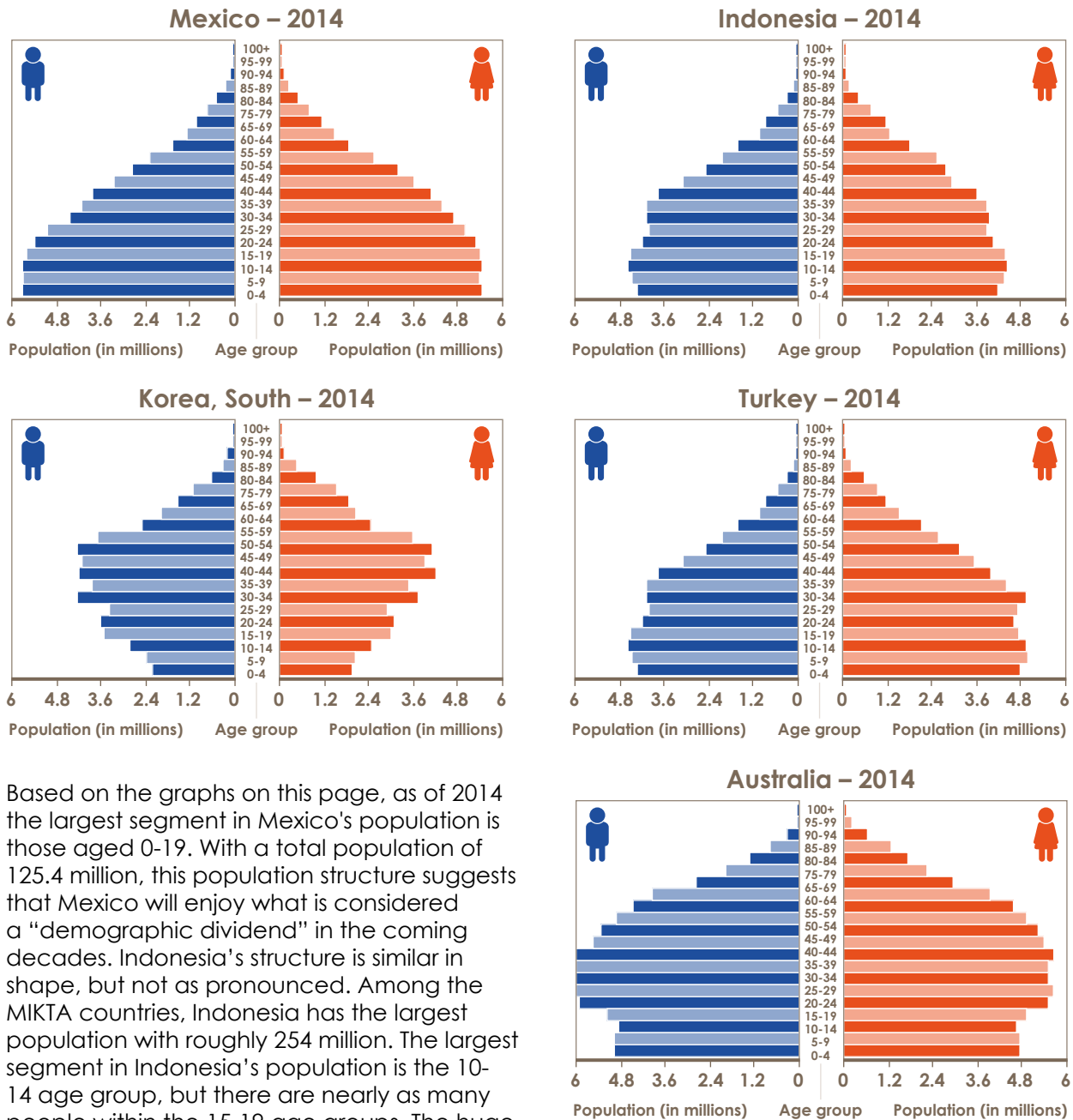
Figure 4: Unemployment rate of MIKTA Countries in 2005 - 2014



Source: World Development Indicators



Figure 5: Population structures of MIKTA countries (2014)



Source: United States Census Bureau

Based on the graphs on this page, as of 2014 the largest segment in Mexico's population is those aged 0-19. With a total population of 125.4 million, this population structure suggests that Mexico will enjoy what is considered a "demographic dividend" in the coming decades. Indonesia's structure is similar in shape, but not as pronounced. Among the MIKTA countries, Indonesia has the largest population with roughly 254 million. The largest segment in Indonesia's population is the 10-14 age group, but there are nearly as many people within the 15-19 age groups. The huge population and future labor force potential remains one of the greatest potential strengths of Indonesia if harnessed effectively. Turkey's population structure is similar to Indonesia's with a large youth population from 0-19, however, the largest age group are those ranging from 30-34. In contrast to these three countries, Korea faces the most serious challenge related to an aging population with a demographic bulge concentrated within the age groups of 30-60 and significantly fewer youth. Australia's

population structure similarly reflects Korea's aging population; however, the demographic bulge ranges from the age groups of 20-55 and similar to the United States, Australia has an active immigration program which mitigates such demographic challenges.



b. International trade

One important common characteristic of the MIKTA members which relates to their interest in the global system is that all five countries are important traders global, contributing to roughly 8.5% of the world's merchandise trade in 2014. International trade has been an important driver for MIKTA's economies. However, the nature and direction of trade within the MIKTA countries is quite diverse. Indonesia and Australia are active exporters of agricultural products; Korea and Mexico in turn are net importers of agricultural goods. Similarly Australia exports both fuels and minerals, commodities which Korea and Turkey import. Korea and Mexico are also important exporters of manufactured goods.⁷

Relative trade openness measured by trade as a percentage of GDP shows all the MIKTA countries have open economies with the values ranging from Australia's 42.3% to Korea's 96.9%. With the exception of Indonesia, the relatively trade openness of all MIKTA economies has increased compared to 2005.

In 2014 all the MIKTA countries with the exception of Korea recorded trade deficits. However, the ratio of current account balance to GDP indicates that despite small trade deficits, Mexico, Indonesia and Australia have been able to maintain generally balanced trade patterns. While, Turkey's trade deficit is worse than other MIKTA countries in a broader international context it is not overly divergent from its MIKTA cohort.

Table 5: Trade of MIKTA countries (% of GDP, 2005 and 2014)

Country	Exports		Imports		Current account balance		Trade openness	
	2005	2014	2005	2014	2005	2014	2005	2014
Mexico	26.6	32.4	28.0	33.5	-1.4	-1.1	54.6	65.9
Indonesia	34.1	23.7	29.9	24.5	4.2	-0.8	64	48.2
Korea	36.8	50.6	34.4	45.3	2.4	5.3	71.2	95.9
Turkey	21.9	27.7	25.4	32.2	-3.5	-4.5	47.3	59.9
Australia	18.1	20.9	20.8	21.4	-2.7	-0.5	38.9	42.3

Source: The World Bank

Given the broad geographic dispersion of MIKTA members, one thing that MIKTA is not is a regional trading block. While given their global profile, there is trade among MIKTA countries, it should not be surprising that rates of intra-MIKTA trade are relatively low. To restate the mantra, MIKTA finds strength in diversity. Part of MIKTA's international appeal and credibility when it speaks out on international issues is that it cannot be seen as advocating for the particular issues of a single region, bloc or interest.

In order to explore the trade links between MIKTA nations, a series of indicators can be employed. An Intra-regional trade share index and a regional trade introversion index are often used to measure the interdependence of countries in regards to trade.

⁷ World Commodity Profiles for 2014. Available: https://www.wto.org/english/res_e/statis_e/world_commodity_profiles14_e.pdf. [Accessed 20 February, 2016].



Figure 6: Intra-grouping trade share of MIKTA and BRICS (2005-2014)

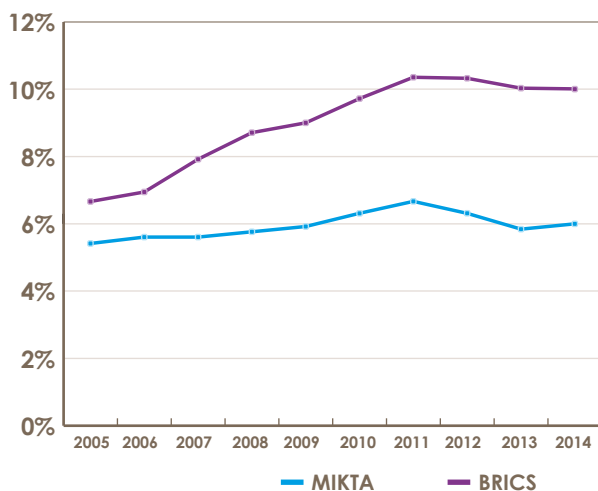
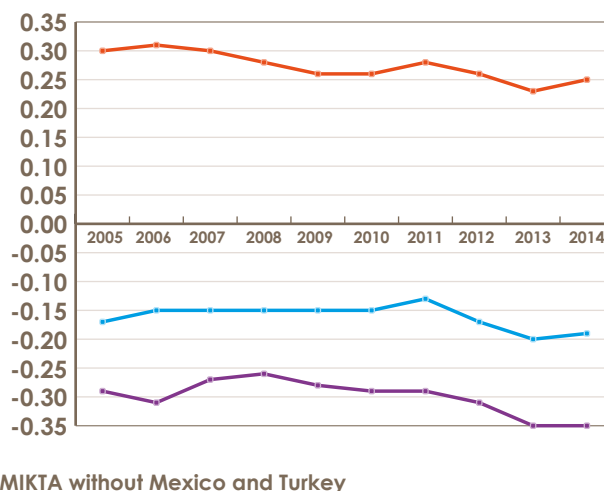


Figure 7: Trade Introversion Indices of MIKTA and BRICS (2005-2014)



Source: Authors' computations with data from UN Comtrade.

Figure 6 shows the relative stability of MIKTA's mutual trade within the past decade, compared with the growth of trade within the BRICS grouping. Since 2005 the share of intra-MIKTA trade and intra-BRICS trade respectively has increased 0.55% and 3.37%. As both MIKTA and BRICS are geographically diverse groupings this probably says more about the politics of BRICS than it does about MIKTA. Moreover, even the relative change within BRICS is quite small further confirming that both grouping are not first and foremost trading blocs. From the terms of intra-regional trade share alone, a conclusion might be drawn that the BRICS countries' intra-trade relations are closer than that of MIKTA countries. However, measures of intra-MIKTA and intra-BRICS trade share remain relatively small in the context of the grouping's broader international trade. Using a regional trade introversion index⁸ shows these numbers in different light.

