

CHAPTER 13

AUSTRALIA DEBATES AMERICAN PRIMACY IN ASIA

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The hallmark of Australia's defense politics has been its dependence on great and powerful friends. Australia's reliance on the United Kingdom and British Empire until the Second World War was replaced by its strategic lifeline to the United States during that conflict and the subsequent Cold War. Described as a "half-turning point," this transformation did not mark the clear emergence of a more independent Australian foreign policy but instead signified the transfer of one dependency for another.¹ Indeed, despite regular debates about pursuing a more independent foreign and security policy, Australian strategy has historically been characterized by an expectation of protection along with a sense of trepidation that such protection may not be forthcoming.² Abandonment, rather than entrapment, has been the major obsession preoccupying Australia's foreign policy decision-makers.³

Given this history, it has been easy to criticize Australia's zeal for alliance management. At the same time, however, there has also been an intermittent uneasy attitude toward the United States in the Australian consciousness and within the political and academic discourses. Anti-Americanism has often emerged at times of tensions even while Australians retain a largely positive impression of their most important ally.⁴ It has also been easy to overlook the fact that Australia, given its demographic and financial constraints, has had little choice but to adopt a strategic policy that puts bilateralism, and the United States, at the core of its strategic thinking. For these reasons alone, recent debates in Australian academic circles and think tanks over the country's relationships with the United States and Asia are noteworthy. They suggest that Australia today faces a particularly challenging security environment. Australia's response to changes in Asia goes to the heart of its expectations concerning the role of the United States.⁵ In particular, the new debate highlights deep concerns about the new reality that Australia must operate in an international environment in which its main security guarantor may no longer also be its main economic partner. The changing nature of power in the region has been described, for instance, as "the end of the Vasco da Gama era ... the end of the period of Western ascendancy over Asia".⁶ The debate is focused clearly on the potential for a contest over primacy in the Asia Pacific.⁷

This debate also encompasses a public policy dimension focusing on the development of an overarching Australian national security strategy and, significantly, the means to support this strategy. This practitioners' policy formulation (which is beyond the scope of this chapter) came to the fore with the release of the Defense White Paper in 2009. With the announcement in late 2011 of greater Australian-US security cooperation, including the hosting of greater numbers of US Marines in northern Australia, as well as the release of an additional White Paper in May 2013, it continues.⁸ A key feature of the practitioners' deliberations has been the challenge of matching strategic ambitions, actual needs, and the means to support them. How might national security funding be

allocated in a manner that is effective, efficient, and appropriate?⁹ This has been even more the case as Australia's overall defense spending has spiraled downward to constitute only 1.6 percent of gross domestic product during 2012 (the lowest since 1938).¹⁰

In this chapter, however, we focus on the wider public debate. Our aim is to go beyond outlining the debate's main features and instead offer an analysis of the conceptual boundaries that have emerged within it. We attempt to show how the public side of the debate has quickly encompassed two overlapping conversations: an order debate and a strategic debate. Understanding these conversations is important because they help explain how contrasting assumptions over the future strategic order in Asia have translated into divergent strategic viewpoints. The order debate has produced a range of perspectives on the importance of US primacy in the region, past and present. It has also revealed an outlook in Australian academic and policy circles that is highly conceptual and somewhat anxious. Australia's perspectives on the likelihood of continued US primacy, in particular, have led to quite divergent policy recommendations rather than providing a consensus view. This is true even as the practitioners have adopted a policy of seeking to buttress American primacy by moving even closer to the United States.

BACKGROUND TO THE DEBATE

There are several competing views in the contemporary Australian debate over China's rise and America's future role in the Asia Pacific.¹¹ One of the driving factors behind this broader public debate was the drafting and then release in 2009 of a government Defense White Paper, *Defending Australia in the Asia Pacific Century*, which set off a number of arguments both within and outside government, particularly over these difficult issues of China and the United States. A key part of the paper was its assessment of the threat posed by the growth of China's military power in the Asia Pacific and thus to Australia's own national security.¹² The paper announced that China's military modernization,

owing to its "pace, scope and structure," had the "potential to give its neighbours cause for concern." China's regional security strategy would be "fundamental to Australia's interests."¹³ Its geopolitical rise would naturally concern Australia. Any shift in "major power relations" in the region, the White Paper noted, would affect Australia's circumstances profoundly, with particular concern focusing on whether there would be "any diminution in the willingness or capacity of the United States to act as a stabilising force."¹⁴

