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Australian Foreign Policy Responses to
New and Old Security Dilemmas

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by David Martin Jones and Susan Windybank

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Introduction

Australian foreign policy is entering an era of complexity and strategic uncertainty. Globalisation has spawned the rise of new threats such as transnational terrorists who specialise in asymmetric warfare—the use of force in ways that circumvent conventional military defences. Previously confined to diasporic communities and low-intensity conflicts in weak and failing states on the periphery, 9/11 marked the date at which such threats demonstrated a capacity to penetrate the Western heartlands. Adept at using and adapting the infrastructure and technological advances of globalisation to attack and undermine free and open societies, transnational terrorism in its Islamist manifestation represents a new security dilemma for the interconnected world of the 21st century.

At the same time, the 21st century world order is beginning to look more like a geopolitical chessboard as regional centres of power form in Europe and Asia that ultimately seek to balance American hegemony. This development is best explained in terms of conventional power politics and represents a more traditional security dilemma that assumes the only permanent institutions in world politics are diplomacy, alliance and war.

The international system thus appears split between a 20th century paradigm centred on the nation-state and a 21st

century world in which sub-state and trans-state forces assume growing importance. Globalisation has connected these two worlds through ease of travel, communications and financial flows, but it has not integrated them.

These developments have profound consequences for Australia and constitute the focus of this paper: first, the changed nature of security itself since the end of the Cold War and especially since September 11, 2001; and, second, the emergence of China as a great power and the implications for the strategic balance in East Asia.

For Australian policymakers, 'old' strategic concerns about a breakdown in the East Asian power balance and the possibility of large-scale conflict have not gone away. They have simply been joined and complicated by 'new' security issues such as transnational terrorism, crime and state failure. Disagreement continues over which should be accorded greater priority and significance. The emergence of the Islamist Internationale, for instance, with regional and potential Australian franchises, is an immediate and present danger. Yet no government can afford to ignore the longer-term geopolitical implications of China's growing power and influence. History demonstrates that the rise of great powers has rarely been peaceful.

Australia's security environment, therefore, is now far more fluid and heterogenous than it was during the superpower standoff that characterised the Cold War and requires a foreign policy flexibility that can address both dilemmas. To Australia's near North, old and new security dilemmas appear to coalesce. The relative weakness of some regional states that compose the Association of South East Asian Nations (ASEAN)—in which tiny Singapore is arguably the strongest reed—demonstrates both an historic pliability and ambiguity towards the mutually suspicious major powers that compete for their attention. At the same time, internal insecurity and separatist insurgencies in parts of Indonesia, the southern Philippines and southern Thailand affords the space for transnational crime and terrorist networks to flourish.

By contrast, mounting strategic anxiety to Australia's far North is a product of state strength rather than state weakness. Despite growing economic interdependence, political tension and strategic rivalry are rising between the region's two major powers, Japan and China, which have never before been strong at the same time. Similarly, trade and investment are increasing between Taiwan and China, but so too are the number of Chinese missiles pointed at the island. Liberal assumptions that closer economic ties between countries lessen the risk of war because the costs are too high—that economics trump politics, history and culture—seem more likely to be tested in this part of the world than elsewhere.

The Howard government has sought to respond to these dilemmas with a balancing act. This has entailed closer political and strategic ties to the United States (and Japan) and stronger economic ties with China. Striking this balance may become more difficult should Sino-American competition deepen and broaden. It will be further complicated should the proliferation of a transnational Islamist threat in Southeast Asia's more fractious states demand a more proactive defence posture and/or other interventionist measures.

Unfortunately, Australian strategic thinking remains muddled by the continued promotion in some quarters of a utopian internationalist and/or regionalist policy. The inaugural East Asian Summit in December has been widely touted as the harbinger of a comprehensive multilateral East Asian community that could eventually blossom into an Asian answer to the European Union, thus solving the problem of power politics. But this analogy is misleading. Despite the supranational pretensions of the ASEAN Secretariat, the principal actor in the Asia Pacific region remains the sovereign nation-state. Moreover, some ASEAN states are still trying to secure their sovereign domain and territorial integrity. The region is also much more culturally diverse than Europe, and there is no commonly and strongly perceived threat to unite ASEAN and East Asian countries like the Soviet Union did

in the formative years of the European 'community'. Intra-regional trade and economic integration centred around China is growing, but the rise of China is dividing rather than uniting the region politically. The resurgence of regional multilateralism is more likely to reflect rather than displace underlying power realities.