Figure 7 graphs the regional trade introversion indices of MIKTA and BRICS from 2005 to 2014. The indices for both MIKTA and BRICS are below zero, which means that their mutual trade is at a lower level than their average trade level

with the rest of the world. However, the trade introversion index of MIKTA is higher than that of BRICS indicating that MIKTA displays less extra-regional bias than BRICS.

Not surprisingly, if we only measure the trade introversion index of the three Indo-Pacific countries in MIKTA-Indonesia, Korea, and Australia – the value shows that these three countries have an intra-regional bias in trade. That is because Mexico and Turkey have a close trade relationship with US and EU respectively rather than with the Indo-Pacific countries. Besides, Indonesia, Korea, and Australia have signed bilateral free trade agreements with one another so that the trade cooperation between them might be further enhanced. Any attempt to improve relative trade cooperation within the MIKTA framework must as a priority focus on improving trade between the three countries in the Indo-Pacific with Mexico and Turkey.

There is already some suggestion that an early step in this direction could be the reopening of free trade agreement negotiations between Korea and Mexico. That said, however, the fact that increasing intra-MIKTA trade has not been a focus of the MIKTA meetings or

⁸ The regional trade introversion index was proposed by Lapadre (2006) to measure the relative intensity of regional trading versus trading with outsiders. The formula is $TI_i = [HI_i - HE_i] / [HI_i + HE_i]$ Where $HI_i = (T_{ii} / T_i) / (T_{ri} / T_r)$, which is the homogeneous index of intra-regional trade intensity; $HE_i = [1 - (T_{ii} / T_i)] / [1 - (T_{ri} / T_r)]$, which is the homogeneous index of extra-regional trade intensity; T_{ii} = region i 's intra-regional trade; T_i = region i 's total trade; T_{ri} = region i 's extra-regional trade; T_r = total trade of the rest of world. The index's range is [-1, 1], and is independent of the size of the region. The index rises (or falls) only if the intensity of intra-regional trade grows more (or less) rapidly than that of extra-regional trade. If the index is equal to zero, then the region's trade is geographically neutral. If it is more than zero, then the region's trade has an intra-regional bias; if it is less than zero, then the region's trade has an extra-regional bias.



statements to date is highly significant and further evidence that the founding rationale for MIKTA is not strengthening MIKTA itself, but rather jointly addressing issues of shared concern internationally.

While it may not be a primary organisational objective, there is also no denying the potential for expanded economic interaction between the MIKTA nations. The trade complementarity index sheds further light on the trade potential among the MIKTA countries. Generally speaking, the MIKTA countries are on various ends of the development spectrum and have complementary trade patterns. From the export side, Mexico and Korea are major manufacturing hubs with machinery and transport equipment being their most

exported products. Indonesia and Australia are major exporters of natural resources. Korea has significantly imported mineral fuels, lubricants and related materials, whereas other MIKTA countries import machinery and transport equipment.

The intuitive analysis shows that the MIKTA countries might be complementary in trade with each other. To give a clearer and more robust analysis of their trade complementarity, we calculated the complementarity indices⁹ between exports from Mexico, Indonesia, Korea, Turkey, and Australia with the MIKTA's imports in the year 2014 at the HS 2-digit level. The data were accessed from the International Trade Center online database and the results are shown in table 6 below.

Table 6: Trade complementarity between MIKTA countries (2014)

Imports Exports	Mexico	Indonesia	Korea	Turkey	Australia	MIKTA
Mexico	--	0.57	0.58	0.57	0.74	0.63
Indonesia	0.42	--	0.63	0.61	0.54	0.59
Korea	0.77	0.62	--	0.62	0.63	0.71
Turkey	0.56	0.55	0.48	--	0.62	0.56
Australia	0.32	0.47	0.51	0.48	--	0.48

Source: Author's computations with data from UN Comtrade.

The calculated complementarity indices are Mexico (0.63), Indonesia (0.59), Korea (0.71), Turkey (0.56), and Australia (0.48). The results show that all these countries have exports that partially match with MIKTA's imports. Among the five countries, the exports of Mexico and Korea have a relatively better match with MIKTA's imports, followed by Indonesia, Turkey, and Australia. The bilateral trade complementarity index shows Korea's export complementarity with the other MIKTA countries well. Mexico's exports are highly compatible with Australia's

imports, but not vice versa. Indonesia's exports fit Korea and Turkey's imports well, and Turkey's exports fit Australia's imports quite well. Despite the differing levels of trade complementarity among MIKTA countries, they generally fit with each other well. Again, while this may not be a primary driver for MIKTA as envisioned by the countries' Foreign Ministers, it does indicate that if the habits of cooperation that are increasingly defining MIKTA's effort to date extend to the private sector, efforts to enhance MIKTA trade cooperation have real potential.

⁹ The trade complementarity index measures the extent to which two countries are "natural trading partners" in the sense that what one country exports overlaps with what the other country imports. A trade complementarity index between a country and a region approximates the adequacy of the country's export supply to the region's import demand. The higher the trade complementarity index is the better chances for mutual trade. It is defined as 1 minus the sum of the absolute value of the difference between the export shares of the country and the import category shares of the region divided in half.

The formula for the trade complementarity index (TCI_{ij}) is:
$$TCI_{ij} = 1 - \left\{ \sum_k \text{abs}(|X_i^k/X_i| - |M_j^k/M_j|) \right\} / 2$$

Where X_i^k = exports of good k by country i ; X_i = total exports by country i ; M_j^k = imports of good k by region j except for country i ; and M_j = total imports of region j except for country i .

The index takes a value between 0 and 1, with zero indicating no overlap and one indicating a perfect match in the import-export pattern.



c. Regional influence

There is no question that individual MIKTA countries are all influential in their own regions or sub-regions. A case can be made, however, that MIKTA nations individually and certainly collectively are more influential globally than they are in their own regions. Globally, Korea is one of the top economies in the world and placed in most regions would be a dominant player, yet in North East Asia perilously situated between China, Russia and Japan its regional influence is more limited. Mexico's recent success, size and influence are often overlooked given the dominance of its neighbour to the north. Turkey has long struggled with the tension determined by its position astride both Europe and Asia and the challenges of its neighbourhood in the Middle East. Australia sits astride the Indo-Pacific and is increasingly integrated economically into Asia, but plays a much broader role geopolitically. Indonesia is expected to play a leading role in ASEAN, but given its size, influence, trajectory and its status as the only ASEAN member in the G20, it arguably has a role to play that is larger than its geographical sub-region. It is understandable then, that MIKTA leaders should focus their efforts on issues of broader global concern and not just narrow regional interests.

That is not to say, however, that MIKTA countries do not wield regional influence. They may not dictate regional politics but they are

indispensable coadjutors of the great powers' regional policies.¹⁰ In her address to a MIKTA outreach event, Australian Foreign Minister Julie Bishop stated that the MIKTA countries "are nations of influence in their respective geographic regions".¹¹

An effective way to grasp a country's capacity to exercise international influence is to examine its ranking within the Elcano Index of Global Presence.¹² The Elcano Global Presence Index, defined as 'a synthetic index that orders, quantifies, and aggregates the external projection of different countries', is an index that takes into account a broad array of economic (energy, primary goods, manufacturers, services, investments), military (troops, military equipment) and soft (migration, tourism, sports, culture, information, technology, science, education, and development cooperation) dimensions.¹³

i. Mexico's regional role in Latin America

Mexico is a key economy due to its size, geographical proximity to the US, its efficient NAFTA partnership and developing links with the Central and South American markets.¹⁴

Following behind Brazil, Mexico's global presence index ranks 2nd in Latin America in 2015. Mexico's presence relies on its economic and soft presence with its military dimension contributing only 0.6% to its ranking. It is noteworthy; however, that Mexico's economy

Table 7: Major Latin American countries' Elcano Global Presence Index 2015

Country	Position		Position by dimension			Contribution by dimension (%)		
	Region	World	Economic	Military	Soft	Economic	Military	Soft
Brazil	1	20	20	11	16	59.1	3.2	37.7
Mexico	2	21	22	41	20	62.8	0.6	36.6
Venezuela	3	38	35	38	46	70.4	1.5	28.1
Argentina	4	43	47	26	32	46.9	3.6	49.5

Source: Elcano Global Presence Report 2016.

¹⁰ Belma Engin and Gurol Baba. 2015. MIKTA: A Functioning Product of "New" Middle Powerism? Uluslararası Hukuk ve Politika. Cilt: 11, Sayı: 42, ss. 1-40.

¹¹ Julie Bishop. 2015. Address to MIKTA outreach event. Available: http://foreignminister.gov.au/speeches/Pages/2015/jb_sp_150624.aspx. [Accessed 7th July, 2016].

¹² Hernán F. Gómez Bruera. 2015. To be or not to be: Has Mexico got what it takes to be an emerging power? South African Journal of International Affairs. Vol. 22, No. 2, 227-248.

¹³ Iliana Olivé, Manuel Gracia, Elcano Global Presence Report 2016, Real Instituto Elcano, 2016, p.13. Available: http://www.globalpresence.realinstitutoelcano.org/en/data/Global_Presence_2016.pdf. [Accessed 6 July, 2016].

¹⁴ "Mexico Country Brief"; Australian Government Department of Foreign Affairs and Trade, <http://dfat.gov.au/geo/mexico/pages/mexico-country-brief.aspx>.



relies heavily on its trade with the United States, while it is minimal in Latin America, almost non-existent in Asia and virtually absent in Africa. Furthermore, Mexico has quite poor diplomatic resources. It has only 74 embassies abroad

which is far fewer than any of the emerging powers.¹⁵ As a result, further expansion of Mexico's global role will require it to broaden its diplomatic relations beyond the US.