Such concerns about both China's military growth and the US response have also been a dominant feature of Australia's public debate or, more accurately, debates. Such discussions have occurred in the usual places, such as within academia and in the press, but they have increasingly also taken place across the new forums of public dialogue, think-tank websites, and the blogosphere. One participant in particular, Hugh White, a strategic studies scholar and former government official, has been prominent through these mediums. With his propensity to address the "big picture" questions, an accessible style, and an ability to provoke, White has become a lightning rod for any unease in Australia over how to respond to China.¹⁵

White focuses on both the many changes taking place through the region as well as on the implications of these changes for Australian foreign and security policies. It is primarily for this reason, we argue, that the Australian debate about the region, and America's role in it, actually involves two closely-related but nonetheless separate conversations. The first of these, identified earlier as the order debate, addresses the issue of the emerging regional security order in the Asia Pacific, and is thus concerned with questions relating to the balance of power in the region and, especially, the issue of US primacy. Will China soon challenge Washington's strategic primacy in the region or will the United States be able to maintain it for the foreseeable future? Discussion about this question intensified notably after the Obama administration heralded its so-called rebalancing strategy (also known as the pivot strategy) in late

2011 and early 2012.¹⁶ The second conversation, identified as the strategic debate, revolves around the more practical issues of Australia's own contributions to the regional security order. Should Australia continue to rely primarily on the United States to guarantee its security? Or should it increasingly hedge against the relative decline or an ultimate strategic withdrawal of the United States in the region?¹⁷

Two notable features of the debate have been the high level of anxiety involved and the often abstract nature of discussions. The cause of the anxiety is obvious. Perhaps less clear are the reasons for the abstract nature of the debate. Much of this is related to Australia's distance from the center of the region. Unlike many others in the Asia Pacific, Australia's security interests are less immediately affected by China's rise. Indeed, there is no concrete territorial or defense issue that could explain easily the importance of these issues to Australia. Yet, as a trading nation reliant on the region for its prosperity, changes in the regional order, and particularly an American strategic decline, would have a significant impact on Australian security. Most Australians are already acutely sensitive to Asia's, and especially China's, role in Australia avoiding much of the economic damage wrought by the global financial crisis.¹⁸ This awareness was underscored by the Julia Gillard government's release of a White Paper on *Australia in the Asian Century*.¹⁹ Thus, even while Australia's interests in the region are less direct than other regional powers, there is a clear sense within Australia that the country's economic and geopolitical interests are being challenged by the regional power shift.

To outside observers, then, the debate in Australia focuses attention on an Australian policy community and wider society nervous about the changes taking place in the Asia Pacific and the likely implications for the country, albeit from a distance. Americans in particular could well view such agonizing as stemming from a misreading of the US approach to China, and America's own domestic debate on the changing regional order. Australia's anxiety, which clearly runs through many elements of the domestic debate, in some way mirrors the apprehensiveness within

Australian society at large, especially as the country continues to undergo major economic change.²⁰ But it is also a reflection of the awareness that Australia has benefited immensely from the relative stability in the region over recent decades. "Australia," argues White, "is a *status quo* power. ... No other country in Asia—perhaps none in the world—has relied for so long and so deeply, and so happily on America."²¹ The great fear in Australia is that the status quo may soon be upset, and in this respect Australia is, to borrow Brad Glosserman's phrase, "the canary in the Asian security coal mine."²²

THE NEW ASIAN ORDER

Two key dimensions have so far shaped the first part of Australia's public debate focusing on Asia's security order. One aspect is concerned with the structures that have underpinned the Asian order over the past century; a second component focuses on whether these structures are now under threat. A major argument in this second context has been over the extent to which American primacy has been a stabilizing force in Asia and whether US primacy remains a force for stability. A useful definition of "primacy" remains that employed by Samuel Huntington, who defines it as a situation where a state is able to exert more influence on others with regard to a greater range of issues than any other state.²³ If US primacy has been the ultimate stabilizer in Asian affairs (as much of the relevant literature suggests) its potential demise raises serious questions about whether alternative forces might play a similar role in the future. The alternatives could include a shift to a balance of power system, a bipolar "standoff" between the United States and China, or a more "institutionalized" community building along multilateral lines.²⁴

