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Australia and the Future of Nuclear Deterrence

Robyn Lim

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EXECUTIVE SUMMARY

Nuclear weapons, because of their enormous destructive power, represent survival interests of states. Australia decided long ago that our best option was to rely on the United States for our nuclear security, rather than developing our own nuclear weapons. But our security environment has changed dramatically with the end of the Cold War. In future, we may continue to think that reliance on US 'extended deterrence' is the best choice for us. Still, we live in an uncertain world, and must avoid having our uranium enrichment options permanently closed off.

Currently, strategic developments in North Asia are being driven by North Korea's dangerous missile and nuclear brinkmanship, as well as by the rapid pace of China's force modernisation. It is an open question how long Japan and South Korea will be willing to remain dependent on American nuclear protection.

Japan, the only non-nuclear great power in North Asia, would be by far the most consequential proliferator. Moreover, Japan is feeling more insecure now than it did during the Cold War. That's because American and Japanese interests, while still congruent, are not as congruent as they once were, especially in relation to China. Moreover, the Nuclear Nonproliferation 'regime' is unwinding, as the so-called international community is unable to prevent North Korea and Iran from flouting their obligations under the Treaty.

The US is hoping that Japan will remain content to rely for its nuclear security on the US 'nuclear umbrella' and the promise inherent in missile defence. But while pacifism and anti-militarism remain strong in Japan, we cannot afford to assume that Japan will remain content to rely on the US.

Indeed, it is uncertain whether extended deterrence can work in a multi-threat security environment very different from that of the Cold War. And if one country decides it needs its own nuclear weapons, the 'logic of deterrence' is such that at least one other country is likely to respond in similar fashion.

Thus a faster pace of nuclear proliferation is now likely in North Asia, with potential repercussions from the China-Korea-Japan nexus on the India-Indonesia-Australia security subset. Indonesia, by far the most significant of the Southeast Asian states, cannot look to a nuclear great power for protection, as Australia is able to do. It is not unthinkable that Indonesia, faced with a 'rising' China and a 'rising' India, both expanding their nuclear arsenals and maritime capabilities, might come to think it needed nuclear weapons. So in future, nuclear threats could come to us from or through Indonesia, even though their roots would lie in the distant balance of power among the US, China and Japan.

If more countries in our region decided they needed nuclear weapons for their security, Australia would need to decide what is in its own best interests. Differences of strategic geography, not American perfidy or obtuseness, have meant that the US and Australia have not always seen eye-to-eye when it comes to Indonesia. The US is a global power with global security interests, and will always see us through that prism. We cannot be sure that we could rely on the US for extended deterrence if we ever came into serious conflict, in particular with Indonesia. Australia is important to the US, but so is Indonesia.

Moreover, America has a political system in which strategic policy can be subjected to the vagaries of domestic politics in ways that leave its friends and allies in the lurch.

The issue of whether uranium enrichment in Australia would be economically viable is subject to debate. But strategists, by definition a somewhat gloomy lot, always ask themselves the 'what if' questions. In particular, when it comes to survival interests such as nuclear security, strategists ask what might go wrong in a self-help world without a common government or enforceable rules. That's why we need to keep the uranium enrichment option open.

Robyn Lim is professor of international relations at Nanzan University, Japan, and visiting fellow at The Centre for Independent Studies. From 1988 to 1994 she worked at the Office of National Assessments in Canberra, where her last job was as acting head of intelligence. She is the author of *The Geopolitics of East Asia: The Search for Equilibrium* (2003).

A faster pace of nuclear proliferation in key regions

Changes in the global strategic order post Cold War are leading to a faster pace of nuclear proliferation in key regions of the world where tensions among states remained unresolved when the USSR collapsed. The Middle East is one such region, Northeast Asia another.

In Northeast Asia, Japan remains the only non-nuclear great power. But in changed global strategic circumstances, Japan may become less willing to rely on the United States for its nuclear security. And if the conservatives return to power soon in South Korea, which seems likely, they may well want a nuclear weapon to deter North Korea.

Moreover, tensions generated in the China-Japan-Korea core region have repercussions that extend to India—as well as to our region, where the Australia-Indonesia relationship is a sub-region of security in Northeast Asia.