Table 8: Major Asian-Pacific countries' Elcano Global Presence Index 2015

Country	Position		Position by dimension			Contribution by dimension (%)		
	Region	World	Economic	Military	Soft	Economic	Military	Soft
China	1	2	2	3	5	65.1	3.1	31.8
Japan	2	7	11	6	6	47.6	4.2	48.2
Australia	3	13	15	16	11	58.4	1.9	39.7
Korea	4	15	18	9	13	61.4	3.8	34.8
India	5	16	13	7	18	67.4	5.9	26.7
Singapore	6	19	14	17	28	75.6	2.2	22.2
Malaysia	7	24	23	30	29	66.5	1.5	32
Thailand	8	26	28	20	31	62.6	3.1	34.3
Indonesia	9	30	26	10	51	77.7	6.1	16.2

Source: Elcano Global Presence Report 2016.

ii. Indonesia, Korea, and Australia's regional roles in the Asian-Pacific region

In 2015, Australia, Korea, and Indonesia were ranked 13th, 15th, and 30th respectively among the 80 countries in terms of Elcano Global Presence Index. In the Asia-Pacific region, Australia and Korea's presence ranked 3rd and 4th respectively, following behind China and Japan, but before India. Although Indonesia's ranking is behind Singapore, Malaysia, and Thailand, its military presence ranks 10th in the world, and it plays a leadership role in ASEAN countries.

iii. Turkey's regional role in Middle East

Turkey is a regional pivot with its geopolitical, geostrategic role and increasing diplomatic clout in the Middle East and Africa. While the past few years have been difficult with tumult in Syria, a massive refugee crisis and weakness in the European Union, Turkey is usually grouped

into the Europe region. Due to its geographic position and its role within the Muslim world, for the purposes of regional comparison in this instance we analyse Turkey's position in respect to the region of the major Maghreb and Middle East. Within the global presence index, it could be found that the better positioned countries in this region to be not Turkey but Saudi Arabia and UAE. Considering the presence by dimensions of these three countries in the context of the index, Turkey tops the military presence ranking, second to Saudi Arabia in soft presence ranking, and sits at the bottom of the economic presence ranking. The high global presence rankings of Saudi Arabia and UAE are mostly because of their economic performance, especially oil exports. From the dimensions of military and soft presence, however, Turkey plays an important role in the issues in this region.

¹⁵ Hernán F. Gómez Bruera. 2015. To be or not to be: Has Mexico got what it takes to be an emerging power? South African Journal of International Affairs. Vol. 22, No. 2, 227-248.



Table 9: Major Maghreb, Middle East countries, and Turkey's Elcano Global Presence Index 2015

Country	Position		Position by dimension			Contribution by dimension (%)		
	Region	World	Economic	Military	Soft	Economic	Military	Soft
Saudi Arabia	1	10	9	21	14	72.2	1.1	26.7
UAE	2	14	10	55	25	80.5	0.2	19.3
Turkey	3	25	38	19	15	36.7	2.9	60.4
Qatar	4	31	24	73	59	86.4	0.1	13.5
Iran	5	34	37	45	35	60.2	1.0	38.8
Kuwait	6	35	30	60	57	82.7	0.4	17.0
Iraq	7	41	32	59	64	84.3	0.4	15.3
Israel	8	49	50	42	44	55.1	1.7	43.1

Source: Elcano Global Presence Report 2016.

d. Relative global competitiveness

The Global Competitiveness Index (GCI) provides insights into the performance of more than 140 countries across a number of indicators that are drawn from a mixture of survey responses and data by the World Economic Forum.

Table 9: The GCI rankings of MIKTA countries (2012-2016)

Country	GCI Ranking 2015-2016	GCI Ranking 2014-2015	GCI Ranking 2013-2014	GCI Ranking 2012-2013
Mexico	57	61	55	53
Indonesia	37	34	38	50
Korea	26	26	25	19
Turkey	51	45	44	43
Australia	21	22	21	20

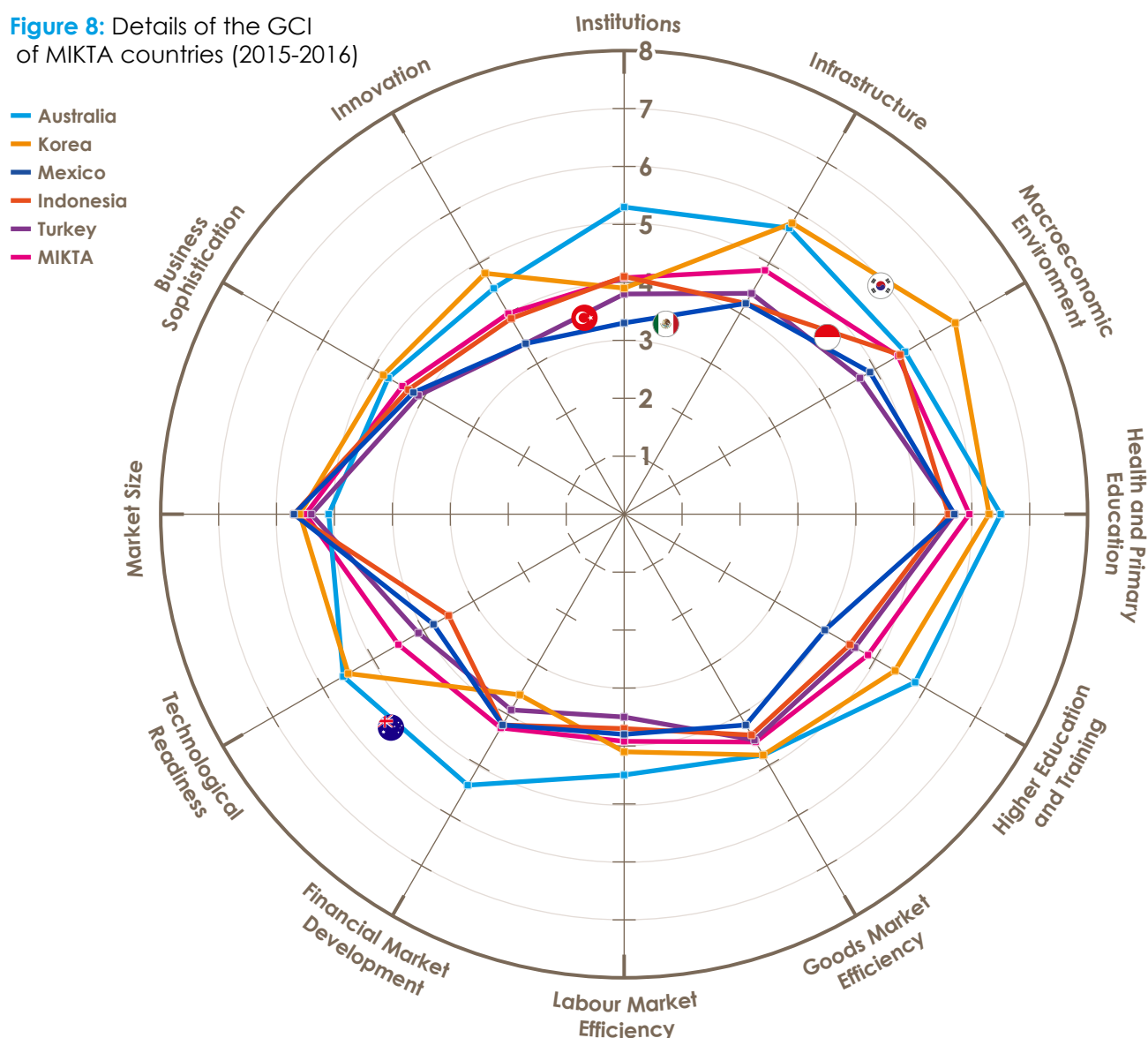
Source: The Global Competitiveness Report 2015-2016, World Economic Forum (2015)

As shown in the table above, among the MIKTA countries, Australia performs best in global competitiveness, followed by Korea, Indonesia, Turkey, and Mexico. It is helpful to examine the detailed indicators that make up the GCI to see exactly where the MIKTA countries perform well, or poorly, relative to their counterpart countries.

In figure 8 on next page, such performance is reflected graphically by plotting each MIKTA country's relative ranking in 12 categories and connecting the data points. While there is of course variance category by category, viewed in this light one can easily see the collective strength and relative similarities of the MIKTA countries.



Figure 8: Details of the GCI of MIKTA countries (2015-2016)



Source: The Global Competitiveness Report 2015-2016, World Economic Forum (2015)

Mexico achieves a GCI score of 4.3 points increasing its ranking by four to 57th in comparison to 2014-2015. Mexico, however, performs the lowest among the MIKTA countries. The main challenges remain to be institutions (109th), labor market efficiency (114th), and higher education and training (86th). Both the public and private institutions in Mexico are weak which reflect the fact that corruption is considered the most problematic factor for doing business. Despite some improvement in the labor market (up seven places to 114th), rigidities are still a problem in Mexico.

Indonesia achieves a GCI score of 4.5 points and posts a performance almost unchanged from last year (37th, down three). Under new leadership, Indonesia still faces major challenges in the basic areas of competitiveness, including infrastructure (62th), health and primary education (96th), and technological readiness (85th). The incidence of communicable diseases and the infant mortality rate of Indonesia are among the highest outside sub-Saharan Africa. Furthermore, like the other MIKTA countries, lack of labor market efficiency remains the weakest aspect of the country's performance (115th). To leverage the potential of its huge population, more should be done to solve the problems of



persisting rigidities in wage setting and in hiring and firing procedures.

Korea achieves a GCI score of 5.0 points and remains in 26th place. Overall, Korea performs well in macroeconomic environment (5th) and infrastructure (13th), but scores low in financial market development (87th), labor market efficiency (83th) and institutions (69th). Korea continues to perform poorly (87th) in financial market development, as access to finance across all modes remains difficult. A lot of work needs to be done to leverage its human capital potential. The highly inflexible labor market (121st) impedes allocation of workers to their most productive uses, and restrictive labor relations rank as one of the most problematic factors for doing business in Korea. For the first time in close to a decade, Korea achieved an improvement in institutions (69th, up 13 places), but it remains one of the poorest performers among advanced economies.

Turkey achieves a GCI score of 4.4 points and its ranking has dropped six places to 51st. This result has been driven by a general decline in 10 out of 12 factors driving competitiveness. Among the MIKTA countries, it scores lowest in macroeconomic environment (68th), labor market efficiency (127th), business sophistication, and innovation (60th). The loose monetary policy drives a high level of inflation (8.9%), which has restrained investment to Turkey. Besides, Turkey's delicate political phase, geopolitical conflicts and massive refugee influx has set a climate of uncertainty that tends to hold back private investments, especially those coming from international investors, which are crucial for Turkey's development.¹⁶ The rigidity and inefficiency of the labor market has been a drag on productivity for a long time. Structural reforms are Turkey's priority to sustain long term competitiveness.

