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Opinion

Australian foreign policy is traditionally hitched to the US – but the rise of China requires a middle path for a middle power

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Few nation-states have been shaped by their underlying physical geography and location in the world quite as much as Australia.

Since notional foreign policy independence was uneasily embraced during the second world war, Australia's policymaking elites have had trouble deciding whether it was a curse or a blessing to be in possession of an entire continent and a long way from potential sources of conflict. This is still considered a defining challenge.

The traditional way Australia's leaders have dealt with the pervasive sense of vulnerability that geographic isolation engendered was to ingratiate themselves with 'great and powerful friends'. Not much has changed in this regard either, although our current notional protector – the United States – is neither as reliable nor as powerful as policymakers in the US or this country seem to believe.

Even more alarmingly for Canberra's cognoscenti, part of the reason for America's relative decline is the reemergence of China as the most powerful economic and strategic actor in our immediate neighbourhood.

Dealing with an Asian 'great power' adds another layer of complexity for policymakers who instinctively cleave to traditional allies, as the recently agreed AUKUS security pact demonstrates.

Aspects of this awkward reality are directly or indirectly analysed in the two books under review here.

Although Van Jackson's outstanding, historically informed analysis of US statecraft in the Asia-Pacific deals with Australia only in passing, Pacific Power Paradox is an essential guide to the regional geopolitics upon which our national peace and prosperity overwhelmingly depend.

Engaging China, edited by Jamie Reilly and Jingdong Yuan, looks at what this rapidly evolving and increasingly unpredictable environment means for Australia's relations with the People's Republic.

One hopes these books will be the proverbial 'must reads' for our strategic and economic elites, and that their important lessons will be absorbed and even acted upon. To judge by recent events, however, nothing seems less likely. The contentious decisions to acquire nuclear-powered submarines and manufacture US missiles have only entrenched Australia in America's anti-China alliance.

Regionalism with American characteristics

One of the most noteworthy and optimistic facts about the Asia-Pacific – or the more fashionable Indo-Pacific, for that matter – is that it has generally been peaceful.

This is more of a surprise than it seems, given that generations of US policymakers and strategic commentators have predicted chaos and mayhem in the region, especially in the absence of America's supposedly benign, selfless and stabilising influence. Many still do, especially because of the 'rise of China'.

A couple of points are worth making at the outset, however. China has not been an aggressive power hitherto, and it is far from certain it is going to be in the future. The US, by contrast, has been at war with someone somewhere for more than 90 percent of its history as an independent nation.

When Asia's peace has been upended, it has been because of American intervention. The Vietnam War remains the quintessential example of a catastrophic, unnecessary 'war of choice'. Jackson describes this direct mode of US intervention in Asian affairs as the actions of an 'imperious superpower'.

This is not the only way the US acts in Asia, however, nor is military intervention the sole determinant of peace or war in the region. At times, Jackson argues, America acts as an 'aloof hegemon', whose actions are 'incidental to the course of events'.

At other times – and this is plainly the preferred narrative as far as US policymakers and allies are concerned – the US has acted as a 'vital bulwark', deterring intra-regional conflict, and fostering the development of Asian security.

These three contrasting faces of US foreign and strategic policy are at the heart of what Jackson calls the 'Pacific power paradox'. It is possible to mount arguments in favour of all of these positions at times, which is what makes the US such a contradictory and protean presence in the region. Consequently, Jackson argues we have little to gain from separating the economic, institutional and localised rationales of US power.

To develop this argument, Jackson examines the impact of US power in Asia, considering the policies of each president since Richard Nixon's rapprochement with China, which began in 1972. Jackson considers this development 'the crucial founding moment for the Asian peace'.

As the so-called 'Asian miracle' demonstrated, regional stability also paved the way for widespread, state-led economic development, which eventually included China.

Despite a good deal of talk about 'Asian engagement', Australia's role in regional affairs has displayed a striking continuity. 'In what amounted to strategic outsourcing,' writes Jackson, 'US officials made clear that Australia was a valued ally not least because it could serve as a proxy for US interests in Oceania.'

Many of Australia's neighbours, by contrast, have tried to make the best of growing strategic and economic competition between the US and China. They have done so through what Jackson calls a 'dual hierarchy'. Individual Asian states have 'hedged by heavily engaging China economically because US security commitments in the region alleviated the need to worry too much about China's growing power'.

This response could be considered instructive, but Australian policymakers have generally remained wedded to a conception of the region that is predicated on the US as a 'vital bulwark'. They still see China as more of a threat than an opportunity. The potentially egregious consequences of this judgement are increasingly clear.

(Not) coming to terms with China

The rather optimistic subtitle of Engaging China is 'How Australia can lead the way again'. Sceptics may be forgiven for asking: when was the first time Australia played a leadership role in regional affairs?

Nevertheless, the editors are to be applauded for producing a much-needed 'full-throated defence of engagement' and a 'collective counter to the worrisome 'China panic' that has swept across Australia in recent years'.