Neither reinvigorated multilateralism nor greater economic interdependence in and of themselves can do the work of maintaining a stable balance of power. And transnational threats are likely to respond better to a reassertion of sovereignty at home and new partnerships and strengthened alliances abroad than bureaucratic efforts to build a supranational regional architecture.

For a middle power like Australia, political sovereignty is one of its most valuable strategic assets. It gives governments freedom of action so that foreign policy choices are not unacceptably limited by threats, intimidation or other pressures. By not rendering sovereign institutions accountable to supranational jurisdictions, the Australian government has retained a degree of policy flexibility and can mix and match responses to the diverse features of the new and old security dilemmas it confronts.

1. The security dilemmas that confront Australia

Security dilemma 1: Transnational threats and the post Cold War disorder
The structure of international relations altered dramatically with the end of the Cold War. Initially, the 1990s seemed to promote a growing integration and globalisation of markets, with the emergence of international law regimes and multilateral institutions managing the interaction of state and non-state actors in a benignly democratising world order, ushering in a rather bland Kantian peace.

This 'end of history' mentality changed utterly after September 11, 2001. In particular low-intensity conflicts in weak or failed states incubated in the Cold War and globalised

in the 1990s made possible the conduct of asymmetric warfare that has assumed the ideological form of al-Qaeda and its affiliates promoting an alternative global doctrine of Islamism by global jihad. This threat to the international order operates both locally and globally through de-territorialised networks, representing a security threat franchised and calibrated to the post Cold War world of open market-states.

But the threat of asymmetric violence launched by various al-Qaeda franchises from Europe to Southeast Asia is a symptom rather than a cause of the emerging post Cold War international structure. This structure requires some attention as it differs substantially from the superpower balance that preceded it. Unlike the Cold War, the post Cold War's disorder stems from the multiplicity of competing jurisdictions, loyalties and the transnational networks they make possible. This cosmopolitan structure allows multinational companies to enjoy multiple domiciles and citizens multiple allegiances but it also confronts the modern states in the West and parts of Asia that emerged successfully from the Cold War with a range of new threats. Ironically, such threats arise from the very success of these states in building a technologically interconnected world in which time and space are greatly compressed. The internet, for instance, may well be shrinking the world but one entity that uses it very effectively is al-Qaeda.

Thinking in terms of such threats alone, however, obscures the scope and extent of our vulnerabilities. A malicious computer virus or cyberattack could cripple banking systems and disable power grids, leading to massive disruption and a possible breakdown in social order. Something as harmless-sounding as bird flu could kill millions, close borders and shut down trade. This is the dark side of global interconnection. A government that fails to protect citizens from these dangers may eventually lose its credibility and its legitimacy.

Globalisation and its attendant risks therefore force us to rethink the very meaning of security itself. Yet in terms of the

ideology and practice of transnational terrorism, which seeks to relocate its command and control from states of concern to global cities like New York, Madrid, London or Sydney, this might not require so much rethinking as a re-assertion of Hobbesian understandings of state sovereignty and a return to first principles concerning the most fundamental function of government: protection.

John Howard made a rhetorical gesture to this effect in early 2005 when he pointed out that the terrorist attacks on September 11 have 'returned the state to centre-stage for the oldest of reasons—the provision of security'.[1] In the wake of the lessons learned from the London bombings of July 7, this Hobbesian provision is likely to assume increasing significance in terms of domestic policing and surveillance. To maintain the internal and external security that is the necessary basis of politics, however, the Australian government will not in future be able to fulfil its core function of security provision and meet the ever-escalating promises of the welfare state. Regardless of political party, governments will have to shift from redistribution to protection by winding back the 20th century welfare state to deal with 21st century security dilemmas.[2] This strategic dimension to the reform agenda the Howard government is trying to get through the Senate is not widely appreciated.

Security dilemma 2: The continuing problem of the modern nation-state

The structure of the post Cold War disorder also possesses features that incubate more conventional threats to Australian security. This disorder relies on the global integration of markets and communications, creating a dysfunctional international system of interdependent but only loosely integrated worlds. In the cosmopolitan world some states, notably old Europe (and perhaps Japan by inclination until China overplayed its hand), ostensibly prefer what Jurgen Habermas termed a postnational constellation where policy emanates from

multilateral institutions, state sovereignty is qualified, and interests are pursued without resort to military force. Such inchoate supranational arrangements exist alongside a world of modern states concerned with national sovereignty and national interest whose ultimate guarantor is force. In this context the United States and for that matter China and India act like modern states whilst the European Union, and to a much lesser degree ASEAN, disport the characteristics of postmodern constellations. Both are entwined and increasingly interconnected with the pre-modern chaos of dysfunctional and failing states found to Australia's northwest in Papua New Guinea and in Sub-Saharan Africa.

