

Australia-US Relations in the 'Asia Century'

To avoid unnecessary and ill-advised conflict

Asialink Series
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I will speak a little of Australia's history since the end of the 2nd World War to the present and how I see the possibilities for the future. With the economic rise of China, and America's preoccupation with the Western Pacific, Australia needs to be conspicuously independent and constructive.

After the Second World War there was a consensus that defence of Australia was not viable with 7 million people. The great migration program was begun. Hundreds of thousands came from around the world and changed us into a stronger, more interesting and creative nation.¹

That Australia was one of vision and courage. The migration program through the 1950's was substantial. A far larger burden on 7 million people with the infrastructure and resources then available to Australia, than migration has been in recent years. Politicians spoke of investing in the future. We then said, "*we cannot use all today's wealth for personal consumption, but for making sure there would be a better life for more citizens in years ahead.*"

In 1954 Menzies signed the Refugee Convention, a moral and political statement and the first step towards abolition of the White Australia Policy, to be achieved progressively by Holt, Opperman and Whitlam.

We wanted to broaden the base of our society. In those days we achieved much. In the 1970's the first major Asian immigration since the days of the gold rushes over a century earlier, was undertaken. That too has contributed to and diversified our society and strengthened it culturally and economically.

¹ People came from many countries. The diversity of the Australian population, of which we are justly proud, began then. Many people had fled political oppression. Some had fled the concentration camps, or death camps, from Europe. Later there was a large economic migration from Greece, Italy and elsewhere. Australia benefited enormously. These people, arriving often with so little and so little English, brought initiative, courage and determination.

While building a stronger nation, we also wanted some protection from a larger power. British power east of Suez was ended by the 2nd World War. During the conflict we had looked to America and after the war we continued to do so, as indeed we do to this day.

We got the Americans to agree to the ANZUS Treaty, a condition of our signature of the peace treaty with Japan. ANZUS provides for consultation if there was any danger of attack, limited in geography to the territory or forces of the United States, Australia and New Zealand in the Pacific theatre. The commitment to consult could lead to military support, but it is not a NATO type guarantee of defence.

I know of 3 occasions in which the United States has or would have chosen Indonesia over Australia, if we had sought vigorously to persuade the Americans to support us and our favoured foreign policy options, over those of Indonesia. The first concerned our troops fighting in Borneo against Indonesia's confrontation of Malaysia in the early 1960's, the second concerned a real act of self-determination for West New Guinea and the third related to East Timor. The Economist wrote in 1961 that "*No Indonesian regime short of a blatantly communist one would earn active American hostility, no matter what harm it did to the national Australian interests*".

Australians like to think we are in a special position with the United States, but ANZUS was one of a string of defence arrangements entered into by the United States in East Asia and the Pacific after the peace treaty with Japan and also in the wake of the Korean War. It was clear from our experience that ANZUS was not seen by the United States as creating an obligation on them to support us in local and regional issues and that attitude had special reference to Indonesia. As Australia positions itself for the future, it is vital that we understand the reality of our position with the United States.

Through all this period, the Cold War continued. ANZUS helped us to demonstrate cohesion with the United States and other countries. It was a central tenet of Soviet Communism that the world's greatest democracy had to be broken - and that if it were broken, other democracies would surely follow. It sought to dominate Europe and exploit situations elsewhere.

This concern led to the establishment of NATO and to cooperative arrangements throughout the West. The policy of containment to prevent

the further spread of an aggressive outward thrusting power was successful. It was appropriate for the time.

Eventually the Soviet Union disintegrated, it disappeared. The Cold War was over and many thought the world could relax. Many hoped that from 1990 on, we would be able cooperatively, to build a fairer and more just world, to help in the alleviation of poverty worldwide and help nations in all regions enhance their self-esteem and dignity.

The opportunities that opened to the West generally were brushed aside. Nations became mired in the present and did not look to the future, and seize the opportunity to create something lasting and better. NATO behaved as if the Cold War was still on. It should have proclaimed a bloodless victory and made it clear that NATO's work was done. Instead NATO pushed to embrace all the countries of Eastern Europe and even sought to include the Ukraine and Georgia within NATO itself. Two regions historically part of Russia's sphere of interest.

