

Jump TO Article



The article on the pages below is reprinted by permission from *United Service* (the journal of the Royal United Services Institute of New South Wales), which seeks to inform the defence and security debate in Australia and to bring an Australian perspective to that debate internationally.

The Royal United Services Institute of New South Wales (RUSI NSW) has been promoting informed debate on defence and security issues since 1888. To receive quarterly copies of *United Service* and to obtain other significant benefits of RUSI NSW membership, please see our online Membership page:

www.rusinsw.org.au/Membership



Jump TO Article

Future challenges for Australia's alliance with the United States

an edited version of an address to the Institute on 23 February 2016 by

Tom Switzer

Senior Fellow, United States Studies Centre at the University of Sydney¹



The United States alliance has been, is, and will remain, the centrepiece of Australian foreign policy for the foreseeable future. But it will change. Why? Because the rise of China increasingly means different things for the two nations: for the United States, its main significance is the emergence of a strategic rival; for us, it is the opportunity for a rewarding trade and commercial partnership. None of this means Canberra is faced with a hard, stark choice between China and the United States. But it does mean that Australia must learn to play a more demanding diplomatic game than ever before, one that will on occasion involve the difficult feat of riding two horses simultaneously. Instead of always leading the cheer squad, our leaders will need to cultivate some of the skills of the helpful passenger.

Key words: Australia; United States; U.S. alliance; China; the Asian century; ANZUS Treaty.

We all know that in the 21st century the centre of economic and political gravity is shifting to East Asia. How often have we been told we are living in the Asian Century? And yet in both Australia and the United States – the two nations I follow closely – the political and media elite dedicates precious little time and energy to Asia.

When Lee Kuan Yew died in March 2015, the Australian media, with rare exceptions, missed the significance of the story. Indeed, neither the *7.30 Report* nor *Lateline* – the premier news and current affairs programmes on our public broadcaster – featured any segments on Singapore's founding father and one of the most consequential figures of post-war Asia. Nothing.

Nor does the American media fare much better on Asia. During the 2012 presidential foreign-policy debate between President Obama and his Republican challenger Mitt Romney, the veteran journalist Bob Schieffer asked no questions on Asia. Virtually all subjects on America's role in the world were limited to terrorism and the Middle East.

Only a handful of United States newspaper columnists are primarily focused on foreign affairs – Thomas Friedman, Nicholas Kristoff in the *New York Times*, David Ignatius, Fareed Zakaria in the *Washington Post* and Bret Stephens in the *Wall Street Journal* – and even they are more likely to write about the Middle East and Western Europe than the Asia-Pacific.

My advice to journalists, intellectuals and politicians: if you are serious about covering international relations in coming decades, dedicate

more energy and resources to the subject of Asia, especially China.

Our History and Future

Australian policymakers and politicians alike face this central task in coming decades: how to reconcile our deepening commercial relations with our largest trade partner, China, and deepening security ties with our most important strategic ally, the United States. In meeting this challenge, we will need to learn to ride two horses simultaneously – a difficult diplomatic feat, for which our history has not provided clear guideposts.

From our birth as a nation-state in 1901 – and indeed before that when we were still a collection of colonies far removed from the rest of the Western world – Australia has always sought a close association with a great power with which we share values and interests. For the first half of the 20th century, a declining but still formidable Britain filled that role. For more than 60 years, the United States (U.S.) alone has performed the role.

The U.S. alliance continues to command broad bipartisan and public support in Australia for good reason: it serves real and substantial interests, such as Australian access to U.S. intelligence, military technology, the security guarantee, and the need for what Sir Robert Menzies called “a great and powerful friend”.

To be sure, our two nations have had our fair share of disagreements. Just think of China trade following the Communist Revolution in 1949; Nasser's nationalisation of the Suez Canal in 1956; Indonesia's annexation of Dutch New Guinea in 1962; and the various trade disputes between our two nations, especially in the 1980s.

¹E-mail: tom.switzer@sydney.edu.au

Such tensions aside, the U.S. alliance has been the centrepiece of Australian foreign policy. In recent years, the United States has deepened its military and intelligence engagement with Australia. Indeed, Australia figures more prominently in U.S. foreign policy now than at any time since Australian combat troops served under General Douglas MacArthur in World War Two. The level of bipartisan support in Canberra for the U.S. alliance is higher today than even after September 11².