Australia achieves a GCI score of 5.1 points out of a possible 7 and ranks 21st in 2015-2016. Relative to the other MIKTA countries, Australia scores highest on 8 of 12 categories of the Index, particularly in institutions (19th of all 140 countries), health and primary education (9th of all 140 countries), higher education and training (8th of all 140 countries), and financial market

development (7th of all 140 countries). However, despite Australia having world-class education and universities, it lags behind Korea and most advanced economies in innovation (23rd of all 140 countries). Labor market efficiency has traditionally been its weakest aspect, although it leapfrogs 20 places to 36th. It is worth noting that Australia scores lowest in market size among the MIKTA countries, not surprising given its relatively small population. Australia's economy depends much on its resource (iron ore in particular) exports to China. With global commodity prices set to remain low for the foreseeable future, along with the slowdown in China, Australia must diversify further.¹⁷ Enhancing economic cooperation with the other MIKTA countries is one possible area for Australia to diversify its trading partners.

There is considerable diversity in performance not only across but also within MIKTA countries, and each country has its own strengths and drawbacks. Overall, all MIKTA countries have room for improvement and are faced by uniquely diverse challenges. It is noteworthy that labor market efficiency is a weak aspect and deserves attention for all the MIKTA countries. MIKTA provides not only a communication platform referring to current global governance issues, but also a good platform for them to learn from each other to combat such development challenges.

e. Assessment of core commonalities and key divergences

At first glance, it is the apparent incongruity of MIKTA's membership that stands out. As evidenced by the section above, however, while there are real divergences there are also some surprising similarities among the MIKTA members in particular related to their engagement with the international community. The sustainability of this like mindedness will depend on the success and functionality of MIKTA as it continues to strengthen bilateral ties among members, enhance habits of cooperation, foster cooperation in the international arena and promote coordination on global issues in the UN, the G20 and elsewhere.¹⁸ If there is one word that best describes each MIKTA nation it is "capacity."

¹⁶ World Economic Forum. The Global Competitiveness Report 2015-2016.

¹⁷ *ibid.* ¹⁸ SRE, "MIKTA diplomacy: New Dynamism or More of the Same".



Each member state is a net contributor to the global system – a net giver rather than a taker. As such, MIKTA as a grouping has even greater capacity to leverage its combined diplomatic influence to contribute to global governance.

The second commonality is that they are all open economies of similar size with potential for robust growth rates, great competitiveness and wield significant influence in their respective geographic regions. They are all pivotal swing states in their respective regions, already enjoying pre-eminent soft power and influence with powerful public diplomacy apparatuses at their disposal.¹⁹ Unlike the G7 which is viewed skeptically by much of the developing world, or BRICS which is in many ways a reaction to the G7 and thus also carries baggage, MIKTA represents five countries that are all respected and “acceptable” to both the developed and developing nations of the world. As such there is a level of baggage-free clarity in MIKTA pronouncements that give them added weight globally. Put simply, if five diverse yet respected and widely admired nations such as Mexico, Indonesia, Korea, Turkey and Australia can reach agreement on an issue, the room for opposition is greatly diminished.

Third, MIKTA represents a unique and necessary addition to the global governance framework as it is a democratic alliance in which all of its member states bear a commitment to democratic, transparent processes. MIKTA also encompasses two of the most influential majority Muslim states of Indonesia and Turkey. Its diverse politico-religious character consolidates an effective multilateral approach to resolving global issues, especially in giving voice to factions that were previously marginalised (e.g. Muslim states whose interests are unrepresented by BRICS).

Concerning the key divergences, in addition to the differences between their population sizes and GDP per capita indicators, each MIKTA member has a different language, culture, tradition, and geographic location. However, the divergences are good for them in the sense that diversity brings depth and a broader focus lending them greater credibility.

IV. REVIEW OF NATIONAL STRATEGIES AND PERSPECTIVES TOWARD MIKTA

Given that MIKTA as a grouping is only just over three years old and that its development is very much an ongoing process it is difficult to accurately assess national strategies and perspectives. To begin with, as all MIKTA members are democracies there is the added challenge of governmental transitions which have the potential to increase or decrease the level of priority placed on MIKTA. Yet despite a remarkably volatile period which has included a new government in Indonesia, a change in prime minister in Australia, an attempted coup in Turkey and most recently the impeachment of a president in Korea, the leadership of MIKTA at the foreign minister level has continued unabated. Initially perceived as a Mexican initiative, with strong backing from Korea which has a known penchant for “middle power” initiatives, Australia enthusiastically supported the grouping and assumed the rotating chairmanship for MIKTA from Mexico (2014) and Korea (2015) for what was by all accounts a successful term in 2016. The chairmanship of MIKTA now rotates to Turkey for 2017 and despite its domestic challenges all indications are that Turkey will continue the active pace of activity established by its predecessors before presumably turning over the Chairmanship to Indonesia in 2018.

a. Mexico

Given its leadership role in the establishment of MIKTA, Mexico's position is quite interesting. Mexico faces extreme economic dependence on the US on the one hand, and Brazilian leadership in Latin America on the other.²⁰ Its support of MIKTA suggests that it wants to find opportunities for cooperation beyond the North American Free Trade Area (NAFTA) and the now doomed Trans-Pacific Partnership (TPP). The idea of establishing MIKTA provides Mexico a chance to cooperate with countries in the other regions and to enhance its global stature. Mexico's Minister of Foreign Affairs has stated that the functional need to cooperate and work constructively with each other and other states

¹⁹ Hale Yildiz. 2014. How to explain MIKTA. Available: http://www.internationalaffairs.org.au/australian_outlook/how-to-explain-mikta/ [Accessed 13th July, 2016].

²⁰ Selcuk Çolakoğlu. 2015. MIKTA: A global vision of middle powers. Available: <http://scolakoglu.blogspot.com.au/2015/03/mikta-global-vision-of-middle-powers.html> [Accessed 20 July, 2016].



in the face of global and regional challenges brings MIKTA countries together. Internationally, Mexico is very much in the shadow of its much larger northern neighbour and as such its capacity to contribute globally has not received the appropriate recognition.

b. Indonesia

Indonesia is internationally recognised as the first among notional equals in Southeast Asia.²¹ For all of the states of Southeast Asia, ASEAN has had historical importance as a vehicle with which to manage sometimes fractious intra-regional relations, reinforcing domestic sovereignty, and generally raising the international profile and significance of the entire Southeast Asian region.²² However, ASEAN has appeared increasingly unable to respond to a rapidly changing regional environment – much to the frustration of Indonesia which has begun to assume a more prominent international profile and which is the only ASEAN member included in the G20.

Indonesia has rapidly acquired the material prerequisites of middle power status. Before the establishment of MIKTA, it has already been experimenting with some aspects of middle power diplomacy. Former Indonesian Foreign Minister Marty Natalegawa's statement that 'in any international forum, including ASEAN and the G20, Indonesia will bridge different visions between nation-states and show Indonesia's moderate and strong views', captures the predilection of middle powers for multilateral cooperation.²³

c. Korea

Korea has carved out an important role for itself in the international community. From the leadership of international organisations evidenced by now-former United Nations Secretary General Ban Ki-moon and Korea's early role in the formation in APEC to its hosting of major international for a such as the G20 and the 2012 Nuclear Security Summit, Korea has actively sought to position itself as a global leader. As such it is not surprising that Korea hosted a very active chairmanship year of MIKTA in 2015 and expanded the scope of both official and related MIKTA meetings. Korean academics and some in the Korean government have been leading advocates for the concept of "middle-power" diplomacy. This predilection provided an easy rationale for Korea's early and enthusiastic support of MIKTA. While Korea's remarkable economic success over the past 50 years has enabled it to play an important role globally, the ongoing division of the Korean peninsula and its proximity to the great powers in Asia, make it challenging for Korea to do so situated as it is between China, Japan, and Russia and in an alliance with the United States on the other side of the Pacific. This is particularly true when it comes to addressing North Korea dilemma and other regional problems. In addressing these issues Korea has actively sought to utilise its full panoply of diplomatic options, from its security alliance with the United States, to its increasingly close economic relationship with China, to its leadership in the UN and a range of other venues such as the ASEAN Regional Forum. It has been in this context that Korea has welcomed the articulation of middle power diplomacy and determined that MIKTA can provide it with new opportunities in its foreign policy.²⁴

²¹ Laksmana, E. A. (2011) 'Indonesia's rising regional and global profile: Does size really matter?' *Contemporary Southeast Asia*, 32(2): 157–82.

²² S. Narine, *Explaining Asean: Regionalism in Southeast Asia*, (Boulder: Lynne Rienner, 2002).

²³ Y. Hermawan et al., 'The Role of Indonesia in the G20: Background, Role and Objectives of Indonesia's membership', Friedrich Ebert Stiftung, available: www.g20.utoronto.ca/biblio/role-of-indonesia-2011.pdf [Accessed 15th July, 2016].

²⁴ Selcuk Çolakoğlu. 2015. MIKTA: A global vision of middle powers. Available: <http://scolakoglu.blogspot.com.au/2015/03/mikta-global-vision-of-middle-powers.html> [Accessed 20 July, 2016]



d. Turkey

Turkey has been struggling with leaning “towards the West or the East”. Turkey faces a complicated situation, in which it must cooperate with regional influences in accordance with its national interests. In the past, Turkey’s traditional foreign policy was mostly defensive and firmly rooted in the Western anti-communist alliance. Its foreign policy started to become more diversified and assume a greater focus on economic issues with Trugut Ozal who dominated Turkish politics in the late 1980s and early 1990s. Following a series of economic reforms engineered in 1980, Turkey’s policies triggered a new opening to the world. In spite of this new activism, the actual policy of Turkey continued to remain firmly anchored in the West. The EU was at the centre of Turkish foreign policy during 1990s, especially the preparation for the Customs Union Agreement of 1995, the candidate status in 1999 and the start of accession negotiations in 2005. Turkey started to reach out to developing countries in the late 1980s, largely to forge links with alternative trading partners, but also with the purpose of garnering support at international fora for its foreign policy.²⁵

Turkey continues to be an indispensable economic and political actor in the Middle East and has extensive influence over a wider geography, including the Caucasus, Central Asia and the Balkans.²⁶ However, the possibilities and potential of cooperation demonstrated by the BRICS and Turkey’s boosted self-confidence in its economy provided appeal and encouragement for Turkey to pursue global recognition. Membership in the G20 generates some influence and enhances Turkey’s visibility to some extent, but without the backing of a recognised group, Turkey has to act alone to establish or exercise international influence in most cases. So it is important for Turkey to enhance its effective power through credible coalitions with other countries, such as MIKTA.