In so doing, the West destroyed the opportunity of building a cooperative partnership with Russia. This was compounded by further mistakes when President Bush 2nd started talking of anti-ballistic missile sites in Poland and a radar site in the Czech Republic. The public mantra was that these anti-ballistic missile sites would be a protection against Iran. It was one of those public lies which only the most fanatic would believe. It was of course, directed at Russia.

These mistakes were to have implications for policy in many fields, especially throughout the Middle East, especially during the War on Terror. The West is still paying the price for them. Few leaders have had the wit to see or understand these mistakes, and while the European anti-ballistic missile sites have been scrapped by President Obama, the damage caused by the expansion of NATO has been so deep that its impact persists.

In Asia and the Pacific also, great change was starting to gather pace. A number of Asian countries had developed their economies with remarkable speed, order and strength. China, the sleeping giant which in earlier years had supported overseas insurgencies, was starting to wake. The extent, to which China opened her society and her economy to the world, the way in which she has managed her own economic progress with stability and sense of purpose, is remarkable indeed.

I saw the beginnings of these changes when I first visited China in 1976. Everyone, men and women were in grey Mao uniforms. When next I was in China, Deng Xiaoping was Paramount Leader and Zhao Ziyang was Premier. People wore suits and coloured dresses. The public manifestation was of change, of a remarkably different society, and that change has gathered pace in all the years since. It is a remarkable achievement. And while China is still communist, it is very different from Soviet communism or North Korean communism.

During the Cold War, China was not part of the global economic equation. Her markets were small, her influence was meagre. In today's world, China dominates markets for many products worldwide and has become wealthy on a world scale. China is the largest trading partner with every country in the Asia Pacific area, including Australia. Her trade and investment weight in Africa and South America, are growing apace. China has been the largest buyer of United States treasury bills.

Even though the Cold War was over America's defence spending is over 41% of the world's total - and where is America's potential adversary? China's defence spending is about 8.2% of the world's total. As it increases, as inevitably it will, we get alarmist reports as though China is arming to become a danger to countries worldwide. We take no note of the fact that China has difficult borders. Unpredictable North Korea. Russia, historically competing for territory but with whom most territorial disputes have in recent years been resolved without conflict. India with whom she has had quite recent wars. Pakistan, unstable and fragile. Both India and Pakistan are nuclear armed, Iran and Iraq not so far away, Syria and of course Afghanistan. If the United States were surrounded by a band of such unstable countries, the American people would be paranoid with concern. So of course, China wishes to strengthen its military. They also need to strengthen their ocean defences.

I was last in Beijing in May speaking with senior ministers during the time Secretary of State Hillary Clinton led the 4th round of Strategic and Economic Dialogue, which has taken place over the last four years between China and the United States. The dialogue seemed to go well. There was talk of peaceful resolution of disputes, of discussion enabling the two countries to get to know each other better and to understand and work through differences. That policy should have the strongest support from Australia.

However, the United States is not content with that policy. She has a second policy in relation to China. A policy of containment.

More use of naval facilities in the Philippines, Singapore and potentially Vietnam; troops based in Darwin; more use of air force facilities, surveillance and communications facilities and military exercising in Australia; spy planes based in Cocos Island; Stirling Harbour perhaps to become a home base for an Indian Ocean aircraft carrier taskforce, and strategic discussions with India.

We should also note the recent report² published by the Centre for Strategic and International Studies which feeds off a close relationship with the United States Defense Department. It may not be American policy yet, but the CSIS report points clearly to the direction of policy. It is worth looking at the extracts concerning Australia. They are written as though we are a strategic colony, taken for granted, total support for whatever the United States may do.

They suggest an entire Marine Air-Ground Task Force which will be based in Darwin. Arrangements will also need to be made so that marines could be moved in high speed vessels and including appropriate naval facilities. America clearly expects us to pay part of the cost of the marines already agreed and also for the other elements that they intend to locate in Darwin. The wording of the report makes it quite clear that such discussions have begun. The Australian Government should be required to be open and honest about its intentions.

If this scenario goes ahead, there would then be a fully rounded marine fighting unit based in Darwin over which we would have no control. Some Australians may think it is there for our defence, that would be another piece of mythology. What conceivable threat can we see to the mainland of Australia in today's world? That unit is there to serve the American policy of containment.