But although the U.S. alliance will endure, we need to recognize that the rise of China increasingly means different things for Canberra and Washington. For the Americans, its main significance is the emergence of a strategic rival; for us, it is the opportunity for a rewarding trade and commercial partnership. Australia now exports more to China than the United States by a ratio of more than six to one. A Lowy Institute poll in 2014 found that Australians considered China to be “Australia’s best friend in Asia” (slightly ahead of Japan).

That might explain the cautious progress on securing the Force Posture Agreement in mid-2014, which provides the legal basis for the rotation of U.S. Marines near Darwin that was announced three years earlier. It might explain why Canberra has been so keen to stress that enhanced security co-operation with Washington is not aimed at containing China. Or why Canberra invited Chinese soldiers and U.S. soldiers to conduct a trilateral joint exercise on Australian soil, which they did twice, in 2014 and 2015. Or why Canberra was so keen to kill last May’s story that the Pentagon was in the process of sending B-1 Bombers to northern Australia. Or why Canberra has apparently been unwilling to support of the United States by publicly conducting freedom-of-navigation exercises within the 12-nautical mile zone of Chinese-occupied islands in the South China Sea. Or why then defence minister David Johnston’s frank remark in 2014 that ANZUS³ would not apply to any Sino-American conflict was not treated with the kind of hostility and ridicule that met Alexander Downer’s equally candid remarks a decade earlier.

The Downer-Johnston Episodes

In mid-2004, then Australian foreign minister, Alexander Downer, said Washington could not expect

²The September 11 attacks were a series of four co-ordinated terrorist attacks by the Islamic terrorist group, al-Qaeda, on the United States on 11 September 2001. Al-Qaeda used civilian airliners to attack the World Trade Centre in New York and the Pentagon in Washington.

³The Australia, New Zealand, United States Security Treaty (ANZUS or ANZUS Treaty) is a 1951 collective security agreement which binds Australia and New Zealand and, separately, Australia and the United States, to co-operate on military matters in the Pacific Ocean region, although today the treaty is taken to relate to conflicts worldwide. It provides that an armed attack on any of the three parties would be dangerous to the others, and that each should act to meet the common threat in accordance with its democratic procedures.

Australia to automatically side with the United States if China attacked Taiwan. In mid-2014, then Australian defence minister, David Johnston, made more or less the same remarks, only this time they were in relation to any Sino-American confrontation. But the response from the media and political class was strikingly different.

The reaction to Downer’s answer to an ABC journalist’s hypothetical question in 2004 was overwhelmingly hostile. Defence expert Paul Dibb warned Downer’s gaffe had “threatened the very fabric of Australia’s alliance with the U.S.”. Labor’s foreign affairs spokesman, Kevin Rudd, chided: “One rolled gold diplomatic disaster”. According to *The Australian’s* Greg Sheridan: “Grievous, foolish, needless”. The U.S. ambassador, Tom Schieffer – brother of the aforementioned veteran journalist Bob Schieffer – slapped down Downer, making it clear he expected Canberra would help Washington in any military conflict in the region. The ABC’s *World at Noon* and *Lateline* rolled out Ronald Reagan’s former China policy expert and Taiwan’s deputy foreign minister, respectively, to condemn the besieged foreign minister. One ABC journalist even took Downer’s gaffe as a sign that “Australia will choose China over the U.S.”.

It was left to the prime minister, John Howard, to calm things down. Australia, he cautioned, would work hard to resolve any conflict between China and America, because relationships with both nations were in our interest.

But Johnston’s response to an ABC journalist’s hypothetical question in 2014 attracted hardly any notice, much less scorn. No front-page newspaper stories. No editorials. No ABC television and radio coverage. No prime ministerial intervention to clarify Johnston’s remarks. The point here is that China matters more to us than ever before, which means that in certain circumstances we will qualify our support for the United States.

China’s Rise

We are all too often told that global stability will be shaped by how the world’s established power (the United States) handles the rising power (China). Harvard University’s Graham Allison notes that since 1500, of the 15 cases where the transition of power has taken place, 11 times the result was a war. Whether China’s rise confounds history has a claim to be one of two key questions of our time.

On China’s rise, opinion varies. One school of thought believes China will be a *status quo* power, unable or unwilling to overturn the regional peace that United States strategic dominance has assured for decades. Among other things, China is focused on maintaining high economic growth rates while holding together a vast and disparate people. This is why

Peter Varghese, the outgoing director-general of the Office of National Assessments, predicted in 2009 that China was “more likely to become self-absorbed than to act aggressively”.