British diplomat and former Blair adviser Robert Cooper argues that 'in the pre-modern world, states (or rather would-be states) may be dangerous because they are failures. In the modern world, however, it is the successful states that are potentially dangerous' for the 'establishment of internal cohesion has often been the prelude to external expansion'. From this perspective, 'Both China and India, though they are part of the nation-state system, have some of the characteristics of empire. [Indeed, they are internal empires.] Were they to develop the nation state's ability to concentrate loyalty and power they would be very formidable indeed. In fact, the arrival of any cohesive and powerful state in many parts of the world could prove too much for any regional balance-of-power system'.[3] Such a potential threat to regional balance is starting to take shape in East and Southeast Asia, where China, and to a lesser extent India, have emerged as economic and political forces.

Unlike Europe, this is a region where great power war is still thinkable, with a number of unresolved flashpoints such as Taiwan and North Korea (the recent so-called breakthrough notwithstanding). The greater region also contains four nuclear powers (China, India, Pakistan and Russia) and an unpredictable possible fifth in North Korea. It is an open question as to how long Japan will remain the only major

non-nuclear power in this uncertain environment, and how quickly South Korea and Taiwan could 'go nuclear'. But while great power war is feasible, it is not inevitable. It is possible that economics will prevail over politics, that the rise of China will indeed be peaceful and that, over time, an East Asian Community will emerge without the devastating wars that brought the European Union into being. The problem is getting from here to there.

2. Tradition and myth in crafting Australian foreign policy responses

For a middle power with a relatively short history of framing a self-determined foreign policy, Australia's approach to its region and the wider world has been characterised by an ideological disagreement over what constitutes the national interest and how that interest should best be pursued.

This ideological clash, however, shares a common assumption. Since Federation, and particularly since 1942, there has been broad agreement that Australia should engage actively with the world. This approach stems from Australia's enduring circumstances. As a thinly populated continent located a long way from major trading partners, allies and markets, Australia has always sought to contribute to regional and global security to foster an environment conducive to its Western values and middle power interests. The disagreement has always been over how this might best be achieved—through alliance, regionalism, bilateral ties or multilateralism. These approaches are not stark either/or choices and can be found both within and between political parties, but, on the whole, Coalition/Liberal governments have emphasised bilateralism and alliance whilst Labor has opted for regionalism and/or an internationalist multilateralism.

Consequently, after 1945 foreign policy has oscillated from continental defence and internationalism in the Chifley-Evatt period (1941-1949); to forward defence and the special relationship with the United States under Menzies, Holt and

MacMahon (1950-1972); to an independent foreign policy premised on the defence of Australia and engagement with Asia first intimated by Whitlam (1972-1975) and pursued with increasing vigour by Hawke, Evans and Keating (1983-1996). This was succeeded by the Howard doctrine, which returned foreign policy to a more sceptical view of the region and multilateralism, and renewed the emphasis on a forward posture and the special relationship with the United States as the most effective way of engaging the world.

The traditions and myths that shape foreign policy are little studied, yet they are a critical component of strategic thinking. In his seminal account of the evolution of American foreign policy, *Special Providence*, Walter Russell Mead identified four American foreign policy traditions, each represented by a leading American statesman, and a series of myths that abbreviated these traditions into a useful shorthand for debate that non-specialists could understand. But myths vital to policy formation in a particular context and time can outlive their usefulness, obscuring rather than clarifying policy choices and undermining a coherent pursuit of the national interest. In Australia two broad traditions and myths have exercised a profound and not always productive hold over the formation of foreign policy.

Tradition and myth 1: Conservative pragmatism, bilateralism, forward defence and great and powerful friends

The most enduring and apparently unconscious tradition shaping foreign policy is that of Australia as an isolated outpost and bastion of Western civilisation. It was to this self understanding of Little Britain and subsequently the Little West in the Asia Pacific that the more recently crafted and opposed tradition of regionalism and its associated myth of engagement reacted.