Great power tensions are now being generated *within* the region, rather than being manifestations of clashes of strategic interest whose locus is elsewhere

Nuclear weapons, because of their enormous destructive power, represent such bedrock interests of states that 'trust' in short supply. Moreover, the 'logic of proliferation' is such that if one country acquires its own nuclear deterrent, at least one other state begins to think it needs its own nuclear weapons.

Indonesia, the largest and most important of the Southeast Asian states, is now confronted by a 'rising' China and a 'rising' India. Both these nuclear-armed great powers are manifesting strategic ambition. Indonesia, unlike Australia, cannot rely on a great power for nuclear protection. What would it take for Indonesia to decide it needed nuclear weapons?

How would Australia respond? Would we continue to believe that extended deterrence (the US 'nuclear umbrella') was the best means of ensuring our nuclear security? Or would we decide, as Britain did in the aftermath of the second world war, that no ally can be trusted with such bedrock issues of security?

These questions cannot be answered with any degree of assurance. But the 'logic of proliferation' means that Australia has security as well as economic reasons for needing to keep open its uranium enrichment option.

Nuclear proliferation (defined here as the spread of nuclear weapons to sovereign states) in the two key regions, the Middle East and Northeast Asia, will have some common elements in relation to the 'logic of proliferation'. But there are likely to be important differences as well, which need to be taken into account.

Northeast Asia: An emerging indigenous nuclear balance

The balance of power in Northeast Asia is not only brittle, but indigenous. That is, great power tensions are now being generated *within* the region, rather than being manifestations of clashes of strategic interest whose locus is elsewhere.

The main 'drivers' of strategic change are the rapid pace of China's force modernisation, plus the nuclear and missile brinkmanship of North Korea that China, North Korea's protector, is unwilling to rein in. Political change in any of the major players will also help drive strategic change. (For example, in Japan the transition from Junichiro Koizumi to Shinzo Abe has seen assertive nationalists installed in power in Tokyo, even though the same political party remains in office.)

In China, the development of nuclear weapons in the 1960s reflected the circumstances of the Cold War—not least China's imperative to deter both nuclear-armed superpowers. So resolution of the Cold War has left China free to apply its nuclear weapons to other interests.

China's destruction of one of its own satellites on 11 January 2007 (revealing capabilities that the US had said China does not have) is yet another indication of growing Chinese strategic ambition. We will now hear a lot about 'give peace a chance' in terms of arms control, particularly in relation to how China intends to use the PAROS—Prevention of an Arms Race in Outer Space Treaty—to hobble the US.[1]

In turn, China's greater strategic latitude is creating a fresh set of dynamics in which

states most affected may respond to China's possession of nuclear weapons by developing their own weapons as counters to China, and for other purposes as well. To this heady mix is added North Korea, which has its own reasons for acquiring nuclear weapons to compensate for its otherwise acute weakness and vulnerability.

The North Korean case is thus closer than that of the other Northeast Asian states to the reasons for proliferation found in the Middle East.

Since the end of the Cold War, the North Korean threat to Japan has been growing steadily. The US, despite its uncontested air and maritime supremacy in the Western Pacific, lacks credible means of bringing military pressure to bear on Pyongyang. The Japanese, of course, know this.

So North Korea is giving Japan reason to acquire offensive capabilities. Those capabilities, once acquired, could be used against China, without Japan's needing to say so. And how long would such offensive capabilities remain non-nuclear?

Japan might think conventional capabilities would be sufficient to deter North Korea. But it would probably not be long before Japan came to think that the only answer to Chinese and North Korean nuclear weapons would be nuclear weapons in Japanese hands.

The ambiguities of the US-China relationship are bound to affect all other regional relationships—none more so than the US-Japan alliance

The end of the Cold War has detracted from Japan's security

Japan is feeling less secure since the end of the Cold War. The fact that Japan is targeted by fewer, and less accurate, nuclear-capable missiles than it was during the Cold War is true. It is also irrelevant.

US and Japanese interests, while congruent, are not as congruent as they were during the Cold War, not least in relation to China. That is mainly because the US relationship with China is very different from its relationship with the Soviet Union.