Former Turkish Minister of Foreign Affairs Ahmet Davutoğlu has stated that MIKTA members have the capabilities to ‘significantly contribute to regional and global peace and stability and pursue similar constructive approaches in the

face of international challenges’, and ‘in this respect, contribute to global peace, stability and prosperity’.

e. Australia

Historically Australia was a relatively insular state with strong social, economic, and cultural links to the UK, the US and Europe than to its immediate region. In recent decades, however, Australians increasingly recognise the importance of their position at the fulcrum point of the Indo-Pacific. Over the past few decades, first Japan and Korea and now China have become Australia’s main trade partners, while the US remains Australia’s foremost security guarantor. Indeed, relations with the US greatly influence other foreign policy concerns, including how it manages its relations with China and the rest of the region.²⁷ That said, in recent years Australia has played a key role in the development of regional architecture in Asia. Australia was an early leader in the creation of APEC, and active participant in the expansion of the G20, advocated for the U.S. to join the East Asia Summit, and is a leader in both the ill-fated Trans-Pacific Partnership Trade Agreement (TPP) and the ongoing talks on the Regional Cooperative Economic Partnership (RCEP.) As such, it should not come as a surprise that Australia was an active chair for MIKTA this past year.

Among the MIKTA countries, Australian political leaders are arguably most reluctant to embrace the concept of “middle powers.” This is possibly due to the advanced status of Australia’s economy, education system and innovation in which their peers are the countries in the G7. Australia’s close alliance with the United States and its considerable “soft power” globally are possibly other factors. Such reticence aside, Australia has been an enthusiastic supporter of MIKTA and its 2016 chairmanship set a high standard for what might be accomplished going forward. In addition to the official apparatus of MIKTA meetings, during Australia’s tenure as Chair MIKTA branched into issue areas including gender equality, governance, sustainably governance and energy governance.

²⁵ Mehmet Arda, 2015, Turkey - the evolving interface of international relations and domestic politics. South African Journal of International Affairs, Vol. 22, No. 2, 203-226.

²⁶ *ibid.* ²⁷ Beeson, M. ‘Can Australia save the world? The limits and possibilities of middle power diplomacy’, Australian Journal of International Affairs, 65(5), (2011), pp. 563-577.



V. INSTITUTIONAL COMPETITION: MIKTA'S INTERNATIONAL ENVIRONMENT

The MIKTA countries are members of many multilateral organisations and plurilateral institutions and a preference for collaboration within multilateral organisations is widely taken to be one of the hallmarks of contemporary middle powers.²⁸ The diversity of options available to MIKTA members has also influenced the development of MIKTA to date as there is no need to attempt to replicate the benefits MIKTA members already draw from the participation in other organisations or institutions.

There is a diverse range of geographic, thematic and religious groupings in which three or more of the MIKTA countries are also prominent contributors which is one of the group's great strengths.²⁹ The MIKTA countries have participated in a global web of economic alliances, cooperation agreements and multilateral partnerships.³⁰

a. United Nations

The United Nations (UN) is an intergovernmental organisation established in 1945 to promote international cooperation. Its objectives include maintaining international peace and security, promoting human rights, fostering social and economic development, protecting

the environment, and providing humanitarian aid in cases of famine, natural disaster, and armed conflict.

MIKTA Foreign Ministers meet the margin of the General Assembly each year, usually focusing on one of the topics of the General Assembly. Australia and Korea are also currently working closely together as non-permanent members of the United Nations Security Council.

b. G20

For a long time, middle powers have been systematically excluded from the global governance. The evolution of the G20 has brought middle powers into global summitry for the first time. Middle powers, particular the MIKTA countries, have focused on the G20 as the hub of the New Informalism³¹, and been very active in hosting the G20 summits.

MIKTA is an issue-driven, informal, and flexible dialogue mechanism among members who are interested in such initiatives which might promote middle power diplomacy within the G20. Different from BRICS, which often expresses confrontational stance vis-à-vis the US-led global order, MIKTA has rhetorically chosen to become a 'bridge builder'.³² MIKTA has the potential to narrow the opinion gap on G20 issues and drive coordinated actions and the implementation of G20 commitments.

Table 11: Main alliances and organisations MIKTA countries have been involved

Country	MIKTA	UN	G20	WTO	OECD	APEC	EAS	
Mexico	•	•	•	•	•	•		MIKTA: Mexico, Indonesia, The Republic of Korea, Turkey, and Australia; UN: United Nations; G20: Group of Twenty; WTO: World Trade Organisation; OECD: Organisation for Economic Cooperation and Development; APEC: Asia Pacific Economic Cooperation Forum; EAS: East Asia Summit.
Indonesia	•	•	•	•		•	•	
Korea	•	•	•	•	•	•	•	
Turkey	•	•	•	•	•			
Australia	•	•	•	•	•	•	•	

Source: Flake G., Douglas E. (2014). MIKTA Narratives: Prosperity, Persuasion and Projection, Perth USAsia Centre.

²⁸ A.F. Cooper, R.A. Higgott, and K.R. Nossal, Relocating Middle Powers: Australia and Canada in a Changing World Order, (Carlton, Victoria: Melbourne University Press, 1993).

²⁹ Julie Bishop, (2015), Address to MIKTA outreach event, available from: http://foreignminister.gov.au/speeches/Pages/2015/jb_sp_150624.aspx, accessed on 7 April, 2016.

³⁰ Flake G., Douglas E. (2014). MIKTA Narratives: Prosperity, Persuasion and Projection, Perth USAsia Centre.

³¹ *ibid.* ³² ANU, (2015), Where is MIKTA heading next? Available from <http://asiapacific.anu.edu.au/news-events/all-stories/where-mikta-heading-next>, accessed on 7 April, 2016.



MIKTA could also yield creative ideas and recommend new issues for the G20 agenda. Through holding the G20 summit meetings, Korea (2010), Mexico (2012), Australia (2014), and Turkey (2015) had the opportunity to set the agenda and contribute to the global governance. To date MIKTA nations have been careful not to articulate their role via the G20, although their G20 sherpas have held several MIKTA gatherings in the margins of G20 sherpa meetings in 2016. While it is tempting to view MIKTA as a caucus or a faction within the G20 made up of those nations that are not in the G7 or in the BRICS, it is notable that not all such G20 members including Saudi Arabia and Argentina are members of MIKTA. More importantly, while the G20 meetings have provided a useful opportunity for MIKTA Foreign Ministers to meet, the fact that they have convened a number of meeting independent of the G20 and have adopted a different agenda than the G20 speaks to the unique nature of MIKTA.

c. WTO

All the five countries are members of World Trade Organisation (WTO). MIKTA has set up a workshop on e-commerce which object is twofold. One is to raise the visibility of the MIKTA group both within the WTO and in the trade context in general, while the other is to build awareness on digital trade and e-commerce. WTO Director-General Roberto Azevêdo congratulated MIKTA countries for the initiative, given that e-commerce “provides... huge opportunities for growth, development, and job creation.”³³

d. OECD

The Organisation for Economic Cooperation and Development (OECD) is an intergovernmental economic organisation with 35 member countries, founded in 1961 to stimulate economic progress and world trade. It is a forum of countries describing themselves as committed to democracy and the market economy, providing a platform to compare policy experiences, seeking answers to common problems, identify good practices and coordinate domestic and international policies of its members. Turkey is one of its official

founding members. Australia, Mexico and Korea have been active members of the OECD since 1971, 1994 and 1996 respectively. Indonesia is the only MIKTA country not currently a member of the OECD, but given the benefits derived by Mexico and Korea in joining the OECD over two decades ago, perhaps they might play a role in encouraging and assisting in Indonesia's bid for membership.

e. APEC

The Asia-Pacific Economic Cooperation (APEC) is a regional economic forum established in 1989 to leverage the growing interdependence of the Asia-Pacific. Among the MIKTA countries, Mexico, Indonesia, Korea, and Australia are members of APEC. APEC continues to play an important role in promoting regional economic integration and in recent years has been a leader in harmonizing standards, systems and regulations in the region. As APEC membership is geographically determined, Turkey is the only MIKTA member not part of APEC.

f. East Asia Summit

The East Asia Summit (EAS) is a forum held annually by leaders of 16 countries in the East Asian, Southeast Asian and South Asian regions, plus the United States and Russia. EAS meetings are held after annual ASEAN leaders' meetings with a clear mandate for addressing regional security and economic concerns. Indonesia, Korea, and Australia are participants in the summit. As opposed to APEC which includes Pacific Rim nations from North and South America, Mexico is not a member of the East Asia Summit, nor is Turkey.

g. Review of organisational structure and functional roles

The MIKTA countries gathered in 2013 in New York were reminiscent of the meeting among the BRICS countries in 2006. Both BRICS and MIKTA are groupings of emerging powers, but the BRICS have received far more international attention than MIKTA has. Despite the ambitions they have set, MIKTA has not developed as fast and become as institutionalised as the BRICS. Only after two foreign ministerial meetings, the earlier iteration of 'BRIC' was able to hold a

³³ International Centre for Trade and Sustainable Development. 2016. MIKTA Countries Encourage WTO E-Commerce Discussions. Available: <http://www.ictsd.org/bridges-news/bridges/news/mikta-countries-encourage-wto-e-commerce-discussions> [Accessed 19th September 2016]



summit level meeting in Yekaterinburg, Russia in June 2009, and later became BRICS after South Africa's joining in 2010. Despite their many differences, BRICS countries found common interests and often act as a negotiating bloc. BRICS now has more than ten ministerial level meetings every year and numerous Senior

Officials Meetings, working groups, and non-governmental forums. BRICS has even created a new development bank which many perceive as a rival to the World Bank.³⁴ First established as a dialogue forum, the BRICS is transforming to a full-fledged mechanism.

Table 12: The cooperation mechanism of BRICS and MIKTA

	BRICS	MIKTA
	Leaders' Summit (13)	--
Meetings of Ministers	Meetings of Finance Ministers (14); Meetings of Foreign Ministers (11); Meetings of Trade Ministers (9); Meetings of Ministers of Health (9); Meetings of Ministers of Agriculture and Agrarian Development (5); Meetings of Ministers of Education (3); Meetings of Science, Technology and Innovation Ministers (3); Meetings of Ministers of Culture (1); Meetings of Environment Ministers (1); Meetings of Industry Ministers (1); Meetings of Labor and Employment Ministers (1); Meetings of Heads of the Migration Authorities (1);	Meetings of Foreign Ministers (8);
Meeting of Senior Officials & Working Groups	Meetings of Competition Authorities (4); Meetings of National Statistical Authorities (4); Meetings of High Representatives for Security Issues (4); Meetings of Tax and Revenue Authorities (2); Meetings of Anticorruption Officials (1); Meetings of Science and Technology Officials (1); Working Group on cooperation in agriculture; Working Group on cooperation on health affairs	Senior Officials Meetings (2); Speakers' Consultation (2); Workshop on Electronic Commerce; Development Cooperation Workshop (2)
Accompanying events	Academic Forum (7); Business Forum (6); Mayors of BRICS Cities and Friendship Cities (1); Parliamentary Forum (1)	Academic Network Conference (2)

Note: The numbers in the brackets indicate times of the meeting so far.