In its dependent, little Britain mode Australia's myth is janus-faced. One face sees Australia as a bastion of liberal democratic values that it maintains and projects across the

region. The other is more uncertain and sees Asia as a threat which requires the security and counsel of a great and powerful friend. A priority is to keep this friend, for whom Australia sometimes deputises in regional matters, engaged in the region to ensure stability and to maintain the global status quo. From this conservative pragmatist perspective Australia has indeed been the lucky country in the sense that Australia has only ever had to conduct foreign policy in a world dominated by the Anglospheric West, in either its British or American manifestations. This tradition therefore seeks to prolong this benign state of affairs for as long as possible. That the United States has become a revolutionary power determined to change the status quo in the Middle East does not unsettle Australian interests in the Asia Pacific region, where China, by the mere fact of its emergence, asserts revisionist pretensions whilst America remains content with the prevailing regional status quo.

From the 1997 Asian financial crisis onward, the Howard doctrine reasserted this tradition. This has been evident in the Australian government's attitude to multilateral arrangements and regional architecture since 1997, and in its evolving bilateral ties with Southeast Asian governments. In this context, the reinvented pragmatism of the Howard doctrine eschewed the multilateral architecture of the ASEAN Regional Forum (ARF), ASEAN and its extension to embrace China, South Korea and Japan in its ASEAN Plus Three (APT) manifestation, focusing instead on the pursuit of bilateral security and economic arrangements.

Thus, whilst Howard accepted an invitation—never proffered either to Keating or Hawke—to attend the ASEAN summit in Laos in 2004 as a dialogue partner, he declined to sign its foundational Treaty of Amity and Cooperation (TAC). More interested in substance than symbolism, Howard admitted in Singapore in January 2005 that Australia's dominant interests in the years ahead would be found in Asia. But he added the caveat that Australia related not to a regional community as

such, but 'to a large number of countries that make up the aggregate' called Asia. The true value of these relations, Howard maintained, in keeping with the realist tradition he evinces, lay 'in the substance of our associations with individual countries rather than in the symbolism or the architecture'.[4]

Rather than the largely rhetorical pursuit of regional engagement, Howard has favoured a bilateral approach to regional security and economic growth. Australia signed free trade agreements with Singapore (SATA) in July 2003 and Thailand (TAFTA) in July 2004.[5] In July 2003, Australia and Japan concluded the Australia-Japan Trade and Economic Framework with the view to deepening their already close economic ties.[6] In August 2002, Australia signed with Malaysia an anti-terrorism and intelligence-sharing bilateral agreement, followed in 2003 by a memorandum of understanding with the Philippines to combat international terrorism.[7] Similar agreements were also signed by Australia with Indonesia, India and Cambodia.[8] These agreements, far from indicating an alleged reluctance on the part of the government to engage with Asia, demonstrate Canberra's willingness to deepen ties with individual governments in the region. These agreements have also elicited a readiness on the part of Australia's neighbours to work pragmatically with Canberra.

Beyond Southeast Asia, Australian pragmatism played well in South Korea and Japan. Howard's visit in July 2003 to Seoul and Tokyo reinforced bilateral ties, a shared vision of the region's security dilemmas and extended well-established and mutually beneficial trading arrangements.[9] A similarly pragmatic approach to Beijing helped secure a $25 billion LNG (liquefied natural gas) contract last year despite regional and international competition. Again, Howard's careful cultivation of ties with the current generation of leaders culminating in his August 2004 visit to Beijing has reinforced relations with a regime that has rapidly developed since 1997 into one of Australia's largest trading partners and whose constructive engagement is central to the security of Northeast Asia.

Instead of the pursuit of a pan-Asian, supranational 'community', Howard would instead rather balance the collocation of developed, developing, unstable, weak and not-so-weak states that comprise the Asia Pacific with the need to maintain close ties with traditional great and powerful friends. Against the regional propensity to manage rather than solve flashpoints, Howard has also reinvigorated Menzies era forward defence.

In the Southeast Asian context, therefore, the shift to a realist paradigm to address new security dilemmas such as transnational terrorism has facilitated both a closer relationship with individual states in the region whilst reasserting the importance of Australia's special relationship with the United States. The Australian government has thus worked hard to secure the continued American presence in the region by accepting that terrorism operates transnationally and requires contributions to efforts to combat it both closer to home and in the Middle East and elsewhere. From the evolving pragmatic and conservative foreign policy paradigm, Southeast Asia requires a different strategy to Northeast Asia. Consequently, stabilising the more insecure states in Southeast Asia requires both proactive intervention like the tsunami relief offered to Indonesia and the more low-key police deployment to the Philippines as well as sustaining American interest in the region.

In Northeast Asia, where Australia has important trade relationships, the government seeks to balance relations with China, Japan, South Korea and Taiwan whilst seeking to avoid being drawn into potential regional flashpoints over North Korea, Chinese claims to the 'rebellious province' of Taiwan or burgeoning tensions between Japan and China over regional hegemony. Such a posture failed to anticipate, however, the potential for China to assert a broader regional political and economic presence through the auspices of the ASEAN Plus Three mechanism.