The US adopted a fixed view of the Soviet Union until it ceased to be its main competitor. In contrast, the US view of China altered remarkably over the years, not least reflecting China's changing relationship with the USSR. When the USSR/Russia ceased to be a competitor, and China adopted capitalism, the US-China relationship changed again.

That relationship is still being defined, and military competition and nuclear weapons are certainly part of it. But the US does not see China as the USSR Redux, and there are strong elements of cooperation between China and America.[2] Thus the ambiguities of the US-China relationship are bound to affect all other regional relationships—none more so than the US-Japan alliance.

So as that alliance becomes more 'normal', the classic risks of entanglement and abandonment will manifest themselves *for both parties*. Japan has been risk-averse since its utter defeat in the second world war showed, in spades, the folly of the risk that Japan had taken in attacking Pearl Harbour in 1941.[3]

Indeed, during the Cold War, Japan had little reason to undertake risk, because it had no need to fear either entanglement or abandonment. During the Cold War, great power strategic tensions in Northeast Asia were essentially reflections of a global struggle between two nuclear armed superpowers. The locus of conflict was Germany, as a consequence of the way the last great power war had ended in 1945.

Then in 1950 Stalin, checkmated in Berlin, widened the terms of engagement by giving his puppet Kim Il Sung a green light to invade South Korea. That brought the Cold War to East Asia.

The spread of the Cold War to East Asia *enhanced* Japanese security. Indeed, then prime minister Shigeru Yoshida rightly said the Korean War was 'manna from heaven' for Japan. That was not only because of the kickstart it gave to a still flat Japanese economy. The Korean war was a godsend for Japan because Japan then became such a vital interest for the US that the Japanese had no reason to fear abandonment.

The US entered the Korean war to ensure the strategic security of Japan. Japan thus became a vital base for the US. That was because without bases in Japan the US could

not credibly threaten Moscow that war in the West would also mean war in the East.

And while the US still 'lived' in the Western Hemisphere, it had finally taken on the role abdicated by Britain as dominant maritime power and global offshore balancer. The US was forced to do this in order to counter Soviet claims to hegemony over Eurasia based on proximity. Thus as long as the Cold War lasted, the US could not 'go home', even in the wake of defeat in the Vietnam war.

The Japanese understood this perfectly well. So Japan had no real reason to worry that the US would, if push ever came to shove, decline to 'sacrifice New York in order to save Tokyo'. Thus nuclear deterrence as part of the central nuclear balance 'worked', and so did extended deterrence in Northeast Asia.

Can 'extended deterrence' work in a multi-threat environment?

But now great power strategic tensions in Northeast Asia are indigenous. Thus the nuclear threat posed to Japan by North Korea and China is much greater than that posed to the US, not least for reasons of proximity.

The US seeks to convince Japan that it can still rely on America for its nuclear security, that the US is 'reliable'. America hopes that extended deterrence plus the promise inherent in missile defence will be enough to convince Japan that it can still rely on the US. But will this be enough now that the Cold War is long over?

If Japan were attacked with nuclear weapons, the US would lose its bases and forward deployed forces, which amounts to loss of a regional capability. But Japan would lose everything. If the US were to pull back to Guam to reduce its exposure, the risk to Japan would become even greater.

The US response to North Korea's provocations will further undermine Japanese confidence in US strategic protection. In February 2007, the Bush administration, for reasons of political expediency in the growing backlash from Iraq, agreed to a dubious interim deal with North Korea that is supposed to end up with the denuclearisation of North Korea. Desperate for a deal, any deal, the US negotiated in secret with North Korea in Berlin, then allowed China to use the agreement as negotiating text for the resumed Six Party Talks in Beijing.

This deal brought China a large step closer towards its goal of resuming its 'rightful role' as hegemon of the Korean peninsula. Since few in the US now believe that the Korean peninsula is worth an additional US life, America may be willing to go along with that.

But Japan will not. The Korean peninsula has been seen as a 'dagger pointing at the heart of Japan' ever since the expanding Russian and Japanese empires began to clash there in the late nineteenth century. And since the end of the Cold War, Japan has long feared a US-China condominium at its expense.

The two key questions about Japan and the US

Will the US be willing to do as much as it did in the past to assure Japan's strategic protection when the US relationship with China is so different from its previous relationship with the USSR?