Source: The information of BRICS' cooperation mechanism is from BRICS Information Center, University of Toronto, <http://www.brics.utoronto.ca/docs/>. The information of MIKTA's is from the website of MIKTA, <http://www.mikta.org/index.php>.

Compared with BRICS, MIKTA has maintained a low-level of institutionalisation. Russia and China played an important role in the institutionalisation of BRICS. In particular, the convening of a leaders' summit has prompted the development of the BRICS from the top

down. With Head of State Summits in BRICS, APEC and the East Asia Summit, it is not surprising that there have been calls by some for MIKTA to also convene a summit of leaders to raise its profile and push for more robust interaction among its members. For example,

³⁴ Australian National University, 2015. Where is MIKTA heading next? Available: <http://asiapacific.anu.edu.au/news-events/all-stories/where-mikta-heading-next> [Accessed on 7 April, 2016].



Professor Andrew Cooper of Waterloo University in Canada argued that (2015), "there is a strong logic for a MIKTA meeting at the leaders' level in the context of the G20 summit process, either to mobilise support for components of the G20 summit before the meeting or in a mode of 'friends of G20' after the summit".

To date, MIKTA leaders have resisted such calls for making the grouping a more formal organisation, establishing a secretariat, or pursuing a meeting of national leaders. This was evident in the second point of the most recent joint Communiqué released in Sydney on 25 November 2016:

We reiterate our desire to ensure that, through a fresh approach to diplomacy, MIKTA becomes an innovative and influential voice that shapes international opinion and action to the benefit of all.³⁵

In the next point they further clarified:

In this era of great complexity and rapid change, we reaffirm our common interest in upholding an effective, rules-based global order, underpinned by the United Nations and other multilateral efforts.³⁶

Another way to articulate this is that the focus of MIKTA is not on the MIKTA nations themselves, but rather on cooperation within MIKTA to tackle those global challenges that resist resolution within the UN system or those issues on which the combined voices of the diverse MIKTA countries might have more credibility or influence. MIKTA is thus more a tool of diplomacy, appropriately centred at the Foreign Ministry level than an entity unto itself.

VI. FORGING A STRATEGIC RATIONALE FOR MIKTA

a. On balance: Assessing strengths versus weaknesses

On the face of it, MIKTA is an odd grouping. The five nations could not be more geographically diverse located in North America, Southeast Asia, Northeast Asia, at the gateway to Europe, and in the Southern Hemisphere straddling the Indian and Pacific Oceans. The cultural and religious differences are also striking ranging from largely Catholic to strong Muslim majorities in Turkey and Indonesia and both strong Buddhist and Christian communities in Korea.

The MIKTA nations have deliberately decided to leverage these differences into strengths. In the 25 November Joint Communiqué issued by the MIKTA Foreign Ministers following their meeting in Sydney they proclaimed: "MIKTA countries represent the great diversity of the international community: we are geographically dispersed; we represent different regional, cultural, religious and historical backgrounds; and we are at different stages of development. The breadth of our discussions today demonstrates that the scope of our shared interests transcend our diversity. We reiterate our desire to ensure that, through a fresh approach to diplomacy, MIKTA becomes an innovative and influential voice that shapes international opinion and action to the benefit of all."

b. A niche of need: areas of potential collaboration

Currently, the world faces many challenges, climate change, sustainable development, the geopolitical tensions and conflicts around the world, as well as many unfolding humanitarian crises. Although great powers are useful in mobilizing cooperation, their efforts are increasingly insufficient to solve today's complex challenges. Many issues require unprecedented international cooperation, and "middle powers" are required to play a greater and more active role.³⁷

³⁵ <http://dfat.gov.au/international-relations/international-organisations/mikta/Pages/8th-mikta-foreign-ministers-meeting.aspx>

³⁶ *ibid* ³⁷ Kim Sung-han, (2013), Global Governance and Middle Powers: South Korea's Role in the G20, available from: <http://www.cfr.org/south-korea/global-governance-middle-powers-south-koreas-role-g20/p30062>, accessed on 5 April, 2016.



MIKTA currently operates as consultative mechanism, and to advance beyond this initial cautious trust building stage would most likely happen on a niche or functional issue-specific basis.³⁸ In 2013 when MIKTA was first established, the foreign ministers articulated an ambitious vision of the role MIKTA might play globally and over the course of the last three years they have continued to refine that vision while seeking specific opportunities to make a difference.

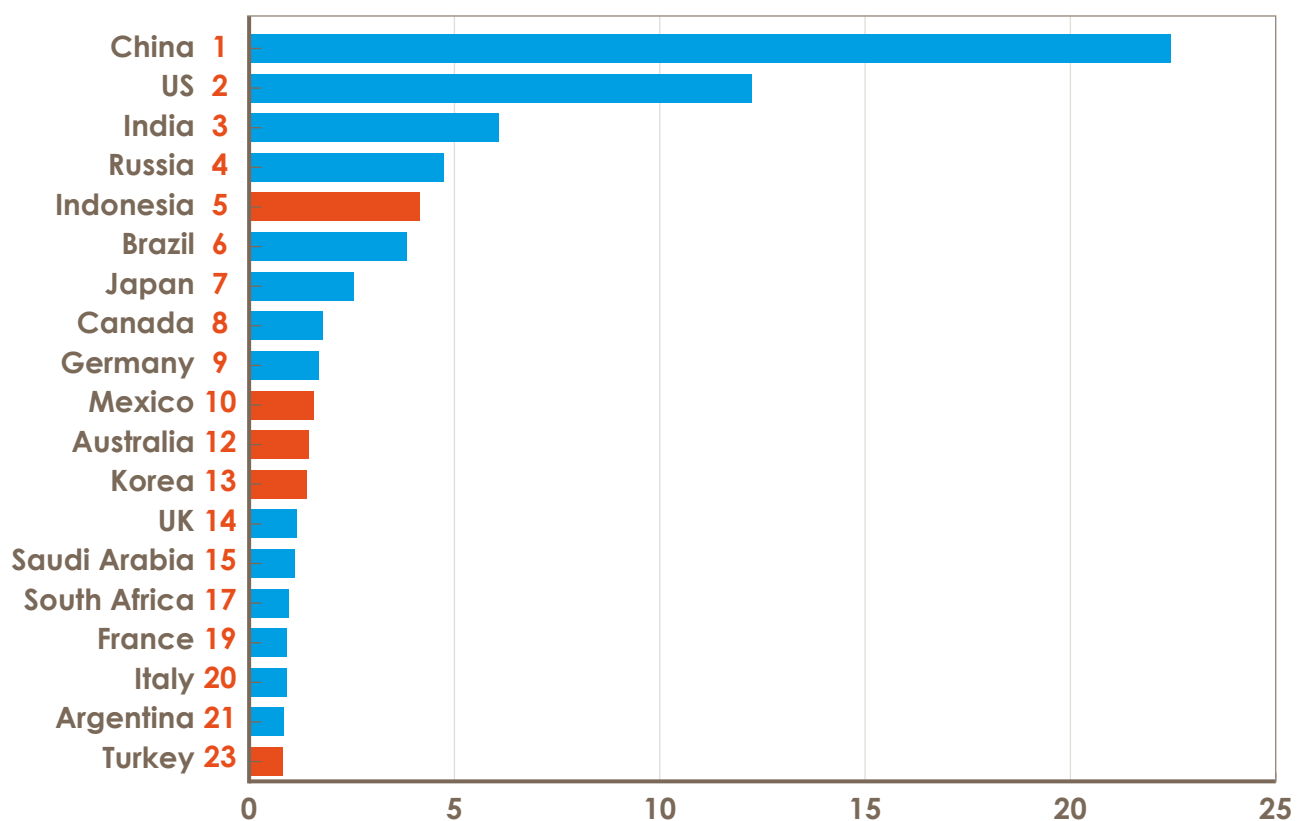
The MIKTA countries have identified two broad areas where they could play the 'agenda setter' or 'bridges' roles: development issues and global governance. Climate change and development cooperation are the two niche areas where the MIKTA countries are seeking to play a bridging role between developed and developing countries in pursuing the sustainable

development goal. Global governance and the effectiveness of the multilateral institutions that underpin it matter a great deal to MIKTA. The difficulties experienced in the Doha Round of trade talks demonstrates that achieving progress through multilateral institutions is challenging. The MIKTA countries are searching ways to contribute to strengthening global governance.

i. Climate change

Climate change has emerged as one of the priority issues of the 21st century and has been highlighted as a human crisis and a great worldwide challenge. Climate change has been identified by MIKTA as one of the key driving forces to the success of middle-power diplomacy.

Figure 9: G20 countries total GHG emissions ranking (% of world, 2012)



Source: World Resources Institute.

As the figure shows above, all MIKTA countries are major greenhouse gas (GHG) emitters, accounting for 9.39% of world's total GHG emissions as of 2012. Among the MIKTA countries, Mexico, Australia, Korea, and Turkey are the 10th, 12th, 13th, and 23rd of the GHG emitters. Indonesia is not only one of the world's largest emitters of GHG but also the country that is severely affected by the effects of climate change.

³⁸ Cooper. (1997). Niche diplomacy: middle powers at the cold war. Palgrave Macmillan. London.



MIKTA's actions towards climate change

MIKTA has diverse history in the engagement with climate change issue. Mexico hosted the Cancun negotiations in November 2010. In 2010, South Korea set up the Global Green Growth Institute which became an intergovernmental organisation in 2012 and became the host of the Green Climate Fund in the same year. The other MIKTA countries have also put forward practical GHG mitigation plans to combat climate change problem (As shown in the table below). As all the MIKTA countries are major GHG emitters, if the MIKTA countries commit to a common position in engaging climate change – in terms of solving the practical challenges and reducing their GHG emissions – the world will soon take notice.

The roles, opportunities, and challenges of MIKTA in climate change issue

On the occasion of the Sixth MIKTA Foreign Ministers' Meeting in September 2015, MIKTA

released a joint statement on climate change in which they claimed to play a bridging role between advanced countries and developing countries. The MIKTA countries have great diversity which can help them play a bridging role in the issue of climate change. MIKTA represents a wide spectrum of developed and developing countries' interests and energy-importer and exporter interests.