Primacy, Stability, and the Asian Order

A strong case can be made attesting to the importance played by US primacy in maintaining regional stability over the past forty years. In this respect, White's assessment follows that made in 1993 by Huntington,

who argued that American primacy was vital to global, and particularly Asian, stability. According to this view, a "world without US primacy will be a world with more violence and disorder and less democracy and economic growth."²⁵ White further contends that after a period of geopolitical rivalry in the Asia Pacific during the early days of the Cold War, the United States emerged surprisingly strong following the Vietnam conflict to find that its power was largely uncontested. This situation might be compared with that existing between the end of the Second World War and Sino-American rapprochement, a period when the East Asian strategic environment was dominated by great power competition. Détente in Asia emerged during the late 1970s because China and the United States came to an agreement whereby China would not contest America's primacy in the region in return for America giving up its support of nationalist Taiwan and providing tacit backing to China in its rivalry with the Soviet Union. The United States subsequently enjoyed overwhelming influence in the Asia Pacific in terms of its effect on the values underpinning the region's economic development, and the scope of its politico-strategic influence over other actors.²⁶

If this premise focuses on the "primacy" side of a tacit Sino-American bargain, counterarguments extended in Australia by such analysts as Andrew Phillips emphasize the bargain's "acceptance" side—that is, acceptance by the Asian powers.²⁷ By focusing on Asian acceptance, this perspective highlights several alternative factors that help explain the region's initial instability in the early Cold War days followed by greater stability from the 1980s. Asia Pacific instability was caused by the region's preponderance of weak states, the ideological clashes between these states, and also their autarkic impulses in terms of development. The region was also plagued by institutional inadequacies that exacerbated some of these problems. In terms of what contributed to the increasing stability, the determination by certain intra-regional powers to overcome these difficulties, rather than American primacy, played a key role. During the 1970s these powers moved from their autarkic, self-strengthening programs of development to more open integrationist approaches.

Phillips cites the Chinese example from the late 1970s, but also an earlier Indonesian example and a later India example.²⁸ Consequently, the peace that emerged was a kind of ideational interaction between the United States and other players in the region. Such stability, the argument goes, is "less exclusively the by-product of American primacy than the cumulative consequence of American power interacting with the radical reorientation of Asian powers' self-strengthening strategies."²⁹

Another argument highlights the important role of economic interdependence in establishing and maintaining regional order. This led to the cultivation of various norms constraining behavior, and regional institutions.³⁰ Nick Bisley, Evelyn Goh, and other analysts have argued that order in the region, while involving a dominant role for the United States, also operates on institution-building and indirect balancing by other regional powers.³¹ Thus viewed, order building has required and will continue to require both the material primacy which forms the focus of White's analysis as well as these other mechanisms that form basic parts of an international society. Furthermore, rather than considering the region in predominantly state-centric terms, this argument also underscores internal factors shaping the foreign policy behavior of the region's major powers—especially that of China. From this perspective, expectations of increasing Chinese competition with the United States are exaggerated as long as China remains unwilling to pay the economic costs associated with such conflict which would surely arise. China's interdependence with both Asia and the United States is a key factor: China requires a stable regional environment so that it can "give priority to governing an increasingly restive population of 1.3 billion."³²

A consideration of China's potential socioeconomic vulnerabilities is also reflected in other contributions to the debate. Carlyle Thayer comments that, while the strongest part of White's paper is his exploration of China's growing aggregate wealth and the effect this will have on its military power, his analysis of Chinese weaknesses and the likely future state of US national power are less persuasive.³³ Similarly, Scott

Dewar suggests that because China must gain dominance of its immediate region in order to achieve primacy of its own, it has to overcome a number of additional serious challenges. These include its border disputes (continental disputes, such as with India, and maritime disputes such as with Vietnam and the Philippines), as well as how to translate its nuclear capabilities into true geopolitical influence. When viewed from a foreign policy analysis perspective—rather than the "billiard ball," state-centric perspective of realism—China's current strategic behavior and its future power trajectory appear much less self-evident.³⁴