Does the US alliance suit Japan's interests as well as it used to, given changed strategic circumstances?

More broadly, can 'extended deterrence' work in a multi-threat environment?

There can be no assured answers to these questions. But it is important to ask the right questions.

South Korea

What of South Korea? South Korea had a strong nuclear attraction in the 1970s, in the wake of the US retreat from Vietnam, Nixon's withdrawal of the 7th Infantry Division from South Korea, and the tepid US response to blatant provocations by North Korea that undermined confidence in Seoul in US nuclear protection.[4]

Indeed, in 1975 it was Donald Rumsfeld himself, as Secretary of Defense in the Ford administration, who was sent to Seoul to pound the table when the US discovered

the South Korean nuclear programme. At the time, South Korea was so dependent on the US for its security that the US was able to force South Korea to give up its nuclear attraction.

But did it? Given the way that nuclear weapons bring out bedrock issues of security, it would be surprising if South Korea had really done so, not least because Japan remained close to a 'breakout' nuclear capability.

Currently, the US-South Korean alliance is badly frayed, as a consequence of the end of the Cold War, and South Korea's quasi-alliance with China.[5] It is hard to believe that anyone in South Korea or the US really thinks now that the US would be 'willing to sacrifice Los Angeles in order to save Seoul.'

Indeed, in 2004 South Korea seems to have been caught out when it agreed to the 'Additional Protocol' of the International Atomic Energy Agency. (The 'Additional Protocol', which Australia has signed and ratified, obliges signatories to allow more intrusive inspections of nuclear facilities.) There is little doubt that South Korea had concealed for two decades experiments with both enriched uranium and plutonium.[6]

What did the Japanese government make of all that, one wonders. We need to remember that during the Cold War, the US (despite unremitting efforts) was unable to foster the same kind of rapprochement between South Korea and Japan that it was able to foster between West Germany and France.

Moreover, it was hard not to notice that in the tensions leading up to North Korea's missile launches in July 2006, South Korea was ramping up tensions over the South Korean-Japan dispute over the Tokdo/Takeshima islets in the Korea Strait, and President Roh Moo Hyun was even talking about the need for military deterrence of *Japan.*

Indeed, it is hardly a secret that many of Roh's supporters are not only bent on appeasement of North Korea, but would like to inherit the North's nuclear weapons and point them at Japan. On the other side of politics, the conservatives (who may well retake power in elections at the end of this year) are now so alarmed at the increasing US soft line on North Korea—yet another byproduct of a botched US occupation of Iraq—that they want nuclear weapons to point at North Korea.

In fact, the need for a nuclear deterrent may be one of the few things that both sides of South Korea's fractured polity can agree upon. But South Korean nuclear weapons would almost certainly cause Japan to think it also needed nuclear weapons for its security. Moreover, Japan can hardly ignore the fact that the Nuclear Nonproliferation Treaty (NPT) is beginning to unravel.

The NPT encouraged Australia to think that if we acquired our own deterrent, Indonesia might do the same thing, and then we would well be less secure

The unravelling of the NPT

As previously indicated, the 'logic of proliferation' means that one country's decision to 'go nuclear' makes its neighbours feel insecure and under pressure to follow suit. That is coming to the surface again because the NPT regime is unravelling as yet another consequence of the end of the Cold War.

The NPT has been one of the more successful arms control agreements. The view that arms control never works, or works only when you don't need it is not true. Indeed, the strategic history of this region does contain a relatively successful arms control agreement in the form of the Washington Treaties of 1921–22.[7]

In relation to the NPT, the pace of 'horizontal proliferation' (countries acquiring their own deterrents) has been much slower than most observers predicted in the early 1960s—roughly one country per decade.

The NPT was successful partly because it encouraged countries to think of the 'downstream consequences' of their own actions if they acquired nuclear weapons, and they would not then be more secure.

In the case of Australia, for example, the NPT encouraged us to think that if we acquired our own deterrent, Indonesia might do the same thing, and then we would well be less secure.

And of course, the US wanted Australia to remain its strategic dependant. In particular,

America stressed to Canberra how extended deterrence provided Japan with nuclear security, as well as cocooning Japanese power. Thus the 'dual function' of the US-Japan security treaty underpinned wider regional security, as well as Australia's own long-range maritime and nuclear security.

