

Australia: A Positive Turn

In a global view, Australia is one of the biggest power losers from 2005 to 2017. In total, it has lost 22 percent of its Power Score over the years. Having said that, Down Under presents a positive change for the recent 2015/17 period increasing its Power Score by 4.2 percent up from 1.60 to 1.66. Its power development yet seems irregular overall and its current rating still lags far behind its 2005 Power Score of 2.13.

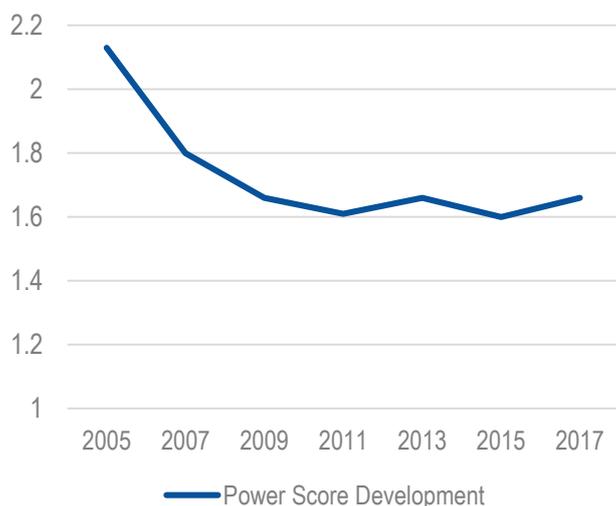
Power Shift 2015-2017



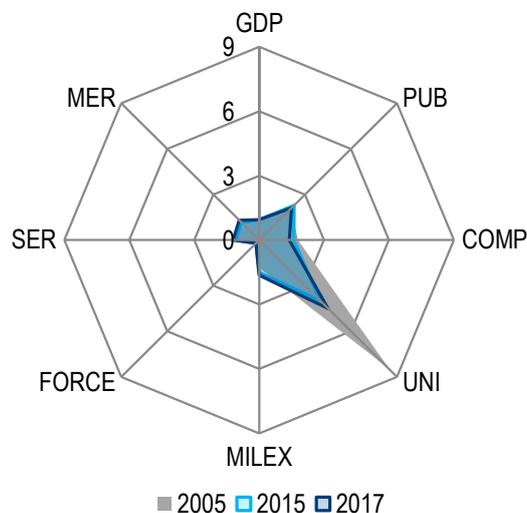
Australia's positive score is based on relative and absolute increases in four out of the eight BPSM categories – merchandise exports, service exports, military expenditures, and top universities. In two categories, GDP (PPP) and

armed forces, the country records absolute increases which do not translate, however, into relative changes as they roughly correspond to the global average change rate. In the categories of scientific publications and top companies, Australia presents both absolute and relative losses, but these are the only two negative categories among the eight under review and did not outweigh the gains. Turning to that, it increased its merchandise exports by more than 23 percent since 2015, which is a remarkable development as the export rate had been dropping in absolute and relative terms since 2011. Even though exports have not yet returned to the 2011 level, the upswing indicates a possible power plus for the country. Nevertheless, Australia lags around 60 billion USD behind the export volume of the next higher-ranking India.

Australia's Power Score Development



Australia's Global Shares



Taking a closer look at the plus in its top-rated universities, Australia lists nine of them among the leading top 200 in the QS world ranking. This number, however, has only grown by one since 2015 and is still disappointing compared to the 17 listed leading universities in 2005. On the negative side, the gravest factor are top companies, although Australia has also lost only one among the Fortune 500. While the number of only seven Fortune 500 companies is the lowest ever recorded number by the BPSM, the irregular development of these numbers in the past still leaves room for hope.

Overall, Australia performs quite well in the 2015/17 period, although changes are not spectacular. From 2016 to 2017, it even suffered an incremental decrease in country power. The country struggles to retain its Power Score: Starting from 11th place in 2005 among the G20 member states, South Korea already overtook this position in 2006. Next lower-ranked Brazil overtook Australia in 2010. Although it managed to regain its starting point in 2016, Australia was again surpassed by the South American riser in 2017. The two G20 countries are very different in their internal structures but show similar difficulties in maintaining or increasing their level of power. This power race remains hence an interesting issue for our future ranking.

Please cite as:

Center for Global Studies (CGS) (2019). "Bonn Power Shift Monitor: Australia: A Positive Turn", University of Bonn, Bonn.