THE END OF PRIMACY AND ASIAN INSTABILITY

These views are notable not only for their assumption that it is possible to engage China but also for their collective assessment that the American moment is indeed passing. Acknowledgement of America's strategic decline is increasingly evident in Australia. At a conference at the University of Sydney in June 2011, Australian and American participants adopted quite distinct views of the future of American power in the region. Whereas some US commentators were critical of Australia's perceived acceptance of Chinese power in the region, Australian participants argued that American primacy had passed and that there was a "shared world ahead."³⁵ Similarly, in his recent work on Australia and the rise of China, Michael Wesley highlights how increasing Chinese economic and military development, its rising importance as a trade partner to many of America's allies in the region, and its economic influence in America itself have caused America's "discomfort" to deepen.³⁶

Pessimism over America's perceived descent have led to a second order-centric issue in the Australian debate: whether the regional underpinnings made possible by US primacy are now threatened by its passing as an uncontested hegemon. This idea that the region is ripe for rivalry is hardly new. Indeed, some years ago Aaron Friedberg identified the international relations of Asia as a race between the acceleration of dynamics that

would increase the likelihood of conflict and the growth of potentially mitigating factors.³⁷

In the Australian context, White moves away from those realist leanings exhibited by Huntington or William Wohlforth to make an argument more closely aligned with the thinking of those such as Christopher Layne.³⁸ Whereas Huntington argues that the "sustained international primacy of the United States is central to the welfare and security of Americans and to the future of freedom, democracy, open economies, and international order in the world,"³⁹ White adopts the position that US hegemony naturally provokes the type of balancing that many wish to avoid. This "hegemony problem" is caused simply by the reality that America "wields hegemonic power," with the challenge of balancing ameliorated, at best, by self-restraint.⁴⁰ More likely, he asserts, America's attempts to maintain primacy will lead to greater instability; yet the United States will likely find it difficult to relinquish such power.⁴¹ Thus, America will commit to remaining a Pacific power, as President Barack Obama has already shown by pivoting or rebalancing US strategic attention back toward Asia. On a visit to Australia in November 2011, Obama stated that the United States would fulfil its "leadership role in the Asia Pacific region," adding that the United States would aim to "play a larger and long-term role in shaping this [the Asian] region and its future."⁴²

The changing structure of international relations in the Asia Pacific, according to White, presents the United States with three basic strategic options. The United States could retract from Asia, share power with China, or compete with China for supremacy in the region. The logic here is that, if primacy is embedded in the American national identity, it is unlikely that the United States would simply give up this status and withdraw. Similarly, the second option is unlikely to be accepted since, for "most Americans, treating China as a trustworthy equal is simply unthinkable."⁴³ The more likely scenario, therefore, would involve the United States attempting to maintain its primacy against increasing

Chinese competition, as hinted at in Obama's comments in Australia. Accordingly, the end of American primacy is likely to lead to greater instability in the region. In fact, both American withdrawal and resistance are likely to increase instability. The first scenario would trigger increased competition between the great powers of the Asia Pacific, most likely China and Japan but potentially also China and India or some other combination of powers. The third scenario would lead to a major strategic rivalry between China and the United States, which could eventually lead to armed conflict.

White's view does not give much credence to the underscoring of institutional and normative factors emphasized by others in the debate. Particularly controversial, however, is his conclusion that the second scenario would be the most sensible option for future US strategy. This would require the United States to share power with China in the form of an Asian concert; treating China as equal would have to become a reality. In the Australian debate, this viewpoint has been branded by the most ardent pro-alliance advocates as appeasement and even described as a "Canberra Munich moment" or a "masterly statement of the case for appeasing the newest manifestation of the totalitarian challenge."⁴⁴ Others have suggested that it fails to consider the rising influence of middle powers in the region, powers that may not accept a concert at their expense.⁴⁵ Yet for White, a viable policy for dealing with China would be for the United States both to offer "enough to be reasonably satisfied" while also making "absolutely clear" that further pressure would be met with "determined resistance."⁴⁶ Indeed, these arguments are not so far removed from John Ikenberry's suggestion that America "should accommodate and institutionally engage China."⁴⁷