But no arms control agreement is set in concrete, and so the NPT must be seen in terms of its origins and subsequent changes to the strategic environment. It is often forgotten today that the Treaty had its roots in the shared interest of the Cold War superpowers in preventing West Germany and Japan, the aggressors of the second world war, from getting their hands on nuclear weapons.[8]

That shared imperative became even more urgent after France tested a nuclear weapon in 1960, and Mao's China followed suit in 1964. (Indeed, Japan's initial response to China's test was to tell the US that Japan now needed its own nuclear weapons. The US was surprised—a familiar tale because the US is not good at understanding the insecurities of its allies.)

Australia, including for reasons of distance, can afford to rely more than Japan does on extended deterrence in relation to both China and North Korea

The real 'enforcement mechanism' of the NPT was not the International Atomic Energy Agency (IAEA), often but erroneously referred to as the 'NPT watchdog'. In effect, the enforcement mechanism of the Treaty was the ability and willingness of the two Cold War superpowers to enforce discipline in their respective blocs. When South Korea and Taiwan, for example, developed serious interests in nuclear weapons, America was able to pull them into line because they depended ultimately on the US for their security.

Still, however successful the NPT has been, no arms control regime can outlast the passing of the strategic circumstances that gave rise to it in the first place. The winning of the Cold War represented the kind of sea change in the international order that accompanies the winning of a 'hot' war.

Currently, America's willingness to accept India as a *de facto* nuclear weapons state, despite India's refusal to sign the NPT, will be widely read as meaning that the US is starting to give up on the NPT regime.

The India-Pakistan-China security subset

China is India's main rival and threat, compounded by China's exploiting Pakistan's antipathy to India as a means of seeking to keep a lid on Indian ambition. And with the collapse of the Soviet Union, India can now rely less on Moscow than it used to. Faced with a China enjoying a strategic latitude unprecedented in modern times, and lacking a great power protector, India in 1998 chose openly to test a nuclear weapon. (India had a so-called 'peaceful' nuclear test in 1974.) Pakistan, naturally, soon followed suit.

Now the US and India have turned towards one another, but only to a degree. Russia is not excluded from India's calculations, and there are also diplomatic strands to India's relationship with China—they do not comprise only military competition, though that is a striking element.

So there are important questions that arise in relation to India. How much will peaceful nuclear cooperation with the US increase India's chances of matching the Chinese military-nuclear threat? Will India-US nuclear cooperation be irreversible once it is begun?

These questions also bear upon the question of how likely it will be that India's nuclear weapons will increase the likelihood that Indonesia will acquire an independent nuclear deterrent. In turn, that will have knock-on effects in Australia's relationship with Indonesia.

The Australia-Indonesia security subset

Australia, including for reasons of distance, can afford to rely more than Japan does on extended deterrence in relation to both China and North Korea. But it may not elect to do so if in future Indonesia were to decide it needed its own deterrent.

The rapid pace of China's force modernisation, especially its maritime and missile capabilities, will inevitably have an impact on Indonesia as well as on India. It could lead Indonesia to think of acquiring a nuclear deterrent.

Indonesia, like India, fears China. Also like India, it cannot look to a great power for nuclear protection. So developments to Indonesia's north and west are most likely to drive proliferation. Probably, if Indonesia decided it needed its own deterrent, it would be responding to events unrelated to Australia.

But any Indonesian action in this regard would influence Australia. Because motives can change in an instant, Australia would have to take account of Indonesian capabilities, not just current perceived intentions.

Currently, while the Indonesians might warn us of the risks of relying too much on the US, they have no objection to Australia's relying on America for its nuclear security. But they would regard Australian nuclear weapons as aimed at themselves. Indeed, some Indonesians have already said that if Australia 'went nuclear', Indonesia might follow suit. They will have noted that a recent ASPI report said that 'while Australia's record on non-proliferation issues is rock solid since the early 1970s, technical choices that we make in developing a value-added nuclear industry would also give us a potential "break-out" capability whether that was our intention or not. What is true for Japan is also true for us'.[9]

They should understand that this cuts both ways. Australia would fear Indonesian nuclear weapons, whatever the cause for acquiring them, and whatever reasons were given.