Tradition and myth 2: Australian independence, the defence of Australia and the engagement orthodoxy

In contrast to the myth of dependence, the most evidently indigenous tradition is that of regionalism and the consciously crafted myth of engagement with a monolithic and homogenous Asia. From the mid 1980s to the late 1990s this myth dominated both the theory and practice of Australian foreign policy. Broadly, it held that only with the advent of the Whitlam government (1972-75) had Australia begun to shed the vestiges of its dependency upon the US and the UK, and its derivative Anglo-Celtic identity, by charting an independent course in its foreign relations 'with a clearer focus on Asia'.[10] Significantly this myth of growing foreign policy autonomy and regional enmeshment evolved during the long political dominance of the Australian Labor Party (ALP) between 1983 and 1996 and was self-consciously crafted by an Australian scholar bureaucratic elite that over this period moved effortlessly from senior posts in government and bureaucracy to senior posts in academe, or government-linked think tanks.

Less than a decade ago, this official governmental, media and academic orthodoxy anticipated an economically dynamic Asian region, stretching seamlessly from Japan in the North through South Korea, Hong Kong, Taiwan and the Chinese special economic zones to the vibrant economies of Southeast Asia. Those who revelled in this attractively non-Western model of development further claimed that it was henceforth vital to Australia's identity and destiny to enter into, or to use the fashionable argot of the time, 'to enmesh and engage' with this dynamic region that also appeared to be our destiny.[11] Once enmeshed, Australian would seek 'security with Asia, not from Asia'.[12] In the process an Australia liberated from its dependence on a derivative Western identity would blossom into an independent, multicultural republic that embraced its fortunate place in an embryonic, multilateral regional community.

The Asian financial crisis of 1997-98 only mildly dented the prevailing myth. Subsequently, a succession of concussive blows dealt between 1998 and 2003 further weakened the engagement orthodoxy. In Southeast Asia Suharto's New Order unravelled to reveal mounting religious and ethnic tension across the Indonesian archipelago. The putative regional security community, the Association of Southeast Asian Nations (ASEAN), looked on impotently as East Timor degenerated into Indonesian military sponsored chaos, whilst al-Qaeda's regional franchise Jemaah Islamiyah busily recruited jihadists, and organised terror training camps and bombings from Manila to Bali with apparent impunity. Meanwhile, in Northeast Asia the seemingly permanent slump in the Japanese economy, combined with mounting concern over the nuclear aspirations of the Pyongyang regime, did little to encourage the view of an unstoppable politically and economically integrated Asian monolith.

The inaugural East Asian Summit in Malaysia in December 2005 has reinvigorated engagement mythology. This appears to have caught the Howard government's sceptical view of ASEAN's regional pretensions off guard. As Paul Kelly pointed out in April 2005 as the community bandwagon gained momentum, 'by a singular irony John Howard is being driven into signing a treaty that he doesn't like in order to join an East Asian summit that he pretends is unimportant'. From the regionalist perspective, attendance at an East Asian summit represents 'a seminal event for Australia's engagement with Asia and it is critical that Australia be involved from the start'.[13] Thus, for those committed to Australia's regional engagement, Howard's intemperate remarks about ASEAN's relevance and his failure to sign the TAC in November 2004 illustrated both the danger of bilateralism and Australia's unwarranted and excessive dependence on the US alliance.

As Kelly further contended, the difficulty over Australia's attendance at the summit exposed the myth informing the Howard doctrine. Howard had both in word and deed dismissed

the consensus-based approach of the ASEAN way and rejected the gesture and symbolism so central to the culture of East Asian and ASEAN foreign policy bureaucracies. This unnecessary hubris led to a symbolic loss of Australian face when the TAC became the entry price for attendance at the East Asian summit. Equally exposed, the engagers contend, is Howard's reinvention and application of Menzies era pragmatism which assumed that 'Australia could dictate the terms of its engagement with East Asia'. Howard had consistently maintained that Australia could succeed in Asia 'without changing ourselves or our policies'. Australian indecision over the TAC demonstrated that this was not the case.

To maintain its intransigent bilateralism position, together with the Australian right to regional pre-emption, not only indicated a willingness, as Labor foreign affairs spokesman Kevin Rudd maintained, for the government's 'posturing for domestic politics to look hairy chested on terrorism', it also offended our neighbourhood and was 'inconsistent with membership of the East Asian community'.[14] But the reinvigorated China lobby and the engagement proponents more generally need to be careful what they wish for in regard to East Asian union.