AUSTRALIA'S STRATEGIC OPTIONS

Where does all this leave Australia? This is the central question of the strategic debate. Australia might assist the United States in carrying out Washington's future strategic choices or it might seek to develop a

security strategy of its own. Since many of the assumptions underlying the order debate described earlier have been based on worst-case scenarios, it is unsurprising that the strategic debate has also been characterized by pessimism. Differences over what has been driving regional stability naturally contributes to diverging conclusions concerning how such changes will affect Australia. If regional stability has emerged from the combination of a broad set of factors, including institutional and normative developments, then the decline or even withdrawal of the United States is comparatively less significant. However, if Asia's stability has been underpinned by material primacy and American hegemony, any change in these conditions will affect Australia's strategic position profoundly.

SOME POSSIBLE OPTIONS

Given the nature of his assumptions, White is more pessimistic about Australia's future than most of the strategic debate's other main contributors. He suggests the "concert of powers" option between the United States and China would likely constitute the best strategic scenario for Australia. This would be so even if it made Asia's strategic environment more closely resemble nineteenth century Europe, in which middle power concerns were secondary to considerations of the balance of power. An American withdrawal would be worse for Australia, because it would open up the possibility of conflict between the region's other great powers. The third possible scenario—Sino-American competition—would be worse still: "A sustained strategic struggle between the world's two strongest states," he contends, "would drive Asia economy backwards, taking Australia's with it."⁴⁸ A Sino-American conflict would cause Australia's trade with China (and also possibly northeast Asia) to come "to a dead stop." Any escalation of such a conflict beyond a very short period would lead to Australia's trade position being "devastated."⁴⁹

In terms of responding to these challenges in the short-term, the recommendation is that Australia should follow a policy of dialogue and

advocacy, initially with the United States and then further through the region. Specifically, Australia should promote an Asian concert policy to the United States; it should "try to persuade America that it would be in everyone's best interests for it to relinquish primacy in Asia, but remain engaged as a member of a collective leadership—staying in Asia to balance, not to dominate."⁵⁰ Although he believes that America is unlikely to be willing to hear such arguments, White asserts that Australia is probably in the best position to attempt such a policy. This nod to the historical sentiment of relations between the two countries fits rather uneasily with an otherwise strongly realist analysis, a point which has been made in the subsequent debate.⁵¹

The two areas where Australia should focus its efforts at persuasion are over Taiwan and nuclear strategy. In regard to Taiwan, the United States should be persuaded that a lowering of the discord between China and the United States could be achieved by the United States declaring its support for an "*eventual, peaceful, consensual* reunification."⁵² In terms of nuclear strategy, White argues that the United States should be persuaded to enter into a nuclear arms-control agreement that acknowledges China as a nuclear "peer." At the same time, Australia should attempt to gather partners from the region to make this case to America, while also seeking to convince China that it would be better off if it increased its role in what Ikenberry might describe as the liberal international order. In the longer term, if the region becomes less stable, five strategic choices are available to Australia. These are: continuing the alliance with the United States, seeking out a new, great and powerful benefactor, adopting armed neutrality, developing an alliance with Southeast Asian states, or adopting unarmed neutrality.

What might these options demand in terms of policy action? A continuation of the alliance would likely involve a considerably greater military contribution by Australia to any American effort to sustain a substantial regional military presence. It would therefore be very different from the low-cost, low-risk alliance that Australia has so far enjoyed. Early signs

of this are the decision on basing US Marines in northern Australia.⁵³ In terms of building a new and alternative alliance, however, there are no realistic candidates (including China) that would be willing to provide the benefits Canberra has traditionally received from Washington. This makes the case of shifting to a new powerful friend fairly weak. Armed neutrality would depend on Australia's capacity to develop a deterrence capacity sufficient enough to act as a disincentive against invasion, even for the major powers. White argues, however, that a military force big enough to do this (which would be quite costly) would actually make a regional alliance strategy focusing on Southeast Asia, particularly Indonesia, more beneficial. Yet this policy is also problematic, because it requires a far closer bilateral relationship with Indonesia than Australia has been able to achieve over many decades. The final policy—the so-called “New Zealand model”—would be the cheapest. However, it would leave open the possibility of conflict coming to an Australia unprepared; it would also mean that Australia was relegated to a small rather than “middle” power status and would thus have very little capacity to negotiate international outcomes.⁵⁴

AUSTRALIA AS A TORN COUNTRY?