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Could we afford to rely on US extended deterrence in relation to Indonesia? Australia is important to the US, and has been on a short list of 'reliable' allies in the current Iraq war, a war that has been very revealing to America as to the reliability or otherwise of allies. But Indonesia is also very important to the US. It sits astride the vital straits that link the Indian and Pacific Oceans, is by far the most important country in Southeast Asia, and also has the world's largest population of Muslims.

Could we be sure that the US would support us if we got into serious problems with Indonesia?

Australia's past nuclear attraction

Those with an eye to history recall that Australia had a serious nuclear attraction in the late 1960s under the prime ministership of John Gorton (1968–71), and that Gorton apparently saw both Indonesia and Japan as likely proliferators. Moreover, there were those on the other side of politics who agreed with Gorton.

Gorton believed that we could not afford to rely on the US for our nuclear security, because to do so would risk abandonment in a crisis. Gorton had been a fighter pilot shot down and invalided home just before Singapore fell in February 1942. Not surprisingly, he was one of many Australians who felt we had been abandoned by Britain. Gorton's friend on the other side of politics, Bill Hayden, shared his distrust of what Menzies used to call 'great and powerful friends'.

Gorton was also rattled by the US and British withdrawal from mainland Southeast Asia in the wake of the 1968 Tet offensive and the end of *Konfrontasi.* Indeed, fear that the US might not 'stay the course' in Vietnam led Australia to help bring Indonesia to the boil in 1965.[10]

In 1969, the Japanese seem to have understood that the Nixon Doctrine was a 'blue water doctrine' that did not portend US withdrawal from East Asia, but only from the mainland of Southeast Asia. But it did not look that way to many Australians at the time, as we saw the 'legions going home'. And this was all happening only a few years after Sukarno had boasted that China would give him nuclear weapons, and at a time when the much more moderate Suharto regime had yet to cement itself in power.

Did Australia's nuclear attraction end when Gorton fell from power early in 1971, and the mainstream conservatives (under the prime ministership of Billy McMahon) thought our best option was to continue to rely on extended deterrence? At the time, the Johnson administration put considerable pressure on us, because it wanted us to remain a US strategic dependant. The US also wanted us to believe that Japan would be content to rely on the US for its nuclear security.

Australia, from the time of Whitlam onwards, became one of the most enthusiastic

supporters of 'arms control' in general and the NPT in particular. But times are now changing.

It is not unthinkable that the Gaullist tattoo could re-emerge in Australia in certain circumstances. Indeed, its counterpart in Japan never quite died out. Shintaro Ishihara, currently the Governor of Tokyo and a hardline xenophobic nationalist, has maintained for the last 30 years that Japan needs its own nuclear deterrent because it is folly to rely on the US.

Australia needs to keep our nuclear options open because we will continue to live in a world without a common government or enforceable rules

The Offshore Balancer as 'Weary Titan'?

The US, as the Iraq war is demonstrating, has so far failed to craft a suitable approach in a 'unipolar' world. The last two US presidents have pursued interventionist policies, with unfortunate results.

In the longer run, the US will probably choose to do less, and pay less attention to the demands and interests of others.

It is not unthinkable that the US will choose to balance power in North Asia by letting China and Japan balance each other. That would of course mean accepting the risk of a potentially dangerous Sino-Japanese nuclear confrontation over which the US would have little influence. And, as ever, the Korean peninsula will be a potential wild card.

Thus we in Australia need to keep our nuclear options open because we will continue to live in a world without a common government or enforceable rules. It is highly unlikely that we will seek security in unilateral disarmament, as New Zealand has done.

Australia: preserving the uranium enrichment option

So for security as well as economic reasons, Australia is successfully resisting aspects of President Bush's Global Nuclear Energy Partnership (GNEP) that would have seen Australia required permanently to give up the option to enrich uranium.

Announced in February 2006, the GNEP is focussed on the risk that terrorists will get their hands on fissile material. After the terrorist attacks in September 2001, the US especially fears that Islamic terrorists will explode a 'dirty bomb' in a US city. The revelations about the AQ Khan network's enthusiastic proliferation of nuclear technology has heightened these concerns.