This policy of containment seems to suggest that the United States does not understand the difference between the Soviet Union and China. One was a formidable ideological aggressive military opponent with whom there were minimal economic or trade links. With China, there is no evidence of the imperialism practiced by Russia or by most European states and indeed by the United States. A policy of containment also ignores the fact that China

² <http://www.scribd.com/doc/101712425/CSIS-Independent-Assessment-1>

and America's economy are closely interlinked by debt, by capital investment and by markets, all of which are important to both countries. In addition, there are no territorial disputes between China and the United States.³

At a conference in Singapore a few months ago, the 11th International Institute for Strategic Studies Asia Security Summit, the President of Indonesia, Susilo Bambang Yudhoyono⁴ made by far the best speech. He spoke of the way in which Asian countries had been able to overcome problems, many of them had been substantial, and clearly the message from his speech was, if left to ourselves, we will overcome future problems in our way.

United States' Secretary of Defense Leon Panetta then spoke and to any non-American, he talked as though the Western Pacific is really America's backyard. He said America has always been interested in and concerned for peace and stability in the Western Pacific. America has always contributed to the wellbeing of this region and will continue to do so. The United States will be stationing 60% of their naval forces with consequential support facilities in the Pacific, implying Western Pacific areas. It should have been called the Cold War speech. It was totally at odds with everything that came out of the Clinton mission to Beijing. If that mission meant anything, such a speech was extraordinarily inappropriate.

The fact that Secretary of Defense Panetta then went to Vietnam where he visited Cam Ranh Bay, a major United States naval base during the Vietnam War, and talked with the Vietnamese about using that for American naval ships, was further provocation. There is also incidentally a B52-capable runway next to that base. Does the United States want to use that once again?

China has refused to be provoked, and that is not surprising because they are well aware that this is an election year in the United States. We need to be aware that China can be profoundly measured in international affairs.

President Obama's inappropriate speech in the Australian Parliament last November implied that Australia was fully in support of American

³ With the issue of Taiwan resolving itself as the scale of cross border investment and movement of people increases, there are no territorial issues between the United States and China of any consequence. This has been a seminal development over the last ten years or so. This is a most notable difference from the previous position between the United States and the Soviet Union.

⁴ <http://www.iiss.org/conferences/the-shangri-la-dialogue/shangri-la-dialogue-2012/speeches/opening-remarks-and-keynote-address/keynote-address/>

militarisation of the Western Pacific and the policies of containment which this involves. If our Government and Opposition indeed take that view, they serve Australia's interests very badly indeed. President Obama spoke of reinforcing American forces in the Western Pacific, at a time when the United States is overwhelmingly the preponderant power. He spoke of projecting power to deter threats to peace, without indicating what those threats may be. He spoke of enduring interest and enduring presence. He spoke of maintaining United States' defense presence in Japan and the Korean peninsula, enhancing military relationships with Australia, of increasing ship visits and training with the Philippines and Singapore, of working more closely with Vietnam and Cambodia, and also of establishing a better strategic relationship with India.

Then he spoke comparatively quite coldly of China. He spoke of a prosperous China and he welcomed it. He spoke of speaking candidly to China about upholding international laws and respecting universal human rights of the Chinese people. He might have said something about the way living standards have been raised. He might have understood that throughout Asia, where people have lived on the edge of starvation, rising living standards have often been given the highest priority, but of course he did not. He might have spoken of the contribution China has made to peace and to prosperity worldwide, by the strength of her economy and by the stability and reasonableness with which that economy has been managed. In other words, in all the region, all countries are a friend but China is something else. He was speaking of the second American policy, a policy of containment.

Senior Chinese have said that they do not want the United States to withdraw from the Western Pacific, because some of her neighbours were nervous because of China's growing strength. If America was to withdraw from the Western Pacific that would make smaller countries even more nervous. This shows that China is a country with a realistic view of the world. But can we imagine China knuckling down to a United States policy of containment?

In the light of recent events can we say that the United States is a country with a realistic view of the world?

One of the problems that America is going to have to deal with is the growing ideological divide in the United States itself. In other ways as well, it is not an easy time for America. The last thing that America needs is friends and allies who succumb to ideas and policies that endanger us all.