Such a clear set of strategic options has brought to the surface once again an old issue in Australia's international relations. It has refocused attention on the problem of how to manage a changing regional power balance in which the country's cultural identity and strategic interests may no longer be aligned. In responding to these options, Graeme Dobell, an Australian journalist and policy analyst, notes how White's approach engages with other works of Huntington, especially his pieces on the supposed “clash of civilizations.”⁵⁵ In his major work on the subject, Huntington focuses on the “torn” nature of Australia or the fact that Australia's political leaders were trying in the 1990s to create a “torn-country-in-reverse,” by taking Australia from the West and making it “a part of Asia.”⁵⁶ Three reasons in particular were cited for why

this initiative was problematic: (1) that Australia's political elites were mostly unenthusiastic about the idea; (2) that the wider population was ambivalent; and (3) that the countries of Asia were less than receptive. Because its cultural and political values are so closely linked to the West, Australia has little in common with the values of East Asia. “Culturally,” Huntington suggests, “the values of the July 4th 1776 Declaration of Independence accord far more with Australian values than do those of any Asian country.”⁵⁷

Dobell contends that focusing on Australia's “civilization” or cultural positioning is too broad and that any damage to the Australian strategic psyche would most likely occur in the event the US alliance were to become endangered by too much “policy independence.”⁵⁸ Unlike Huntington's original argument, which focuses on Australia's economic relations as a driver of civilizational shift, the current argument is based on security relations. White's response is to agree with the long-standing idea of Australia as a torn country—particularly between its history and its geography. Further, he argues that cultural allegiances seemed a relic of a bygone era until the attacks of September 11, when such views were reinvigorated by the “war on terror.” Yet White also believes that Huntington was mistaken in arguing that future conflict would be civilization—rather than state-based. Is “the alliance essential to our Western cultural identity?” White asks. And does “cultural connection require strategic alignment?”⁵⁹

The difficulty in overcoming the image of a “torn” Australian identity is well illustrated by the popular commentary on White's thesis. White himself notes that the “some of the less temperate commentary” on his work “shows how edgy this makes people.”⁶⁰ Greg Sheridan's discussion on the implications of White's arguments for the alliance is particularly noteworthy, and not only for its combative nature. The alliance, he argues, “will be central to Australia's future in Asia.”⁶¹ Indeed, Sheridan has written extensively on the operations and “growing intimacy” of ANZUS.⁶² As noted earlier, the adherence to closer Australian-American

alliance ties—and the dominance of the alliance in the Australian political elite's thinking—is well reflected by the recent US Marine base decision. Australian Prime Minister Gillard noted in an address to the Australian parliament in November 2011, for example, that the alliance has “never been simply a treaty to defend our interests or protect our territory;” rather, it has been “a friendship dedicated to the values we share in the life of the world.”⁶³

ALTERNATIVE VIEWPOINTS AND CRITICISMS

Arguments over whether Australia is a country torn between Asia and the West have tended to oversimplify Asian and Australian attitudes to the region. Australia's close relations and long cooperation with a number of countries around the region over many decades, such as with Japan, South Korea, and also a number of Southeast Asia nations, are illustrative of a country with a well-established policy of engagement with the region, despite its vast complexities and uncertainties. This is a well-debated topic, even in the context of the current strategic debate, and Australia undoubtedly holds insular tendencies regarding its relationship with the region. Notwithstanding such concerns, there is a strong case that the overall trend is toward more regional integration and an easier rapport with most Asian states, even as controversies still erupt occasionally.⁶⁴

Yet, as the order debate has shown, the issue of most concern to Australian analysts is not one of values but rather China's future strategic role. All sides view the rise of China as the major issue for regional order and differ mostly in terms of whether institutions or other processes will be best able to manage this rise. Criticism of White largely stems from a judgment that his analysis and consequent recommendations rely too heavily on over-extended linear assumptions. The alternative is to adopt a more cautious approach. There “is a problem,” Dewar suggests, “with making fundamental changes to key foreign policy settings based on what is likely to happen in 20 years time.”⁶⁵ This leads to over-simplification and an understating of the risks involved in a policy such as advising

the United States to cede primacy. A premature US relinquishment of geopolitical dominance in Asia may well exacerbate regional tensions or even encourage China to become more assertive.