Thus the Bush administration aims to bolster the NPT by closing off enrichment options to countries that do not currently have fully functioning facilities. Countries with existing enrichment facilities would guarantee security of supply to those countries that either lack the option to enrich uranium for nuclear power plants, or choose not to do so.

So the world would be divided into enrichment 'haves' and 'have nots'. Australia, which has 38% of the world's known low-cost uranium reserves, is saying that it will not remain content to be among the 'have nots'.

In terms of domestic politics, Howard can use the issue of climate change to divide his opponents. Nuclear energy would become far more economic if the price of coal were raised, for example, by the use of 'clean coal' technology necessary to reduce carbon emissions.

Howard is also exposing the absurdities of the anti-nuclear stance of the ALP—a stance that reflects the success in Australia of Soviet-anti nuclear propaganda. (In Australia as elsewhere, the Soviets sought to convince democratic populations that the great threat to their security was American nuclear weapons, rather than a Soviet drive for hegemony over Eurasia.)[11] Howard will also demonstrate that his government has the employment interests of workers at heart.[12] Nor will it do him any harm to show that he is willing to stand up to America on an issue of national interest.

On the international stage, Howard has also been active in ensuring that Australia's uranium enrichment options are not closed off, while successfully avoiding attracting too much attention. For example, he has been seeking to make common cause with Canada,

another stable Anglo-Saxon democracy with an impeccable non-proliferation record.

Responding to Australian concerns, the Bush administration has been willing to contemplate a special status for Australia (and Canada) in the GNEP. Mr Dennis Spurgeon, US Assistant Secretary for Nuclear Energy, said in August that 'special rules' would apply to Australia and Canada. The reason for this exception, he said, was that the two countries had the bulk of economically recoverable uranium resources.

That statement did not sit well with some proliferation experts in the US, who oppose any exceptions being made for the current 'have nots' when it comes to uranium enrichment.[13] They worry that exceptions would encourage enrichment ambitions on the part of countries such as Brazil, Argentina and South Africa. With the Democrats now in control of both houses of the US Congress, that approach may become more influential in Washington.

Australia, not least in the wake of the 2002 Bali bombings that killed 88 Australians, fully shares US fears of the consequences of Islamic terrorists acquiring fissile material. Australia has also been, along with Britain, the most reliable of US allies in the Iraq war. But, including for reasons of strategic geography, even the closest of allies do not always see things the same way. That may be especially so when it comes to nuclear weapons.

As the consequences of the winning of the Cold War continue to work themselves out, old security questions for Australia are likely to present themselves in new guises

Things to ponder

Is the 'logic of proliferation' post Cold War likely to be the same in different regions, such as the Middle East and Northeast Asia? Or will Northeast Asia be *sui generis*?

And how far will the regional consequences of proliferation run? In the case of Northeast Asia, its influence can be expected to reach as far as Indonesia-Australia-India. (Though of course India-Pakistan overlaps with the Middle Eastern region.)

In relation to the Indonesia-Australia subset, it does not follow automatically that Indonesia's acquisition of a nuclear deterrent would require Australia to pursue a nuclear capability of its own. Australia might well prefer to continue to rely on extended US deterrence.[14] And New Zealand will probably continue to rely on protection via distance and irrelevance.

These examples suggest that the influence of proliferation is likely to vary both within regions and between them. Thus it is necessary to ask how much generalisations about proliferation are likely to prove valid.

Still, the starting point for thinking about all this is that there is an emerging nuclear balance in Northeast Asia that is indigenous—no longer a product of great power strategic tensions generated on the far side of the Urals as a consequence of the way the last great power war ended in Europe in 1945.

So the nuclear threat could come to Australia 'from or through Indonesia', even though its roots would be in the disturbance of the distant balance of power in Northeast Asia—principally among China, Japan and the US. As the consequences of the winning of the Cold War continue to work themselves out, old security questions for Australia are likely to present themselves in new guises.

Endnotes

[1] See for example Stuart Harris, 'Chinese flex their war muscles', *The Canberra Times*, 25 January 2007.

[2] Strong elements of cooperation, especially economic ones, also characterised great power relationships before the first world war.