The United States that managed the Cold War to its successful conclusion, the United States that under Nixon opened the doors to China, in many ways no longer exists. In those days there was often a broad consensus between Democrats and Republicans concerning the international dimensions of American policy. The Tea Party, which is really a popular acceptance of the ideological arguments of the neoconservatives, but in a crude and ignorant way, has created a force in American politics which is dangerous to America's future. It is dangerous to America's allies. It is one thing to laugh at Mitt Romney's gaffes, but it is something else to think that such a man is within a hairbreadth of becoming President of the United States.

I mentioned earlier the opportunities lost when the Cold War ended. Australia also lost a great opportunity to become more independent, less tied to American policy, more active in diplomacy to advance peace and understanding throughout our own region. Instead, at that time, we allowed ourselves to be more enmeshed by the American military and intelligence machine, in ways that had not occurred on earlier occasions. Our leaders failed to grasp the significance of the fact that the Cold War was over.

Not many people know that at the height of the Cold War in 1956 when China was shelling the offshore islands Quemoy and Matsu and people feared an invasion of Taiwan, Menzies exercised an independence of mind, a capacity for judgement in Australia's interest, which the last three Australian Governments have dismally failed to do. At that time, Menzies advised Eisenhower that if the United States had a war with China over Taiwan, we would not be part of it. He recognised that there were limits to an alliance and to the obligations it created. He had a vision of an independent Australia. That vision has been lost for some time, and the urgent question now is 'how can we regain it?'

Too many people believe that we need to fall in with American wishes to be secure. Too many believe that ANZUS is a commitment to defend, when it is not. Too many believe in something called the "extended nuclear deterrent" when there is no statement, no agreement or treaty giving the concept any credibility at all.⁵

⁵ This was a phrase which seemed to come in vogue somewhere around the middle 1990's. It appeared in the Defence White Paper in 2000 and again in 2009. There is no commitment on the United States part either written or verbal that she would use nuclear weapons in our defence. It is a fabrication of those on both sides who wish to bind us irrevocably to the United States' strategic policy and thus rob Australia of

We need confidence in our own wisdom and diplomacy, we need to be vigilant and farsighted about our own independence, we need to think and speak for our own interests.

The Australian Government, especially the Defence Minister says there are no American bases on Australia soil and there will not be. This is straight political spin of the worst kind because it is designed to deceive Australians on matters of peace and war. We certainly have both United States and joint bases in Australia, even if technically they are under Australian control.

Pine Gap and North West Cape serve American purposes. Pine Gap has been greatly expanded and not only encompasses the separate functions of Pine Gap and Nurrungar, but now has additional and wider responsibilities. It is no longer solely an intelligence gathering base as it originally was. These bases, together with marines in Darwin, the planned Cocos Island deployment of surveillance aircraft and drones, the probability of a carrier fleet, extensively using Stirling Harbour in Fremantle and the expanded North West Cape space warfare facilities, are in operational terms, equivalent to American bases. Whatever Australian Governments may decide regarding Australian military forces, Australia is now integral to the offensive capacity of the American military forces in the Western Pacific. We must not allow ourselves to be locked in to the United States' policy especially a policy of containment.⁶

Australia has under this Labor Government and with apparent consent of the Coalition, become the southern bastion of America's re-arming in the Western Pacific and Southeast Asia. This is an extraordinary consequence of Australian Government ineptitude and of military planning, which might recognise America's interest, but pays little account of our own. It makes us complicit in any military activity that the Americans might undertake. It is even more disturbing because it really looks as though the words that

strategic independence. This is all the more important because the defence arrangements made in recent times between Australia and the United States could easily make some parts of Australia subject to nuclear attack. Pine Gap certainly, North West Cape, to name two. Our military are far too closely intertwined with the American military which results in Australia servicing American interests rather than our own.

⁶ Singaporeans are generally notoriously circumspect in discussing the United States. At a recent meeting I attended in May in Tianjin, China, with representatives of 20 countries, including Americans, former Prime Minister Goh Chok Tong said of containment of China that it would not work, it was foolish, it was dangerous and would not be supported by countries from the region.

Secretary of State Hillary Clinton used in Beijing, when she was talking about consensus, dialogue, consultation and agreement, were pretty meaningless.