There is also the problem of how Australia might sell the idea of a softer alliance to the United States. Making such a case would “likely be “seen as naive.”⁶⁶ Indeed, Dewar worries that it could “provoke an extreme reaction” in the United States that would see the close alliance relationship built up over many decades downgraded. Dewar instead suggests that Australia pursue a relatively low-key hedging strategy that includes building relations with both great powers, including a franker dialogue with China, as well as with other powers in the region—something that Australia has been doing with Japan and South Korea. Australia has also been attempting to improve relations with India for some years.⁶⁷ A final plank in such a strategy would involve committing more strongly to the region's institutions, particularly the East Asia Summit.⁶⁸

The assumption inherent in all these views is that effective cooperation with China is either likely or at least possible. Yet this assumption is not universally held in the Australian debate, and Australia is not immune from anxiety about the nature of the Chinese state. The arrest and conviction on corruption charges of Chinese-Australians in China, such as in the case of Stern Hu in 2009, showed the wider Australian public that China's rise will not be without problems. The Hu case received widespread and largely negative media attention in Australia—Hu was “thrown to the wolves” in the words of one report—revealing that the Chinese system remained very different to Australia's.⁶⁹ The Chinese threat was also a key component of the 2009 Australian Defence White Paper, and was a theme raised by the then Prime Minister Kevin Rudd to US Secretary of State Hillary Clinton.⁷⁰ Although the 2013 Defence White Paper was visibly more temperate, it was observed that China's defense spending increased by 140 percent between the period 2000–13 and that Australia's approach is directed toward ensuring that “strategic competition in the region does not lead to conflict.”⁷¹ “

In the public debate, Ross Babbage has been a prominent advocate of Australia adopting a hardline posture toward China. He assumes that any engagement of China, while possible in some specific areas, will be largely undermined by its increasing assertiveness and the rise of the People's Liberation Army.⁷² Babbage is well-known for suggesting that Australia should be able to, "*in extremis*, 'rip an arm off' any major Asian power that sought to attack Australia." He therefore suggests that Australia needs to develop a much stronger deterrence capability against a more threatening China.⁷³ Yet this argument stands outside the orthodoxy of the Australian debate; Babbage's analysis has been described by some analysts as "provocation, rather than policy" or as a proposal that is "ill-defined and not costed" and verging on "hysteria."⁷⁴ Still, Babbage's analysis provides further insight into what might be required for Australia to adopt a more robust strategic posture. Babbage outlines four main options for Australian defense planners with varying degrees of defense investment, orientation towards the region, and alignment with the United States. He recommends a defense strategy heavily focused on asymmetrical military capabilities that would operate in partnership with the United States and would "balance and offset" China's rising military power. The projection of such power would require a more substantial investment in Australia's military over the coming decades.⁷⁵

CONCLUSION: THE DEBATE AND AUSTRALIA'S EXPECTATIONS

The Australian debate over China's rise and the relative decline of American primacy can be divided into two broad discourses. The first of these focuses on regional order questions while the second considers Australia's strategic options. Why is it important to understand the Australian debate as two distinct but overlapping conversations? In this chapter, we have shown how the varied assumptions of international order that have appeared in the Australian debate, although sometimes conceptually abstruse, lead directly into the policy options laid out in the strategic debate.

The order debate has been marked by one largely accepted point of consensus and one key dispute. The point of consensus has been the underlying assumption that it remains possible to engage China and that conflict between China and other powers in the region, particularly the United States, is not inevitable. The point of difference, however, concerns the role to be played by US primacy in the region. The more state-centric approach in the debate sees US primacy as the major cause of past stability in the region but also the likely trigger for future instability. Controversially, American resistance to its declining primacy is therefore considered a key part of this trigger.