The MIKTA countries represent both developed ANEX I countries and developing non-ANEX I countries. By putting forward the GHG mitigation plans they can set an example for the countries that do not have legally binding obligations to reduce GHG emissions. Developing countries do not have any legally binding commitment to reduce GHG emissions, voluntary actions by developing countries to reduce GHGs were considered crucial for agreeing on an effective climate change regime which was supposed to be agreed by 2009 in Copenhagen.³⁹ In the post-2012 climate change negotiations context, MIKTA especially Korea led negotiations by

Table 13: The GHG mitigation plans in MIKTA countries' Intended Nationally Determined Contribution

	GHG mitigation plans
Mexico	Mexico is committed to reduce unconditionally 25% of its Greenhouse Gases and Short Lived Climate Pollutants emissions (below BAU) for the year 2030. This commitment implies a reduction of 22% of GHG and a reduction of 51% of Black Carbon. This commitment implies a net emissions peak starting from 2026, decoupling GHG emissions from economic growth: emissions intensity per unit of GDP will reduce by around 40% from 2013 to 2030. Mexico also submitted an Annex on adaptation, which includes descriptions of Mexico's vulnerability to climate change, adaptation actions, and capacity building, transfer of technology and finance for adaptation. A conditional reduction commitment is also communicated in the INDC.
Indonesia	Indonesia has committed to reduce unconditionally 26% of its greenhouse gases against the business as usual scenario by the year 2020...Indonesia is committed to reducing emissions by 29% compared to the business as usual (BAU) scenario by 2030. Conditional target: Indonesia's target should encourage support from international cooperation, which is expected to help Indonesia to increase its contribution up to 41% reduction in emissions by 2030. Indonesia also submitted an Annex on "Indonesia Climate Resilience Strategy", including "Indonesia's Vulnerability to Climate Change" and "Priority Actions for Climate Resilience".
Korea	Korea plans to reduce its greenhouse gas emissions by 37% from the business-as-usual (BAU, 850.6 MtCO ₂) level by 2030 across all economic sectors.
Turkey	Up to 21% reduction in GHG emissions from the Business as Usual (BAU) level by 2030.
Australia	Under a Paris Agreement applicable to all, Australia will implement an economy-wide target to reduce greenhouse gas emissions by 26% to 28% below 2005 levels by 2030.

Source: World Resources Institute, <http://www.wri.org/resources/data-sets/cait-paris-contributions-data>

³⁹ Suh-Yong Chung. (2015). Looking Ahead to COP21: What Korea has done and what Korea should do.



initiating discussions on Nationally Appropriate Mitigation Actions (NAMA) Registry, which plays as a platform of recognition for mitigation actions by developing countries.

By realising low-carbon economic growth and thereby reducing GHG emissions, MIKTA could demonstrate its bridging role in narrowing the gap between developed and developing countries. They can demonstrate how the diverse countries could work together on such difficult problems, such as climate change. The main strength for MIKTA doing so is that there is little sensitivity about MIKTA projecting its collective effort to impose discipline or to challenge the status quo on a global basis.⁴⁰

As all the MIKTA countries are democracies, bringing together different interest groups to engage with the issue of climate change is a major challenge for them. The diversity among the five countries means they can learn with each other how to solve the climate change issues with strong domestic interests, particularly in learning how Korea has managed to achieve great prominence in international climate change diplomacy.

ii. Development cooperation

Sustainable development is also a very important challenge faced by all humankind. Achieving the sustainable development goals (SDGs) needs a lot of international development cooperation. As the range of instruments and means of development support is broader than ever before, development cooperation has emerged as one of the promising areas for middle power diplomacy where middle powers could take more initiative and embrace an expanded role.

Development cooperation is the world's attempt to work together to achieve commonly held ambitions, and to support those parts

of the world that need special assistance.⁴¹ Traditionally, development cooperation has been almost synonymous with financial aid - or even more narrowly with official development assistance (ODA). Among the MIKTA countries, Mexico is both a recipient and provider of development assistance; whereas Indonesia is merely a recipient, while Korea, Turkey, and Australia are donor countries who have experience in this functional arena. In 2014, Australia, Turkey, and Korea's ODA amounted to \$4.38 billion, \$3.59 billion, and \$1.85 billion respectively.⁴²

Although the MIKTA countries' ODA volume remains modest, they could still play an important role in development cooperation issues, because ODA or financial transfers are not the only type of development cooperation. Capacity support⁴³ and policy change⁴⁴ are also important types of development cooperation in which the MIKTA countries have plenty of experiences to share with.

Mexico: As both a recipient and provider of development assistance, Mexico has been an emerging donor in development and has embraced South-South cooperation and supports regional development projects. By hosting the ministerial-level meeting of the Global Partnership for Effective Development Cooperation, Mexico made efforts in ensuring the budget transparency in development assistance, especially the transparency of the middle-income countries.

However, Mexico does not highly prioritise international development cooperation on their foreign policy agenda. Helping to improve the standard of living in less-developed countries ranked 13th on a list of 16 foreign policy goals perceived to be very important by Mexican leaders.⁴⁵ Although the Mexican government has launched a set of initiatives to strengthen

⁴⁰ Andrew F. Cooper. (2015). MIKTA and the Global Projection of Middle Powers: Toward a Summit of Their Own?

⁴¹ Jonathan Glennie, and Jose Antonio Alonso. (2015). What is development cooperation? Four criteria to help define it. Available from: <http://www.developmentprogress.org/blog/2015/04/09/what-development-cooperation-four-criteria-help-define-it>, accessed on 12 April, 2016.

⁴² Data is from OECD.Stat, <http://stats.oecd.org/Index.aspx?DatasetCode=TABLE1>

⁴³ Capacity support mainly contains organisational and human resources, technology cooperation, and sharing policy experience.

⁴⁴ At national level, policy change includes reviewing public policies in light of their effects on the development agenda, strengthening complementarities and avoiding conflicts among them, at international level, it implies building better enabling rules for global governance in pursuance of a more equitable distribution of development opportunities among countries and people and a more efficient provision of international public goods.

⁴⁵ Hernán F. Gómez Bruera (2015) To be or not to be: Has Mexico got what it takes to be an emerging power?, South African Journal of International Affairs, 22:2, 227-248, DOI: 10.1080/10220461.2015.1053978



international development cooperation, the country still lacks a strategic vision on development cooperation as an instrument of foreign policy.⁴⁶

Korea: The unique development experience of Korea is one of the most successful stories in the history of international development, and Korea attaches great importance to development as part of the nation's grand vision of a "Global Korea". Korea has actively participated in the global discussions on international development cooperation since its accession to the DAC in 2010.⁴⁷ During the G20 Seoul Summit, Korea took the lead in adopting the "Seoul Development Consensus for Shared Growth" which is now one of the most appreciated priorities of the G20. During the Fourth High Level Forum (HLF4) held in Busan, Korea, the Global Partnership for Effective Development Cooperation was established to ensure that development cooperation has the maximum possible impact on development results.⁴⁸

Turkey has a long history of engagement with international development cooperation. Development cooperation is one of several instruments in Turkish foreign policy that is increasingly and intensively used by the Turkish government to convey a positive image of the country to the foreign public. Turkey has emerged as a leader in assistance to Somalia and Syrian refugees. Turkey has an explicit Africa strategy since 2010, which includes an important development cooperation component.

Australia is a key participant in a range of development cooperation activities focused on capacity building in the Asia-Pacific region.

Based on their strengths and efforts in development, MIKTA has made a joint statement on development during the 3rd International Conference on Financing for Development held in Addis Ababa in July, 2015. In the joint statement, the MIKTA countries have reached some consensus and put forward initiatives in development. They called for strengthening international support in building

capacity of developing countries in improving their tax and fiscal systems and combating tax evasion to better mobilise and effectively use domestic resources in poverty eradication and sustainable development. They reaffirmed that gender equality and women's empowerment are critical to the realisation of sustainable development and called for integrating them as a cross-cutting priority of a new global ambition. They also took good governance, transparency, a human rights approach and the rule of law as the important drivers of development.

Generally, development cooperation is a complex issue in which the MIKTA countries have different experiences, different extents of engagement, and different focusing areas. The mechanism of MIKTA provides them a platform to cooperate with each other in the identification of needs, the design and implementation of interventions, and the evaluation and follow-up of results. The MIKTA countries could draw on their experiences as both aid donors and recipients to provide a unique perspective on how best to structure a post-2015 development agenda.

iii. Humanitarian assistance and disaster relief

At the sixth MIKTA foreign ministers' meeting on 26 September 2015 in New York, they agreed that countering the scourge of terrorism and preventing violent extremism would become one of their core priorities for collaboration.

The MIKTA countries have already adopted a range of measures to counter violent extremism and they will be playing a constructive role as UN member states examine the recommendations of the Secretary-General's Plan of Action on Preventing Violent Extremism.

On 23 May 2016, MIKTA hosted the Humanitarian Dialogue in the margins of the World Humanitarian Summit in Istanbul. They discussed global humanitarian issues, exchanged views on the impacts of humanitarian emergencies in their regions, and discussed how the global

⁴⁶ Prado JP, La (política de) cooperación internacional para el desarrollo de México como herramienta de su política exterior. Paper delivered at the seminar Mexico-Brazil Initiative, Miami, FL, Conference organised by the Latin American and the Caribbean Centre at FIU and the Centro de Estudios y Programas Interamericanos del ITAM, 13 May 2010.

⁴⁷ Ministry of Foreign Affairs of Republic of Korea, ODA/Development Cooperation, available from: http://www.mofa.go.kr/ENG/policy/oda/index.jsp?menu=m_20_110, accessed on 13 April, 2016.