Australian concerns should be heightened by a recent military appointment announced by the United States. I saw the report in *The Guardian*, not in an Australian paper. An Australian General, Major General Richard Burr, has become a deputy commander of United States Army Pacific. He will be responsible for planning and advising on the further expansion of American armed forces throughout the Western Pacific. Australian Defence public relations brushed the issue off as a routine exchange, but this appointment, at this time, carries significant implications. The statement on the American side was made by United States' Army Secretary John McHugh. It emphasised the importance the Americans attach to this particular appointment, yet we ignore it.

Having undertaken hugely, costly and counterproductive wars in Iraq and in Afghanistan; with turmoil in Libya, Egypt and Syria; with no end in sight for the problems of Israel and Palestine; and the unresolved difficulties of Iran, the United States is shifting her main focus to Western Pacific. That spells danger for the entire region.

The major danger, and one that China recognises, is that the United States as a power whose economic relativity is less than it used to be, may seek to maintain supremacy through armed conflict, at a time when there is no valid dispute between China and the United States that would justify war. I would have no concerns that this danger will unfold if America were governed by an Eisenhower, a Kennedy, a Johnson, a Clinton or the 1st George Bush, but today's America is different. The ideology of the neoconservatives is alive and well and has been given an ugly manifestation in the populist Tea Party. It is clear from what has been written that such people lack balance and are immune to reasoned argument.

In addition, the United States has in part made herself hostage to unreliable partners in the South China Sea. The Philippines in particular, has tended to argue that she has the full support of America in her disputes with China in the South China Sea. Indeed, Filipino Foreign Minister Albert del Rosario has consistently emphasised that the United States would provide military support if it were needed. This unrealistic statement forced Secretary of State Hilary Clinton to declare on 1 May this year that the United States is not a party to the conflict. Senator John McCain, in a speech at the Centre

for Strategic and International studies in May, has also warned the Philippines should not turn to the United States for military assistance in the event of conflict with China.

In the Age on 9 August, President Obama's former intelligence chief, Admiral Dennis Blair, confirmed that China is the principal target of United States' war plans. Hugh White who has some knowledge of these matters indicated that the AirSea Battle plan, a major United States' war plan applicable in the Pacific to China, was significantly flawed and ran the risk of rapid escalation to a nuclear struggle. The Australian Government has made us hostage to the politics of the United States, to the machinations of the Pentagon, and the plans for continuing supremacy of the United States in the Western Pacific.

The Republicans in the United States Congress are seeking to get an amendment to the Defense Appropriation Bill for next year through the Congress⁷. That amendment urges the administration to deploy additional forces, including tactical nuclear missiles in the Western Pacific. I consulted with Senator Lugar, who I have known for many decades as one of the most reasonable and farsighted of Americans. He advised me that the amendment will go through. The Republicans have a majority and the White House has not opposed it. Let us consider this just a little further. If American naval ships end up using Cam Ranh Bay and those ships are nuclear capable, and if the China-United States relationship becomes more difficult, is that not reminiscent of Khrushchev and Cuba?

⁷ **Sec 1064 Report on Conventional and Nuclear Forces In the Western Pacific Region**

- a) Sense of Congress – Congress-
 - (1) Supports steps taken by the President to -
 - (a) reinforce the security of the item allies of the United States; and
 - (b) strengthen the deterrent capability of the United States against the illegal and increasingly belligerent actions of North Korea; and
 - (2) encourages further steps, including such steps to deploy additional conventional forces of the United States and redeploy tactical nuclear weapons to the Western Pacific region.
- b) Report – Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Secretary of State, shall submit to the congressional defense committees a report on deploying additional conventional and nuclear forces to the Western Pacific region to ensure the presence of a robust conventional and nuclear capability, including a forward-deployed nuclear capability, of the United States in response to the ballistic missile and nuclear weapons developments of North Korea and the other belligerent actions North Korea has made against allies of the United States. The report shall include an evaluation of any bilateral agreements, basing arrangements, and costs that would be involved with such additional deployments.

The United States now talks as though China may wish to curtail freedom of the seas in the South China Sea. That sounds like an absurd allegation. It is an important waterway for trade involving many countries. I am advised that two-thirds of China's own trade goes through the South China Sea and much of it in foreign-registered ships. China and the United States have an equal interest in preserving freedom of the seas. The United States does not need a military build-up to maintain that. It also worth recalling that China has ratified the Law of the Sea, while the United States has not.