By this logic, a nation that has suffered invasion, civil war, mass famine, political purges and chaotic upheaval during the past 80 years is in no mood to be an aggressively expansionist power. So to treat China as a national security threat will contribute to making it one. This view was held by, among others, Malcolm Fraser.

Another school of thought is that China’s rise will not be peaceful, that the People’s Republic will be a revisionist power that threatens and eventually overturns the regional order. If China’s economy continues to grow at an impressive rate over the next few decades, the argument goes, Beijing could try to push the United States out of Asia, just as America pushed the European great powers out of the Western Hemisphere in the 19th century.

Diplomatic history shows that a rising state’s definition of vital interests grows as its power increases. Over time, it attempts to court neighbours with economic inducements and use its growing military muscle to assert a sphere of influence and keep out foreign forces that are invariably seen as a potential security threat.

The appropriate United States response, according to scholars such as University of Chicago’s John Mearsheimer and Harvard University’s Stephen Walt and Bob Blackwill, is to beef up United States security commitments in the region in order to contain China.

I take a different view to, crudely putting it, the engagers/optimists and containers/pessimists. The engagers (who believe China’s rise will be peaceful) understate China’s capacity to upset the regional equilibrium. The containers (who believe its rise will be anything but peaceful) exaggerate China’s ability to impose its will and leadership on the region.

Those who take a benign view of China’s rise need to recognize the widespread fears about its conduct in the South China Sea. China, exercising what it sees as the traditional prerogatives of a rising great power, has built artificial islands hundreds of kilometres off its coast, in waters claimed by several other nations. It has transformed tiny reefs into potential homes for Chinese military assets. And it has used military, coastguard and civilian vessels to challenge territorial rivals and extend its strategic reach.

That is why South-East Asia is so uneasy. Who would have thought Vietnam, America’s Cold War foe four to five decades ago, would clamour for United States security guarantees? Or the Philippines, the former United States colony that kicked the U.S. Navy out of Subic Bay in 1992, would be begging for enhanced security co-operation with Uncle Sam?

But those who take a more alarmist view of China’s rise should also recognize that Beijing’s leaders face serious domestic challenges. China has not yet experienced the boom-and-bust cycle that afflicts all capitalist economies, and several economists are predicting lower annual growth rates of 6-7 per cent during the next three years, which would surely pose all sorts of serious problems for a vast, fragmented and disparate people that is conditioned to growth rates of 8-10 per cent. China also suffers many domestic challenges – from demographic to environmental to political – enough for the distinguished China watcher, David Shambaugh, to write about “the coming Chinese crack-up”.

None of this is to deny China’s success in converting economic opportunities into regional political influence. We are all aware, for instance, of the China-led infrastructure and investment bank that has aggravated – and wrong-footed – Washington.

It is just that it is unrealistic, indeed counter-productive, to let worst case scenarios of China’s intentions and capabilities determine Australian defence policy for the next two decades. As Henry Kissinger has warned, any western-led policies that amount to containment will appear like encirclement from Beijing’s perspective. Accidents or miscalculations could spiral into dangerous confrontation. Or containment could push an insecure China into an anti-foreign posture that has often characterized that nation since its defeat in the Opium Wars in the mid-19th century. Neither outcome is in our national interest.

The United States Pivot

So talk of Chinese hegemony in Asia is grossly premature; so too is talk about America’s retreat from the region. We are all too often told that President Obama’s much-touted pivot to Asia is pivoting away. Meanwhile, the war-weary American public believes it is high time for Washington to concentrate on its own neglected domestic problems. A clear majority of Americans believe the country is heading in the wrong direction.

And as the current presidential primaries show, Americans are in a foul mood. Bernie Sanders – the 74-year-old socialist senator who honeymooned in the Soviet Union – and Donald Trump – the 69-year-old casino and real estate magnate and reality television star who is, to put it mildly and politely, incapable of understatement – express themselves in different ways. But they are nonetheless tapping into a widespread sense of anxiety and anger felt across large segments of Middle America. Rising income inequality, stagnant real wages, sluggish economic growth, political polarisation, government gridlock, dissipating U.S. prestige and credibility in the world –

all of these factors have contributed to a crisis of confidence in the United States.

