

WHY AUSTRALIA NEEDS AN INDO-PACIFIC NATIONAL STRATEGY

BY PAUL MONK

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The events of the past few years have demonstrated that Australia's strategy for dealing with the rise of China is out of date. It requires a serious and systematic rethink. We cannot go back to the halcyon days of Whitlam, Hawke, and Howard. We can't go on improvising in an ad hoc manner. Nor can we move forward safely on the lines urged by those, such as Hugh White, who assert that <u>China's dominance</u> is inevitable and the end of American hegemony in East Asia at hand. Rather, we need to reframe our strategic planning and diplomacy in Indo-Pacific terms.

Xi Jinping has demonstrated that misgivings about of his regime and his overweening strategic ambitions are warranted. He has shown that China under his aegis is not our friend. A trusting relationship with Xi's China is next to impossible. He requires acquiescence and submission. That's the context for Home Affairs Secretary Mike Pezzullo's remarks about the <u>drums of war</u>. We don't want and won't accept subordination to Beijing. None of our substantial Asian neighbors, from Delhi to Tokyo, wants subordination either.

We handled relations with China well over the past 40 to 50 years, including disagreements over various

things. We have profited handsomely from its long boom. We are still so profiting. Australian Industry Group chief executive Innes Willox <u>urges</u> that we bear this in mind and tread carefully.

But Xi's China is at a profound watershed economically, politically, and geopolitically. We need a strategy for hedging against possible turbulence. The elements of such a strategy are at hand, but it needs far better articulation. It hasn't yet been thought through, much less institutionalized as our strategy for the China boom largely was, under Hawke, Keating and Howard.

China under Xi is menacing, but also brittle, not rising relentlessly. The immense expenditure it is putting into surveillance, repression, censorship, indoctrination, trolling, and propaganda shows how insecure it is. Its attempts to corrupt or coerce many foreign governments betray a lack of ease or selfassurance, rather than a mastery of the game. It seeks to bully because it lacks the capacity to lead. Our strategy must play on these things.

Audrye Wong, of the Harvard Grand Strategy, Security and Statecraft program, <u>points out</u>, in her essay "How not to win allies and influence geopolitics" that wherever transparency and accountable government rule, China's attempts to suborn or corrupt foreign states are floundering. We've begun to show that in this country. Beijing needs to learn that leadership must be earned, not brusquely asserted. Its assertiveness is alienating many, not buttressing the case for a Chinese-led order. That's why there's the Quadrilateral Security Dialogue (Quad)—between the United States, Japan, India and Australia.

In a long front-page piece for the *Saturday Paper* a few weeks ago, Hugh White <u>reiterated</u> his familiar mantra that China will soon be the largest economy in the world; that, therefore, its will can't be thwarted and a new Chinese-dominated order is inevitable. He concedes this would be much less to our liking than the US-led order. What he doesn't allow is that most other countries in Asia feel the same about this. Some favor a rebalancing. Almost none favor Chinese hegemony.

White concluded that coping with the looming Chinese hegemony would require "hard work, deep thought and subtle execution." Unfortunately, he's never spelled out the nature of that work, the "deep thought" required or how "subtle execution" would handle a domineering China. Those inclined to his strategic outlook fail to allow that it is only in coordination with our Asian neighbors (especially the heavyweights among them) backed by the still formidable power of the United States, that we could possibly conduct a "subtle" relationship with China. There is, after all, nothing subtle about the way Xi Jinping does business—at home or abroad.

It needs to be made clear to Xi and his Party colleagues that his approach to international affairs is counterproductive. It should be indicated diplomatically, but clearly and firmly, that should China resort to force against its neighbors, including Taiwan, this would set off a chain reaction. That would itself be very costly to China's own enduring interests—regardless of whether it prevailed in the immediate instance. This is what the Quad is all about—not ill-will towards China, but growing concern about its assertiveness and military build-up.

Should the time come when the rest of Asia, from India to Japan, felt at ease with China's wealth and power, the American military presence in the Indo-Pacific might become redundant. For as long as China hectors and bullies <u>the rest of us</u>, this is unlikely and undesirable. The clearest index of Beijing's failure in this regard has been its <u>escalating threats</u> to use force against Taiwan, a self-governing and prosperous state four times the size of Singapore.

Certainly, deep thought and subtle execution are demanded in rethinking and readjusting our strategic and foreign policies. Where White and those like him are in serious error is in their apparent belief that we could successfully do this in bilateral relations with China after the United States had withdrawn its military presence and security guarantees from East Asia and the Indo-Pacific. We need those things precisely in order to induce Beijing to see a slow and equitable rebalancing as preferrable to any attempt to force a radical revision of global order. The problem is not China's wealth. It's an assertive dictatorship in Beijing. Xi's actions and ambitions have rendered long-cherished assumptions about China invalid. Talk about the "drums of war" is symptomatic of growing alarm. However, our foreign and strategic policy responses had been rather reactive, well before COVID-19 precipitated confrontation.

Disarray concerning the Darwin port, Huawei, and the Victorian Belt and Road <u>agreement</u> betrayed an underlying lack of strategic cohesion. That is not serving us well. The federal government needs to reframe the strategic narrative from first principles.

This isn't a matter of a white paper or green paper. More than three decades ago the Hawke government released Ross Garnaut's epochal report <u>Australia and</u> <u>the Northeast Asian Ascendancy</u>. Thirty years on, we need an authoritative report of comparable scope on Australia, commerce, diplomacy, and security in the future of the Indo-Pacific.

Rory Medcalf, Director of the National Security College at the ANU, in his book <u>Contest for the Indo-</u><u>Pacific: Why China Won't Map the Future</u> (2020), set the stage. What's now needed is a report on Australia and the Indo-Pacific future based on probing questions of Medcalf's reasonings—to inform public debate and the deliberations of the National Security Committee of Cabinet.

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