Hugh White's book⁸ makes it very plain, that military conflict between China and the United States would not be an easy matter. Nuclear weapons excluded - where China has maybe 240 and America 8,000 - America could find the going difficult. China fighting for China would have a determination and a capacity for endurance which the United States would not understand. Any use of nuclear weapons between the United States and China would be a global humanitarian catastrophe, and any armed conflict between nuclear-armed powers risks nuclear escalation. So conflict - and provocation that might lead to it - must be prevented at all costs.

Since the end of the 2nd World War, Korea apart, the United States record in East and South Asia is not good. Vietnam was unequivocally a defeat. Iraq a defeat. Afghanistan a defeat in waiting. There is a danger that the United States is seeking to maintain supremacy, which could likely lead to war. If she is prepared to come to an accommodation with China, there is no reason why peace should not be maintained.

The United States does not need this military build-up. She does not need the policy of containment. She does not need to enmesh allies like Australia in policies that are fraught with danger, to achieve a sensible and rational accommodation between two significant powers.

We should certainly try to persuade the United States to rely upon diplomacy and negotiations. Unfortunately, when a great power's influence is, in world terms, starting to diminish, it tends to rely more on that element of her power which remains supreme. For the United States that means a greater reliance on her military. The argument will not be easy.

We have to tell America that policies of containment won't work and are arousing significant hostility, and that will grow. Such a position would also send a powerful message to our neighbours in the region in which we

⁸ The China Choice

live – including China - that we want to play a cooperative and constructive role in partnership with them to secure peace throughout the whole region.

We have a good trade and economic relationship with China, but we cannot continue as the government does to assert that our trade relationship has nothing to do with our strategic relationship. The two are intertwined and part of the whole. It is time we stopped thinking of ourselves as supplicants and started to think for ourselves as a people who are prepared to stand up. Oh how, in today's world, I envy New Zealand.

Let there be no mistake with today's policies, America is in charge of our destiny and that fills me with concern. The imperative for Australia is to make sure that Australian Governments place the interests of the people of Australia first. We must be subservient to no-one. We must preserve alliances certainly, but must not extend the scope of those alliances in a way that binds us to follow America into wars, which are contrary to our own interests.

We must urgently re-establish the reality of independence in our own policies. We should look to the original terms of ANZUS and reassert that that is what ANZUS means to us. It was never an aggressive instrument by which the United States should persuade us to uncritically take part in American wars. We should also make it clear that United States' communications and other facilities on Australian soil will not be used for targeting or triggering or facilitating use of nuclear weapons of any kind. That is indeed, consistent with a longer term objective stated by both United States and Australian Governments for a nuclear weapons-free world. We should also make sure that any United States' ships or submarines visiting our ports do not carry nuclear weapons. These conditions would be consistent with Article II of the Non-Proliferation Treaty.⁹

We have not yet recognised that the end of the Cold War, the rise of China, and the ideological changes inside the United States itself, have created a new world. Current United States' policies are relevant to the old world and their continuation will be wrong-headed and dangerous. We live in the

⁹**Article II** Each non-nuclear-weapon State Party to the Treaty undertakes not to receive the transfer from any transferor whatsoever of nuclear weapons or other nuclear explosive devices or of control over such weapons or explosive devices directly, or indirectly; not to manufacture or otherwise acquire nuclear weapons or other nuclear explosive devices; and not to seek or receive any assistance in the manufacture of nuclear weapons or other nuclear explosive devices.

Western Pacific, close to East and Southeast Asia. We are part of it. This gives us a different set of interests from the United States whose home is on the other side of the Pacific.

What we need to do is clear. ANZUS needs to be wound back to its original intentions, to its original geography and purpose. Then we need to play a full role as a middle power in cooperation with countries of the Western Pacific, but also seek to establish a close working relationship with other middle ranking powers who have a particular interest in establishing a safer and more just world. Canada used to play this role in days long past. They and the Nordic countries would surely assist in working more effectively and cooperatively in the international environment. I believe we would find that there are an increasing number of middle ranking countries who could have a stabilising influence in world affairs. This will be constructive and forward looking and define Australia to the world.

5000 words without footnotes