Australian pragmatists, regionalists, regional groupings and the rise of China

Australian commentary, both of a pragmatic and regionalist provenance, has treated the rise of China as an economic and political force since 2001 as largely benign, contributing positively to Australia's trade and economic integration into a region that has experienced a healthy and vigorous recovery from the financial crisis of 1997. This contrasts with a longstanding view of China as a dystopia that formed the mis-en-scene to the Little Britain myth of Australian foreign policy.[15] This notwithstanding, the emergence of China as a political force is not without security risks of a more conventional, or in Cooper's terminology 'modern', character.

The apparently unstoppable rise of China has cast a long shadow over the region and the globe. Asia, as a result of the late developing dragon's growth, is also rising and global political and economic power, we are told, will shift inexorably eastward.[16]

This new Asian order is oddly familiar. It was in the period of super-charged economic growth of the mid-1990s that the initial vision of a new Pacific Century and the associated decline of the decadent West first appeared in the commentaries of regional statesmen like former Malaysian Prime Minister Mahathir Mohammad and Singapore scholar-diplomats like Kishore Mahbubani. Rapid growth coupled with opaque government business relations and questionable loan portfolios, however, came to a shuddering halt in the Asian financial crisis of 1997.

Current optimistic commentary about an economically and politically integrated East Asia, therefore, brings with it a touch of scepticism as well as déjà vu. Ironically, it was in response to the perceived humiliation at the hands of global financial markets and Western institutions like the International Monetary Fund that the Southeast Asian states that form the ten members of the Association of South East Asian Nations (ASEAN), together with Japanese and Chinese politicians and think tanks, began to consider ways in which they could establish regional structures to avoid or at least minimise the impact of economic and financial shocks. Much rhetoric and some financial effort went into this felt need for a more integrated and economically resilient region.

The key actor in this emerging Asian drama is China and the role it intends to play. China, unlike its Northeast Asian neighbour and emerging regional rival, Japan, played the economic crisis well. Moreover, the momentum of Chinese growth and its continuing attractiveness to foreign direct investment, both during and since the financial crisis, has revived the stagnant hi-tech economies of Northeast Asia and, to a lesser extent, the resource-based economies of Southeast Asia.

The political form that reflects the substance of current regional economic dynamism is the grouping of ASEAN Plus Three (APT—the ten ASEAN countries plus China, South Korea and Japan) that has emerged as a regional forum since 1997. In December 2005, Malaysia will host a summit of this grouping, together with an invited group of countries—Australia, New Zealand and India—outside the APT. Some commentators and regional statesmen believe that this grouping will constitute the embryo for an East Asian Community.

ASEAN states appear to have brought this putative community to life. The wider region proposes to adopt ASEAN's culture of consensus-building, peer pressure and 'good and proper behaviour' together with mechanisms of conflict avoidance and conflict management. This distinctively ASEAN way may well determine the norms governing the nascent East Asian grouping unless the inclusion of Australia, New Zealand and India can help shift the political balance towards countries that are committed to democratic pluralism and rule-based institutions of a more Western provenance. Nonetheless, signing ASEAN's Treaty of Amity and Cooperation has become the entry price for admission to the summit. A number of regional states, wary of growing Chinese influence, like Indonesia and Japan, canvassed Australia's attendance at the inaugural summit, but signing the Treaty has proved a notable difficulty for the Australian government.

The treaty itself is an unremarkable document requiring all members to 'respect the . . . territorial integrity of all nations, the settlement of disputes by peaceful means and non-interference in the internal affairs of one another'. Yet, premised as it is upon internal resilience rather than external security, it has done little to build an economic, political or security community in Southeast Asia. Moreover, its promotion of non-interference seems inappropriate in an era of transnational terrorism and global interconnection. For this

reason, Howard undiplomatically dismissed it as reflecting 'an outmoded mindset'.

This self-denying ordinance, however, suits the more autocratic members of ASEAN like Myanmar, and the less democratic states of the region like Cambodia, Vietnam and Laos, as well as, to a lesser extent, Singapore and Malaysia. It also suits China. And it is China's understanding of what the region should become that gives the forthcoming summit its significance.