[3] Japan attacked a country much more powerful than itself, whose centre of gravity lay an ocean and a continent away, and did so without a single reliable ally.

[4] In January 1968, North Korean commandos penetrated to the Blue House, the residence of the South Korean president, in an unsuccessful attempt to assassinate President Park Chung Hee. Presumably to distract attention from the outcry that ensued, the North Koreans seized the USS Pueblo, an unarmed intelligence-gathering warship, in international waters off Wonsan. For fear of war, the Johnson administration refused South Korean entreaties for a retaliatory strike against North Korea. The aircraft carrier Enterprise was sent to the Japan Sea, along with a vast armada of other US warships, but that did not intimidate North Korea. In order to get the Pueblo crew back, the US was forced to issue an apology. Then in April 1969, North Korean MiG fighters shot down an unarmed US EC-121 reconnaissance aircraft over international waters off the North Korean coast, killing all thirty crew members. Another tepid response by the US, this time by the Nixon administration, showed how much the Vietnam war had caused strategic paralysis in Washington, thus undermining South Korean confidence in extended deterrence.

[5] That is one consequence of China's turn to capitalism, and the subsequent burgeoning economic relationship between China and South Korea. China of course wants both Koreas as quasi-allies, because that best positions China to have a dominant say in what happens on the Korean peninsula—and thus on China's vital Manchurian frontier.

[6] International Institute of Strategic Studies, 'South Korea's nuclear experiments', *Strategic Comments* 10:8 (October 2004).

[7] The Treaty prevented a naval arms race between the US and the UK, and gave Japan all the assurance it needed, which helped bolster the position of the moderates in Japan. But the Washington System was not proof against the rise of militarism in Japan, itself largely a product of the early onset in Japan of the Great Depression. A less well known aspect of the collapse of the Washington System is how Chiang Kai-shek helped bring it down by provoking Japan while foolishly expecting the US to keep Japan on a leash. See Arthur Waldron, *How the Peace was Lost* (Stanford: Hoover Institute Press, 1992).

[8] The long serving West German chancellor, Konrad Adenauer, went to his deathbed still railing against the NPT. East Germany, of course, was never anything more than a Soviet puppet.

[9] Andrew Davies, '*Australian uranium exports and security: Preventing Proliferation*', Australian Strategic Policy Institute No 28 (Canberra: ASPI, August 2006), p 15. (ASPI is a government-funded security think tank in Canberra.)

[10] It is often forgotten now that China came close to gaining a vital foothold on the Malacca Strait in 1965, using the Indonesian Communist Party (PKI) as its instrument. Indeed, one of the few positive outcomes of the Vietnam war was that it bought time for the Great Game to be played out in Indonesia in ways that fed back into the central balance because it underpinned the security of maritime Southeast Asia. See Robyn Lim, *The Geopolitics of East Asia: the Search for Equilibrium* (London: Curzon/Routledge, 2003), pp 105–106.

[11] The way the second world war ended in Europe, with vast Soviet armies within striking distance of the Channel, left the USSR dangerously close to hegemony over Eurasia on the basis of proximity. The USSR was *in* Europe, while the US was an ocean away. When the US finally realised the threat to its own security, as the new 'global offshore balancer', it had to resist Soviet claims to hegemony over Eurasia by developing large reserves of nuclear weapons and maritime power. Thus Soviet propaganda was

particularly targeted at the US nuclear navy in key countries such as Japan, Denmark (Greenland) and later Australia.

[12] This will be an early test of skill for the new federal Labor leader, Kevin Rudd, even though Rudd represents the pragmatic middle ground in the party.

[13] Charles D Ferguson and William C Potter, 'Lining up to enrich uranium', *The International Herald Tribune,* 12 September 2006.

[14] Alliance with the US is something Australia ardently sought from the time that Admiral Togo sank the Russian Combined Fleet in the Korea Strait in 1905. It was not achieved until it became a strategic dividend of the Korean War, when Australia made an early (if limited) commitment to the US-led coalition.

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The Centre for Independent Studies | PO Box 92, St Leonards, NSW 1590 Australia | p: +61 2 9438 4377 | f: +61 2 9439 7310 | cis@cis.org.au