

**“AUSTRALIA’S RELATIONSHIP WITH JAPAN,
AMERICA, CHINA AND THE STANCE WE
SHOULD TAKE IN FOREIGN POLICY”**

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I am honoured to be asked to speak at this State Planning Conference by the Planning Institute of Australia.

Foreign policy needs to be looked at in the context of the times. From the Foundation of Australia to Federation, it was natural that we would rely on Britain for defence and foreign policy. There may have been some who believed that at Federation, we would become a fully independent country. That was not to be, it was not wanted in those early days.

In many ways, Britain still looked upon the new Australia as a larger colony that would still follow Britain and support Britain whenever it was necessary. We still approached the United Kingdom through the Colonial Office. We were expected to approach third parties also through the Colonial Office.

When Deakin asked the Great White Fleet from America to visit Australian ports, the Americans accepted and the British were greatly annoyed.

The Colonial and Empire conferences through the early part of last century, were all directed towards giving the Dominions a greater say in Empire policy. It was appearance and not reality. Great powers do what is in their own interest, they may listen to others but it is the great power's interest that will always inevitably prevail.

By 1931, pressures from Canada, South Africa and the Republic of Ireland in particular, for greater freedom within the empire, were great. The Statute of Westminster was passed in 1931. Those three dominions immediately ratified, Australia did not. We maintained the policy of strategic dependence on Britain past it's used by date. The Statute of Westminster was not ratified in Australia until 1942. There had been a grand bargain with the United Kingdom. We would supply men, money, resources to help Britain fight Britain's wars and in return, in theory, they guaranteed the defence of Australia. When we needed it, no fault of Britain, but they could not help.

Through the first period of Australian history, the idea of strategic dependence on a great power became deeply engrained in Australia. It was appropriate for the time, a young country, few people and little resources.

After the war, the rivalry between the Soviet Union, the United States and the free world soon began. There had been communist insurgencies in our own part of the world. Australia again, wanted the protection of a major power. It was Percy Spender who negotiated and ultimately achieved ANZUS, it was less than he wanted, a commitment to consult and maybe defend. It was only achievable because Spender had made it clear that we would not sign the peace treaty with Japan, if we did not have some formal arrangements with the United States.

ANZUS, in the words of the treaty, is limited to the forces or territory of the United States and Australia and originally New Zealand, in the Pacific theatre. None of the wars in which we followed the United States, with all their disastrous consequences, have been covered by ANZUS. Again, in the context of the time, with the Cold War alive and well, ANZUS, and dependency on a greater power, made sense.

After 1990-91 matters changed, the strategic context changed. When there were 2 superpowers, both were, to an extent, restrained by the other. I know there were serious moments but neither wanted a nuclear war, neither wanted to press the other too hard. Once the United States became supreme, the only superpower, greater military forces and a stronger economy than any other nation, other changes began to unfold.

American exceptionalism had always been present in the United States. The idea is even embraced and supported by President Obama. A nation like no other, better than any other. What America does is right, because America does it. Rules are for other countries. Together with the policies of the neo- conservatives, the political face of the United States had changed. Many believed that the United States would only be truly secure, if the whole world was a democracy.

America's duty was to achieve that, if possible by persuasion, but if necessary by force of arms. This philosophy offers the best explanation for the second Iraq war. Against the advice of all President Bush's senior advisors, and indeed, many, many others, it was a war based on a lie, it was a war that has unleashed terrible and seemingly irreconcilable forces within Iraq. It has contributed to the loss of America's

prestige in the Middle East and unleashed sectarian forces throughout the region. How can people who have probably got double firsts at university, be so naive to believe that a benign democracy would emerge, which by its very strength and character, would spread through the Middle East.

Nobody would have followed America into a war with that objective, and so, the idea of weapons of mass destruction was adopted. It was based on what many people at the time, knew to be a lie. Intelligence was cherry picked on Rumsfeld's direction, by Feith in the Pentagon, to support a policy already determined.

Events in the Middle East have not gone well for the United States, or for peace, or for that matter, for any of the inhabitants in the region.

Now the United States has turned their attention to the Western Pacific. There are no real signs that her diplomatic skills will be better demonstrated in this region than they were in the Middle East.

There are many who support the military build-up, but I would argue that people, as has Goh Chok Tong, that it is dangerous, ill-conceived and cannot succeed. America already had significant forces throughout the region. While

some countries might welcome an addition to their forces, in the longer term, as they contribute to increased tension between China and the United States, they will come to realise that the military build-up is not adding to security but detracting from it.

Others have written that a conflict at some time between China and Japan is possible. Indeed, at one point I think Hugh White suggested it could have occurred as early as last year. I agree that that is the most likely flash point, although an emboldened Philippines, not enormously stable, could also cause difficulties. I am not concerned about Taiwan, because that issue is well on the way to being resolved.

Japan's present government is militarist. Japan already has armed forces more significant than any European country and could develop nuclear weapons virtually in a matter of weeks. President Obama has already made mistakes in his relationship with Japan. Only the other day, he reaffirmed the absolute commitment to defend Japan, including those islands in the East China Sea. He should have extracted a commitment from Japan that they would recognise that there is, indeed, a dispute and also gain a commitment that Japan would negotiate either directly with China or through agreed international adjudication. That opportunity has

passed by and so the commitment tied America firmly to Japan. Before, the President had claimed to be neutral over the questions of ownership of the islands.

