

## **The Australian Canary**

by Brad Glosserman

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“No, thanks.”

That, in summary, is the response of Hugh White to the recent announcement that the US would be sending marines on permanent rotation to Darwin, along with naval and air forces that would have increased access to facilities in northern Australia.

That answer is no surprise to those familiar with White’s writings on power dynamics in the Asia Pacific region; he has been making the case for strategic reorientation in Canberra for a couple of years now. But White is no starry-eyed academic who hankers after the pacifist dream of complete disarmament. He is a professor of strategic studies at Australian National University, one of Asia’s most distinguished strategists, and a former Australian deputy secretary of defense.

White is a distinct minority among Australian strategists, and his comments have triggered fierce controversy in his country. Canberra’s decision to accept the US forces is for many a definitive rejection of his conclusions. But White and the debate he has unleashed deserve more attention for this discussion is or will be taking place in capitals throughout the region, although there is little chance it will be as public or as sharp. Australia is the canary in the Asian security coal mine.

### **The Debate**

White starts from a simple premise – one familiar to governments throughout the region. China is getting stronger and more powerful, and the basis of its growing strength and influence is economic dynamism. Australia’s 2009 Defense White Paper concludes that China will eclipse the US as the world’s largest economy around 2020; White concedes that “the precise date is questionable, but the trend is not. China’s growth may falter ... but it is more probable that America will no longer be the richest country in the world” sometime during the lifetime of the report’s authors. This newfound heft manifests in two dimensions. The first is military modernization afforded by increasing national wealth. As White puts it, “US primacy looks less unchallengeable today than it did even a few years ago.” He also rightly notes that in tandem with military modernization has been diplomatic outreach that has helped consolidate the image of a country that wants to work with its neighbors (at least until 2010).

The second, and perhaps more significant, element, is the gravity – the pull – created by the desire to tap the Chinese market. White notes, “a country that wants to benefit from China’s unique economic opportunities must ... take careful

account of China’s political and strategic interests.” Consistent with that, in my meetings, Chinese interlocutors remind us that the US should put relations with it above all other concerns, especially when it comes to Taiwan.

That list of countries subject to the gravitational pull of the Chinese economy is long. China is the top trade partner of Australia – total merchandise trade with China is set to reach A\$150 billion in 2011, comprising 23.1 percent of Australia’s total trade, and marking a 27 percent increase over 2010; it has invested A\$11.8 billion in China and China has invested A\$19.5 billion in Australia – Japan, Korea, Malaysia, Mongolia, Philippines, Taiwan, and Thailand, to name just Asian nations. Significantly, every US ally in Asia is on that list.

This sets up a seeming competition between these nations’ economic and security interests. But White rightly points out, “the real question is not about how we balance our ties with the US and China. It is about how we protect Australia’s interests in this strategic transformation. Those interests are reasonably clear. We want Asia to keep growing strongly and for Australia to be part of that growth. And we want America to stay engaged in Asia, to prevent domination by China but not in a way that forces us to choose between them, or inhibits Asia’s economic growth.” White even argues that China’s rise doesn’t mean the end of the alliance. “A new order can be built in Asia that accommodates Chinese power peacefully and preserves a vital role for America, including a strong US-Australia alliance.”

That last qualification is important because many accuse White of endorsing accommodation of China, and choosing Beijing over Washington. He is not. He is conscious of the pressures in China – a strong self-image, a desire to maximize its independence, a powerful nationalism – that push Beijing to fight the subordination of its growing power to US primacy. It is this inclination that threatens the stability that made Asia’s prosperity possible. White believes that “continued US primacy would be the best outcome for Australia, but the chances of it being achieved in the face of China’s power and ambitions are low.” That demands a focus on the second best outcome, a “Concert of Asia” in which the US voluntarily relinquishes primacy to share power with China – a nation that “has a legitimate leadership role to play in Asia” – and other major powers in collective leadership based on the principles of the United Nations Charter. White calls this a US choice between influence and order.

There are two ways to challenge White’s argument: question his premises or question his conclusion. Opponents do both. Those who take the first course argue that China’s rise is not inevitable, that its trajectory will change and its influence will be checked. Even if it isn’t, Beijing’s capacity to upset the regional order requires allies: a revanchist China

cannot act alone. (Remember the premise is that other governments would be torn from the US by the allure of Chinese markets.) Some analysts assert that US-led hierarchy will continue to be the first choice of regional governments and those governments will try to preserve US primary rather than back Chinese efforts to dilute it. Finally, there is an assumption of US decline, “the twilight of American power.” But the US may yet recover and enlarge the gap between its capabilities and those of potential peer competitors.

The second group argues that White’s recommendation is wrong. Rather than forging a new order that embraces China, they believe that Australia – along with other nations – should double down on efforts to balance Beijing. “Australia’s Strategic Edge in 2030,” a report by the respected Kokoda Foundation, an Australian think tank, endorses that approach calling for diplomatic and military measures to strengthen Canberra’s capacity to respond to a more assertive and potentially hostile China.

### **The Response**

Make no mistake: Canberra has chosen the second approach. Of course it seeks to engage China, as do all regional governments; no country wants China to fail in its efforts to modernize and become prosperous. But as was made clear during President Obama’s visit to Australia last week, like the September AusMin meeting of the two countries’ secretaries of State and Defense and the March visit of Australian Prime Minister Julia Gillard to the US, the US-Australia alliance “is an anchor of stability, security and prosperity in the world” whose “enduring partnership underscores and situates the US-Australia alliance as an anchor of the Asia-Pacific.” Addressing a joint session of Congress, Gillard explained “You have an ally in Australia. An ally for war and peace. An ally for hardship and prosperity. An ally for the sixty years past and Australia is an ally for all the years to come.” While there is no sign of a shift in Australian thinking, it is worth noting that Gillard has called for a new White Paper on Australia in the New Asian Century. This whole of government analysis, which will draw on external advice as well, will explore a strategic environment where “Australia hasn’t been here before.”

Even if he hasn’t prevailed, Hugh White has done us a favor by making a clear and plain case for strategic reorientation. This debate needs to be had and heard. In recent conversations throughout the region, I have heard echoes of this discussion but they were invariably less focused, coherent and articulate. In Seoul last week, a meeting of US alliance partners spent virtually all its time debating how to respond to China’s growing strength and presence, but the usual starting point was the need to ensure that no action by their governments sent the wrong signal to Beijing. Governments and publics throughout the region are facing a new world and they must understand the choices they face. The canary isn’t dead, but it is clearly uncomfortable.

*PacNet commentaries and responses represent the views of the respective authors. Alternative viewpoints are always welcomed.*