⁴⁸ OECD. Global Partnership for Effective Development Cooperation. Available: <http://effectivecooperation.org/> [Accessed 18 April, 2016].



system could respond more effectively to the growing demands placed upon it by more frequent and complex crises. Building on areas of established MIKTA cooperation, the group also discussed the importance of strong international coordination in effective disaster response and of protecting the rights and advancing the interests of women and girls in crises.⁴⁹

iv. Reinforcing standards & norms

The MIKTA nations are all countries that have benefited greatly from the post-World War II international system. As such it is not surprising that many of their statements and meetings to date have focused on strengthening international standards and norms. In the 6th Joint Communiqué from 26 September 2015, MIKTA Foreign Ministers clearly expressed their commitment to “supporting efforts to strengthen good governance, democracy and human rights.”

v. Normative Potential / International Credibility

In its earliest years MIKTA was sometimes defined by what it was “not.” It was not the G7 with all the baggage accompanying the leading grouping. Nor was it the “BRICS” a grouping of Brazil, Russia, India, China, and South Africa created if not in opposition, in at least a counter-point the G7. While all MIKTA nations are in the G20 and all have some notable similarities as outlined above, it continues to be MIKTA’s diversity that is its greatest strength. If these five disparate and different countries can reach consensus on an issue, it carries a degree of broad global credibility not necessarily matched by agreements among the G7 or the BRICS. As such, agreement among MIKTA nations has the potential to provide a useful demonstration effect globally. One recent example of this effect was how the joint statement by the MIKTA nations at the Third International Conference on Financing for Development (FfD) in Addis Ababa helped shape and move the discussion forward based largely on the credibility of the MIKTA nations.

c. Structural considerations

A common challenge for international initiatives is the sheer weight of the logistical and organisational requirements of coordinating international meetings and diverse agendas. There is a full range of precedence from which MIKTA might draw going forward from large established bureaucracies such as the United Nations to less formal efforts such as APEC or the G20 which rely upon the organisational capabilities of the host country or a rotating Chair.

For its first 3 years MIKTA has benefited from the flexibility of the latter approach. Despite some early suggestion of establishing a secretariat, for the time being MIKTA is better served by rotating chairs each building upon the progress of the previous chair. Each MIKTA nation has a wide range of Diplomatic tools through which issues might be addressed; from bilateral, to the G20, to sub-regional organisations such as ASEAN, to alliances, to the United Nations itself. As long as MIKTA maintains its focus on tackling global challenges that resist resolution in the UN system it will not need a separate secretariat, but will best function as it has done to date.

That said, given the many uncertainties in the international system, and given the fact that MIKTA has only been around for 3 years, MIKTA would be well served by an ambitious effort of “Futures Thinking” to explore what the grouping and its agenda might look like in 5-10 years.

d. Strategies for forging a collective identity

MIKTA nations are rightly fond of their diversity and correctly view it as a strength. However, while diversity in background can be a strength, diversity in approach or priority is also a weakness. To date, MIKTA has identified those issues on which it is able to find consensus and on which their similarities in outlook and national interest help forge a consensus.

Going forward MIKTA will need to continue to identify and contribute to those challenges where they already have or can build an internal consensus. In a recent article entitled

“MIKTA: An Acronym in Search of Meaning”,

⁴⁹ MIKTA New Innovative Partnership. Mexico, Indonesia, Korea, Turkey and Australia (MIKTA) meet at the World Humanitarian Summit in Istanbul. 23 May, 2016. Available: <http://www.mikta.org/document/reports.php?at=view&idx=221&ckattempt=1> [Accessed 10 October 2016].



Australian Institute of International Affairs National Executive Director Melissa Conley Tyler outlined five specific recommendations for MIKTA to strengthen its role going forward. Her final point rightly focused on the need for MIKTA to continue to act together to build global governance.⁵⁰

In fact, a focus on global issues rather than narrow national or regional interests is key to MIKTA's long term success and to its strategy for forming a collective identity. While it is understandable for MIKTA to address issues of direct concern to its members such as the challenges posed by North Korea or by terrorism in Turkey, at its core MIKTA's focus should remain upon global issues. Again, each MIKTA country has a full range of diplomatic tools and policy options with which to address immediate issues of national concern. The challenges posed for Mexico by narcotics traffickers, the long-standing issues related to the division of the Korean peninsula, the immediate instability in Turkey's neighbourhood, and people smuggling and refugees seeking access to Australia from Indonesia by sea are all serious issues and justifiable national priorities. They do not, however, necessarily call for action by MIKTA, nor would they necessarily benefit from cooperation by MIKTA. On the other hand, those issues where the global system has been stymied, or where there is an impasse between the developed and the developing world are ripe with prospects for a contribution by MIKTA. In the final point of their most recent Joint Communiqué in November of 2016, the MIKTA foreign Ministers declared their intent to "further develop our agenda so that MIKTA can reach its full potential as a force for good global governance and upholding the rules-based global order."⁵¹ With this as a road map, the forging of a collective identity will naturally follow. MIKTA nations have benefited tremendously from and continue to depend upon good global governance and the rules-based global order and this have an individual and a collective interest in strengthening that order.

e. Likely challenges on the way

Global developments in 2016 highlighted both the potential for challenges to MIKTA prospects going forward. As we enter 2017, the rules-based global order which MIKTA has committed to strengthening is undeniably weakened and under threat. Whatever one's view of Brexit, the likely outcome is a weakened Britain and a weakened EU, both less able to exert influence globally. The decision of the United States under President Trump to withdraw from the Trans-Pacific Partnership is a blow to efforts to move beyond bilateral trade agreements and in the face of continued stagnation in global trade talks, move forward multilaterally. For much of the post-World War II era, the United States presumed to be the primary promoter and guarantor of the liberal world order. After the recent U.S. elections there is reason to doubt the U.S. commitment to and willingness to fill that role going forward. In such a context, the role of countries like those in MIKTA can only grow in importance.

Of course any organisation, grouping or team is only as strong as its members. MIKTA members have not been immune to destabilizing global trends. Korea's domestic political turmoil, serious domestic and regional challenges to Turkey, large scale demonstrations in Indonesia, and uncertainty in Mexico's relationship with its most important neighbour all have the potential to distract MIKTA countries. However, none of these challenges change the MIKTA countries' national interest in strengthening the global system. Should the world revert to an era of great power relations where "might makes right," the interests and influence of MIKTA nations would certainly suffer.

⁵⁰ http://www.internationalaffairs.org.au/australian_outlook/mikta-an-acronym-in-search-of-meaning/

⁵¹ <http://dfat.gov.au/international-relations/international-organisations/mikta/Pages/8th-mikta-foreign-ministers-meeting.aspx>



VII. CONCLUSION & NEXT STEPS

Looking back at what has taken place since the first Foreign Ministers Meeting in September of 2013 the progress of MIKTA in just over three short years has been remarkable: 8 Ministers Meetings, 11 joint statements, and a growing range of non-governmental and academic initiatives. Less measurable but perhaps more important is the growing culture of collaboration among the diplomats and policy makers and opinion leaders of the MIKTA nations. This habit of collaboration has not been limited to the five MIKTA capital cities, but is increasingly evident in international capitals such as Geneva, Paris, Vienna, and New York.

From its inception, MIKTAs membership has been characterised by the growing influence of its member countries, each of which is looking for different constituencies and partners outside their immediate regions and beyond their traditional partners.

Each of the MIKTA nations face considerable challenges in 2017 in their own domestic politics and their immediate regions. With the onset of a Trump Administration, Mexico faces challenges to NAFTA and in its relations with its nearest neighbour, Indonesia faces large scale public domestic demonstrations in its ongoing effort to balance a secular government in a majority-muslim nation, Korea ends 2016 with a domestic political crisis and heightened tensions with North Korea, and MIKTA's 2017 chair Turkey faces new and added challenges both domestically and as result of the spillover from Syria and the broader conflict in the Middle east, and Australia faces real challenges related to low global commodity prices and the risk of a global economic slowdown. Viewed in this light, MIKTA as a grouping is not particularly relevant to many of the immediate challenges member countries face domestically. It remains, however, a clear indication that these five nations have the capacity, will, and intent to influence global issues beyond their immediate regions – something which an uncertain world will certainly welcome.



ABOUT THE AUTHORS

Professor Gordon Flake is the founding CEO of the Perth USAsia Centre, a position he assumed in January of 2014. He was previously Executive Director of the Maureen and Mike Mansfield Foundation, a Senior Fellow and Associate Director of the Program on Conflict Resolution at The Atlantic Council of the United States and prior to that Director for Research and Academic Affairs at the Korea Economic Institute of America. He has edited several books and authored numerous book chapters on policy issues in Asia and is a regular contributor to the press on Asia issues.

Dr. Xu Wang is a non-resident Research Fellow at the Perth USAsia Centre. He was a visiting research fellow at the Perth USAsia Centre from December 2015 to December 2016. Dr. Xu completed his doctorate degree at Institute of World Economy and Politics, Chinese Academy of Social Sciences. During his PhD study, he has worked in Ministry of Commerce of the People's Republic of China for four months to research the relationships between exchange rates volatility and international trade. He has also worked for the Comparative Studies magazine as a part-time translator. After graduation, he joined Shandong Technology and Business University, Yantai, P.R. China.

ABOUT PERTH USASIA CENTRE

The Perth USAsia Centre at The University of Western Australia is a non-partisan, not-for-profit institution strengthening relationships and strategic thinking between Australia, the Indo-Pacific and the USA. The Centre is a leading think tank focusing on geo-political issues, policy development and building a strategic affairs community across government, business and academia. Since the Centre's inception, we have collaborated with over 30 partners to convene more than 400 events across 11 cities in 7 countries, engaging a world class community network of over 4,500 strategic thinkers and leaders.



PERTH USASIA CENTRE

M265, 3rd Floor, Old Economics Building (Bldg 351)
The University of Western Australia
35 Stirling Highway
Crawley WA 6009
Australia

T. +61 8 6488 4320
F. +61 8 6488 4333
E. perthusasiacentre@uwa.edu.au
W. perthusasia.edu.au

 facebook.com/PerthUSAsia/

 twitter.com/perthusasia

 linkedin.com/company/perth-usasia-centre

IMPORTANT DISCLAIMER

This report was prepared with financial support from the Republic of Korea Ministry of Foreign Affairs. The views outlined in this document are those of the authors alone. This publication is designed to provide accurate and authoritative information in relation to the subject matter covered. It is provided with the understanding that the publisher is not engaged in rendering any form of professional or other advice or services. No person should rely on the contents of this publication without first obtaining advice from a qualified professional person.

© THE PERTH USASIA CENTRE 2016

This publication is subject to copyright. Except as permitted under the Copyright Act 1968, no part of it may in any form or by any means (electronic, mechanical, microcopying, photocopying, recording or otherwise) be reproduced, stored in a retrieval system or transmitted without prior written permission. Enquiries should be addressed to the publishers.

Notwithstanding the above, Educational Institutions (including Schools, Independent Colleges, Universities, and TAFEs) are granted permission to make copies of copyrighted works strictly for educational purposes without explicit permission from The Perth USAsia Centre and free of charge.



 Perth USAsia Centre