One brief comment on that point, the islands had been Chinese, had been seized by Japan in the 1895 war. After the World War, the islands were only returned to Japan around 1971. China still communist, would not have been in the equation. There are many who believe that the Chinese claim is, in fact, stronger. The point to recall however, that the seizure on those islands was one of the indignities inflicted on China during a period of maximum weakness. The unequal treaties imposed by European powers, by Japan and by America, before and around the time of the Boxer Rebellion will, in the Chinese views, all be redressed.

It is claimed that the military build-up is necessary because of China's growing economy. American spokesmen come through Australia and travel around the region emphasising American friendship with every country from Japan, to Australia, to India, but warning against China. It is not wise diplomacy to imply an enemy in such a fashion, especially when people are blind to any understanding or viewpoint but their own.

China had been through a long period of internal conflict and then, with the communist revolution, they were totally preoccupied with their own internal affairs. It is only in the last two or three decades that China, economically much more powerful, has started to awaken and work to resume the position of influence that she would formerly have had.

I have been told by Americans that China is a threat to freedom of the seas in the East and South China Seas. It is an absurd claim. Two-thirds of their own trade goes through those seas, it's a two way business, it's a two way benefit to China and America and the countries in between. Nobody would want to upset that trade.

It is extraordinarily bad judgement to suggest that America needs the military build up to protect commercial and trade interests. The commercial and trade interests do not need military support to be progressed into today's world.

ASEAN counties have demonstrated that if left to themselves, they can form a useful and effective association. They have overcome past enmities and now ASEAN contributes greatly to stability in the region. ASEAN is also negotiating with China, which may be difficult to achieve, for a code of conduct within the South China Sea. America has

had no part in this and America's interference now would make agreement harder to achieve.

The United States would not regard USS Washington patrolling the East and South China Seas, stationed in a Japanese harbour, as being provocative, even sailing within sight of the Chinese mainland. Imagine the American reaction if the Chinese had a carrier and copied that action off the East Coast of the United States. It would then be regarded as a great provocation.

China has shown a greater capacity to manage her economy well over the last 30 years, than either the Europeans or the United States. I know there are those who believe and perhaps hope that the Chinese economy will fall apart, but on the record so far, that is unlikely to happen. Breakdown within China is the only thing that could prevent the continued growth in Chinese economic power, and that is something that America at some point, is going to have to live with.

Hugh White has suggested that America should share power with China over the Pacific, that we should seek to persuade America to do so. We have no special relationship with America. It is a special relationship shared by many other

states. In any case, in the United States' system they make up their mind what they want to do, and only then, do they discuss matters with other countries. Our capacity to influence policy in that way would be minimal.

The evidence available suggests that America wishes to remain supreme, number one, unchallenged, through this century. Sometimes, great powers during a period of relative decline, can be more dangerous than rising powers.

The last part of my book discusses Australia's position. I have made it clear that strategic dependence was appropriate during the Cold War and indeed, in earlier times. I had believed after the fall of the Soviet Union that we could become more independent, have our own voice in international affairs. I have had more than one senior leader throughout Asia say to me "*of course we will talk to Australia, but we don't need Australia to give us American views*". It is one of the advantages of age, you can build relationships over time which will never be experienced by governments in office.

Instead of exercising a degree of strategic independence after 1991, we have over the last 25 years become more closely enmeshed in the American military machine than

ever before. I assert that our constitutional independence will not protect us if America goes to war in the Pacific. When we house a powerful three service taskforce, which can deploy power anywhere throughout the region, we are inevitably complicit in whatever it does. We cannot say we are not involved.

When President Obama speaks from the Australian Parliament, as though it were a State of the Union and not an independent country, it is driving in the same direction. Some Americans believe Australia is one of those rare allies that will do what they want when they want.

More problematic and more difficult is the new and diverse uses to which Pine Gap is now put. It is no longer merely an information gathering agency. Information gleaned from Pine Gap can be used almost in real time to target United States missiles. Australians were probably involved in the drone attack that killed two Australian citizens in the Yemen. We shrug out shoulders, it doesn't matter too much.

Americans seem to care to a much greater extent when President Obama kills Americans abroad by the same means. The Federal Court has ruled that the President must publish the Justice Department's advice, which suggested that such

killings would be legal. If they are legal in America, it would rest as much as anything on the War Powers Resolution following 9/11. There is no such legal cover for Australians at Pine Gap.

It is not possible to shrug this off and say, *the Parliament is supreme, the Government can do what it wants*. If there is a conflict, perhaps started between China and Japan, dragging in America and we can stand aside.

If a Prime Minister, in these circumstances said “*we are going to pass this one by*”, as Canada passed by Iraq and Vietnam, it would not be believed, because of those troops in Darwin and because of Pine Gap.

Other things have also been put in place, which increase our complicity. The United States Army Secretary announced some time ago, that Major General Burr would be number two in charge of 60,000 American troops in the Western Pacific. An Australian frigate was on station with the USS Washington for a period last year, and I understand, again this year. We are embedded in many ways.

Darwin and Pine Gap are the greatest difficulty and as I argue in the book, that association should be ended, but for

Pine Gap, over time. Nevertheless, Australians working there could be pulled out of the facility in short compass.

Now, many people will get frightened, what are the consequences? When New Zealand refused entry to nuclear-armed ships in years past, she continued to share intelligence. We would also have many things in common with the United States. But any government that knowingly goes so far as to allow the United States a power, effectively to take Australia to war, is abdicating our sovereignty and that is a step much too far.

There would be hard negotiations, if there is a will it could be done. An Australia independent would be better respected throughout East and South East Asia. We would have more influence. If there were difficulties we would be better placed in cooperation with others, with ASEAN for example, to contribute to peace and security. We would need to spend more on defence, probably double that which we now spend, but what price is the integrity of the nation worth?

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