This again is not without irony. China has long been suspicious of multilateral forums, together with the system of treaties and laws that shape international society. China has a long history and a long memory. In the view of many Chinese, both now and since 1842, the unfair Western treaty system of the 19th century had been responsible for a century of shame and humiliation. China only 'stood up' when the Communist party of China under the revolutionary leadership of Mao Zedong reasserted China's independence and opted for global realpolitik to reassert its national interest, first in alliance with the USSR and then by balancing Soviet and American geopolitical ambitions. At the end of the Cold War, China initially treated ASEAN with reserve, preferring a bilateral approach to regional issues like the various claims to the Spratly Islands in the South China Sea that first brought the ASEAN Regional Forum (ARF) to China's attention.

China's fourth generation leadership, however, has felt comfortable with the non-binding nature of the ASEAN way, and its distinctively consensus-driven approach based on strong interpersonal ties. From the perspective of China's leadership, the ASEAN way's emphasis on non-interference and internal resilience dovetails nicely with China's five principles of peaceful coexistence articulated by the first generation foreign minister, Zhou Enlai, in 1955, which also emphasised the centrality of respect for territorial integrity.

Moreover because the less developed Southeast Asian states like Cambodia, Laos and Myanmar acknowledge an almost

tributary relationship with China, whilst Malaysia, Singapore, Thailand and increasingly South Korea treat China's new techno-mandarinate with deference, the PRC finds this Asian version of multilateralism increasingly engaging. Via the East Asian summit, China can visualise the region assuming its preordained order rudely, but only briefly, interrupted by a century and a half of Western colonialism, capitalism and barbarism. This order requires China as the moral and economic centre of a web of tributary and civilisational relations embracing the adjacent and Confucianised countries of Japan, Korea and Indo-China and extending via the ASEAN Plus Three arrangement into the Ming dynasty tributary realm of the *Nanyang*.

In its reinvented 21st century version this would comprise the contemporary Southeast Asian states of Thailand, Singapore, Malaysia and Indonesia which already have a large population of Chinese 'sojourners'. It may also include Australia, whose trading relationship with China has blossomed in the last decade.

Before this version of the Confucian (as opposed to the Kantian) peace can establish itself a few outstanding issues have to be resolved. Japan, that even more than the barbarian West offended the Confucian order between 1895-1945, must be brought to heel, show remorse and compensate China for its sins committed most visibly in Manchuria and at Nanjing in the 1930s. The rebellious province of Taiwan must also be reintegrated into a unified China. Here the TAC does not apply. Taiwan, the PRC never tires of asserting, is a Chinese internal matter.

This evolving understanding of peace and regional security, therefore, requires the recognition of China's historic and moral authority in the region. In other words, an ASEAN-sponsored East Asian community will be pressured to embrace a Sinocentric understanding of the region and the world. Consequently whilst there exists an aspiration to a broader East Asian community, if the Chinese view prevails, it will

not be a particularly egalitarian or democratic arrangement. It will also demonstrate an enduring characteristic of Chinese strategic thinking since the warring states period (400 BC). As Sun Tzu classically observed, 'Generally, in the execution of an artful strategy, to act on an entire organization is ideal, to break an organization is inferior'.[17] China's strategy towards ASEAN illustrates its growing influence over ASEAN's entire organisation.

Moreover, as China has become attracted to an enhanced ASEAN as a basis of regional order, Japan, the current Taiwan leadership and Indonesia have become increasingly concerned. Japan, in particular, has lost out badly in terms of soft power in the region since 1997, and has, despite becoming a normal state, largely chased events since. Anti-Japanese riots in Chinese cities in April and the lack of regional support for Japan's claim to a permanent seat on the United Nations Security Council in 2005 demonstrate Japan's diplomatic deficit in the region.

Meanwhile the ASEAN states are more politically divided over what the region comprises than they were in 1997. Consequently, despite their apparent official consensus, the ASEAN states are being drawn increasingly into competing Chinese and Japanese spheres of influence. While some ASEAN states tacitly or actively acknowledge Chinese suzerainty, others like the Philippines, Indonesia and, somewhat less publicly, Singapore, are suspicious of China's economic and political motives. With Japan, these latter states actively sought an Australian presence at the December summit to help balance, along with India and New Zealand, China's growing influence. Australia, for a long time 'an odd man in' as Gareth Evans put it, has emerged as a potentially significant player in this game of European realpolitik with Asian characteristics.

The notion, however, that Australia can mediate between China and the United States as America's Britain in Asia is misguided. Those who promote this image of Australia as a bridge between the current superpower and the rising

superpower should remember that bridges also get walked over. The Australian government should not try to balance relations between Washington and Beijing. It cannot. Instead it should be thinking prudentially about how best to defend and promote Australians interests. In doing so, it is important to bear in mind that the United States is a global power with global interests while China's ambitions are regional (although the need to protect energy supplies is already leading to a more expansive Chinese foreign policy far beyond the region). China does not need to match the United States in military power to cast a long shadow over American allies in the region.