Tony Abbott had once caught the significance of this crisis of confidence. When he addressed the Washington-based Heritage Foundation a few years ago, he declared: "America needs to believe in itself the way others still believe in it". Julia Gillard, in her address to the U.S. Congress four years ago almost to the day, expressed similar sentiments when she declared: "America can do anything". Other political and opinion leaders across the region reflect those sentiments.

This is a familiar tale. When the Americans started to downgrade their commitment in Vietnam and call on allies to take more responsibility for their security in the late 1960s, Australian government officials raised serious doubts about U.S. staying power in Asia. Peter Howson, the minister for air, lamented in his diaries: "There'll be no white faces on the Asian mainland", and "we shall be isolated and on our own". John Gorton, the prime minister, warned: "America is going to be less and less interested in this part of the world".

But just as talk of America's retreat was greatly exaggerated more than four decades ago, so it is today. Far from withdrawing from the world, the United States will remain the world's largest economy and its predominant military superpower for the foreseeable future. And as the international trendsetter in innovation, higher education and energy self-sufficiency, taken together with a moderately bullish demographic outlook, America has enormous capacity to bounce back from setbacks.

As for Asia, the U.S. military and diplomatic presence, including bases and other access agreements and up to 100,000 personnel in the Pacific Command, remains steadfast. The Pentagon is on track to shift the 50-50 balance of forces between Europe and Asia to 40-60 in favour of the latter by 2020. The United States, as I mentioned earlier, has enhanced security ties with major long-time allies such as Japan and Australia and created new ones with old foe, Vietnam, and former colony, the Philippines.

Long gone are the days when Hugh White could argue with some justification, as he did in 2005, that: "most of [China's] neighbours are now more comfortable with the idea of China's growing power – and so feel less dependent on America. This has deprived the U.S. of an important political asset."

With last year's passage of trade promotion authority (TPA), or "fast-track", a White House-Congressional Republican alliance bucked intense opposition from organized labour and other advocacy groups, clearing the way to achieve significant new free-trade arrangements for the 21st century.

True, the United States will cease to act like the almost indiscriminating global hegemon that marked

the post-911 era. Long gone are the days when a senior White House adviser would say, as Karl Rove did in 2004, that: "America is an empire now, and when we act, we create our own reality".

Still, the United States will remain a formidable presence in the world, especially in the Asia-Pacific region. Whether the United States recognizes a sense of limits and restraint in foreign affairs, or pursues a more activist and interventionist global agenda, has a claim to be the other key question of our time (the other, as I mentioned earlier, being whether China's rise will be peaceful).

Conclusion

None of this means that Australia is faced with a hard, stark choice between the United States and China. But it does mean, as Owen Harries and I have argued elsewhere⁴, that Canberra must learn to play a more demanding diplomatic game than ever before, one that will on occasion involve the difficult feat of riding two horses simultaneously.

From now on, Australia will need to regard the U.S. alliance not just as the centrepiece of our foreign policy but as a pragmatic device to be adjusted to changing conditions. Yes, Australia will stay on the U.S. bandwagon, but instead of always leading the cheer squad, it will need to cultivate some of the skills of the helpful passenger. These include encouraging careful steering, some timely map reading, a judicious use of the brakes, and, not least, better road manners. As with all efforts at back-seat driving, it is unlikely that such advice will be gratefully received, but it would serve the best interests of both countries.

The Author: Tom Switzer is a senior fellow at the University of Sydney's United States Studies Centre, where he teaches undergraduate courses in United States politics and foreign policy, United States-Australia relations and Australian diplomatic history. He is also host of *Between the Lines* on the ABC's Radio National. He is a former editor of *The Spectator* in London (2009-14), *The Australian* (2001-08), *Australian Financial Review* (1998-01) and the American Enterprise Institute in Washington, DC (1995-98). He has been published in the *Wall Street Journal*, *New York Times*, *Foreign Affairs* and *The National Interest*; and is a regular a guest on Sky News, ABC Radio, Bloomberg television and Al Jazeera. This is his second address to the Institute. In the first, on 28 August 2012, he addressed the declining global influence of the United States⁵. [Photo of Mr Switzer: United States Studies Centre]

⁴See Owen Harries and Tom Switzer (2006). *Loyal to a fault. The American Interest*, May/June 2006; and Owen Harries and Tom Switzer (2007). *The alliance will change. The Australian*, October 2007.

⁵Tom Switzer (2012). *The declining global influence of the United States. United Service* 64 (4), 9 – 12.