To accomplish this task, a knowledgeable group of China-literate scholars has been assembled to analyse three key areas of Australia's relationship with China: foreign and security relations; economy; and media, education and culture.

As a former ambassador to China, Geoff Raby, observes, what is needed – and what this book provides – is an explanation of

> how a failure of Australian diplomacy brought the relationship to its present nadir by not recognising that the changed world order necessitated different diplomatic responses and positioning than simply doubling down on the US alliance.

The potential risks of continuing to go 'all the way with the USA' are spelled out in an essay by Brendon O'Connor, Lloyd Cox and Danny Cooper. The authors note that America's growing domestic problems mean 'we may be only one presidential election away from a return to and a deepening of the isolationism and ambivalence towards allies that marked the previous Trump presidency'.

While the benefits of globalisation and trade interdependence may have been overstated at times, there is no doubt Australia has benefited from its economic relationship with China. Consequently, James Laurenceson and Weihuan Zhou argue that 'deploying public policy to reduce trade exposure to China struggles as a coherent strategy'. Indeed, China's supposedly bad international behaviour has largely been driven by 'the actions taken by other key players, particularly the US abuse of economic sanctions on security grounds'.

Wei Li and Hans Hendrischke detail the similarly pernicious impact of geopolitics on Chinese investment in Australia, which has 'transitioned from commercially driven investment cooperation to cooperation constrained by security concerns'.

Likewise, Glenda Korporaal points out that diplomacy and trade promotion 'have the potential to create goodwill across a broad range of sectors and significantly reduce the chances of military conflict for a fraction of the cost of defence spending'.

Cold War journalism 2.0

Given the obvious economic costs, the consequences for the education sector, not to mention the adverse impact of the anti-China discourse on Australia's growing Chinese community – all of which are detailed by other contributors – the counterproductive policies of both major political parties in this country take some explaining.

Part of that explanation is what Wanning Sun calls 'Cold War journalism 2.0'. She argues that because China is seen as a hostile nation, 'the ritual of reporting, which usually requires an attempt at balance and the provision of evidence, is no longer necessary'.

There has, indeed, been no shortage of irresponsible, evidence-free 'red alerts' suggesting that a 'direct attack on our mainland' could happen within three years.

And yet there is an even more alarming explanation for the complete absence of real debate amongst Australia's policymaking elites. Stephen Fitzgerald, another former ambassador and one of the shrewdest observers of relations with China, points out that the Department of Foreign Affairs and Trade has been

> totally sidelined in Canberra, losing out to the weight of advice and opinion from the intelligence and security agencies. These agencies, known to harbour nationalistic and xenophobic views, have been driving the policy[...]
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> [...]the deeper reason for the extremity and obduracy of the Australian anti-China stand, therefore, lies not so much in the behaviour of the PRC but here, in Australia, in the mindset and the attitudes and prejudices of those directing foreign policy and of the politicians they advised.

Leaders who are prepared to spend (at least) A$368 billion on nuclear submarines to demonstrate their commitment to an international order that looks increasingly fragile and anachronistic are unlikely to be swayed by academic arguments from 'outsiders'.

Australia's distinctive 'strategic culture' has been decades in the making. Its foundational assumptions are unchallengeable, self-evident truths – for those who believe them, at least. The fact that a growing number of people are not persuaded by the conventional strategic wisdom is unlikely to change the thinking within

Canberra's strategic bubble, no matter how much evidence accumulates about its perverse social and economic impacts.

Even plausible strategic counter-arguments are likely to remain unheeded, despite the widely noted opportunity costs that flow from proposed defence outlays and the prospect that they are unlikely to influence China's behaviour.

By contrast, some of the proposals in Engaging China just might.

Changing course and re-engaging?

Ironically enough, it may take the return of Donald Trump to finally encourage some rethinking – even some genuinely independent thinking – that more accurately reflects Australia's strategic and geographic circumstances. As Jackson, a former Pentagon insider, ruefully observes:

> A world where American politics can yield far-right authoritarian demagogues is a world in which it makes no sense to simply count on America to keep things pacific, uphold pacifying international commitments indefinitely, or even remain pacific itself.

Quite so. And yet, in theory if not practice, the logic of 'strategic outsourcing' cuts both ways. Australian policymakers still assume that the US is a reliable partner who will come to our aid in the unlikely event it is actually needed. Significantly, even some Canberra insiders now recognise the dangers of being strategically isolated as a consequence of our reflexive fealty to the US.

Compromising our independence and resolutely hitching our collective future to the frailties and pathologies of the US system is unwise at the best of times. When it occurs at the expense of our relationship with our principal trade partner, and in the midst of an intensifying great power competition we can do little to influence, it looks foolish and unthinking.

Surely, there is scope for a truly independent middle power to navigate a middle path. This might be facilitated, as Jamie Reilly and Jingdong Yuan argue, by 'promoting an emerging new order based on multilateralism and regional institutions, with binding norms and rules on all players, including both the United States and the PRC'.

After all, that is what the much invoked but seldom seen rules-based international order is supposed to be about, isn't it?

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