Conclusion

An enduring element of Australian foreign policy has been the attempt to reconcile its European history with its Asian geography. For so long Australians have looked out on a world where all the economic and political action was in faraway Europe and then the United States. This sense of remoteness was best captured by Geoffrey Blainey's phrase the 'tyranny of distance'. Now, for the first time in Australia's history, Australia is an interesting place at an interesting time (though we should be mindful of the Chinese curse 'may you live in interesting times'). The centre of gravity in world affairs is moving closer to Australia's time zone, driven largely by the emergence of China and to a lesser extent India as major economic and political forces. Australians can flourish and prosper by mixing their Western values and institutions with nearby Asian cultures—the best of the West meets the best of the East—provided the open direction of the domestic reforms initiated in the 1980s is maintained. There is therefore a strategic dimension to the Howard government's fourth term reform agenda, which seeks to bring Australia's tax, welfare and labour market policies into the 21st century (though it does not go far enough). For we need to maintain the middle power status or 'weight' that Australian governments are so proud to 'punch above'. Success abroad ultimately begins at home.

Endnotes

1   John Howard, 'Australia and the World', address to the Lowy Institute for International Policy (Sydney: Westin Hotel, 31 March 2005).

2   Phillip Bobbitt, *The Shield of Achilles: War, Peace and the Course of History* (London: Penguin Books, 2002).

3   Robert Cooper, *The Breaking of Nations: Order and Chaos in the Twenty-first Century* (London: Atlantic Books, 2003), p.24.

4   Howard quoted in Rowan Callick, 'How Howard became Mr. Asia', *Australian Financial Review* (5-6 February 2005).

5   In 2004 Australia and Thailand also concluded a treaty-level agreement providing the framework for closer cooperation across a full range of issues, including security. See Department of Foreign Affairs and Trade (DFAT). *Agreement on Bilateral Cooperation between the Government of the Kingdom of Thailand and the Government of Australia*, http://www.dfat.gov.au/geo/thailand/thai_bilat_agreement.html see also *Singapore-Australia Free Trade Agreement (SAFTA)*, http://www.dfat.gov.au/trade/negotiations/australia_singapore_agreement.html, *Australia-Thailand Free Trade Agreement (TAFTA)*, http://www.dfat.gov.au/trade/negotiations/aust-thai/guide.html.

6   Department of Foreign Affairs and Trade (DFAT), *Australia-Japan Trade and Economic Framework*, http://www.dfat.gov.au/geo/japan/trade/framework.htm

7   Department of Foreign Affairs and Trade (DFAT), *Republic of the Philippines Country Brief - Sepember 2004*, http://www.dfat.gov.au/geo/philippines/philippines_brief.html#rel, *Transnational Terrorism: the Threat to Australia*, http://ww.dfat.gov.au/publications/terrorism.

8   As above.

9   'Howard goes in search of a safer and more prosperous region' *The Age* (18 July 2003).

10   Allan Gyngell and Michael Wesley, *Making Australian Foreign Policy* (Cambridge: Cambridge University Press, 2003), 59.

11   See Anthony Milner, 'The Rhetoric of Asia' in James Cotton and John Ravenhill (eds) *Seeking Asian Engagement Australia in World Affairs 1991-1995* (Oxford: Oxford University Press 1997), 32-35.

12   Mohan J. Malik, *Australia's Security in the 21st Century* (St Leonards: Allen and Unwin 1999), p. 2.

[13] Paul Kelly, *The Australian* (27 April 2005).
[14] As above.
[15] See Lachlan Strachan, *Australia's China Changing Perceptions from the 1930s to the 1990s* (Cambridge: Cambridge University Press, 1996) particularly chapter 5—'The Chinese Anti-Utopia'. Strachan shows how since its inception Australian policy has oscillated between positive and negative views of China, without ever establishing a consistent viewpoint.
[16] For example, James F. Hoge, 'A Global Power Shift in the Making', *Foreign Affairs* (July/August 2004).
[17] R.L.Wing *The Art of Strategy A New Translation of Sun Tzu's Classic The Art of War* (London: Harper Collins, 1988), p.45.

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Australia
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Ph: +61 2 9438 4377
Fax: +61 2 9439 7310
Email: cis@cis.org.au

New Zealand
PO Box 5529,
Lambton Quay, 3785
New Zealand
Ph: +64 4 499 5861
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