By contrast, those who adopt a more region-centric approach view the past cause of stability in the region more in terms of an Asian buy-in to regional order, particularly by China. This has been especially reflected in the increasingly complex nature of institutionalism and norm-building that has been taking place in the region over the past several decades. Region-centric analysts also tend to view the rise of China as being exaggerated, at least in the sense that it will inevitably undermine regional order. China's domestic politics suggests that the country will continue to lack an order-changing capability for the foreseeable future. Accordingly, US primacy is not the central challenge that state-centric analysts assume, with the main challenge instead being overreaction to China's rise by Asia's other powers. A precipitous abandonment of the current order poses the most serious risk to regional stability.

Differing assumptions about the concept of primacy in the order debate help explain the lack of consensus thus far in Australia's strategic debate and also the increasing distance between the public debate and the direction of national policy. Where primacy is assumed to play a central role, Australia is shown to face a number of unpalatable choices, including perhaps even aligning more closely with China. Australia might thus be advised to push for a more equal Sino-American engagement along the lines of a concert of powers. Where institutions and norm-building are assumed to be central, encouraging a great-power concert

on equal terms is regarded as dangerous. A more circumspect approach of hedging and not undermining regional institutions is preferable.

Overall, the public debate in Australia over the country's expectations of the United States in the Asian century reveals Australian anxieties as a status-quo power. The conceptual nature of the debate arguably reflects Australia's greater distance from the region's hot spots, while the anxiety has historical as well as contemporary causes. In particular, Australia's security anxieties should not be exaggerated, since strategic tensions have recently become a more widespread feature of the region. Such debates, as Glosserman notes, are "or will be taking place in capitals throughout the region."⁷⁶ Importantly, the debate is not only a signal about shifting expectations of the United States in the region; it also provides context for understanding the stakes involved in the evolution of official Australian policy. Multiple Australian governments have argued that it is possible to be a friend to China while also an ally of the United States. However, persistent anxiety over the potential costs of trying to have the best of both worlds suggests that Australia's debates concerning order and strategy have some way go before culminating in tangible policies. During the interim, Australia may well need to reconcile itself to pursuing its regional interests in an environment of diplomatic and strategic ambiguity.

NOTES

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3. For an historical overview, see Derek McDougall, *Australian Foreign Relations: Entering the 21st Century* (Frenchs Forest: Pearson, 2008), 3–11.
4. For example, see Brendon O'Connor, "Perspectives on Australian foreign policy, 2003," *Australian Journal of International Affairs* 58, no. 2 (2004): 211–212; Paul Dibb, "Australia–United States," in *Australia as an Asia Pacific Regional Power: Friendships in Flux* ed. Brendan Taylor (London: Routledge, 2007), 33.
5. Hugh White, "Power shift: Australia's future between Washington and Beijing," *Quarterly Essay* 39 (2010): 1–74; Ross Babbage, "Australia's strategic edge in 2030," Kokoda paper, no. 15 (2010); Malcolm Cook, Raoul Heinrichs, Rory Medcalf, and Andrew Shearer, *Power and Choice: Asian Security Futures* (Double Bay: Lowy Institute for International Policy, 2010).
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7. For example, see "Home alone," *The Economist*, May 26, 2011. See also White, "Power shift," 49; Carlyle Thayer, "China's rise and the passing of U.S. primacy: Australia debates its future," *Asia Policy* no. 12 (2011), 20.
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 10. Mark Thomson, "The cost of defense; sixty-nine million, six hundred & eighty-one thousand, nine hundred & eighty dollars & eighty-two cents per day," *The Strategist*, May 30, 2013, <http://www.aspistrategist.org.au/the-cost-of-defence-sixty-nine-million-six-hundred-eighty-one-thousand-nine-hundred-eighty-dollars-eighty-two-cents-per-day/>.
 11. For an excellent overview of the current debate, see Thayer, "China's rise and the passing of U.S. primacy", 20–21.
 12. Cameron Stewart, "Deaf ear on agency advice," *The Australian*, December 7, 2010; Cameron Stewart and Patrick Walters, "Defense chiefs spurned by U.S. on China risk," *The Australian*, April 15, 2009; Cameron Stewart and Patrick Walters, "Watchdog probes hawks' DIO push," *The Australian*, April 14, 2009.
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 14. *Ibid.*, 28.
 15. White, "Power shift." Also see Greg Sheridan, "Distorted vision of future U.S.-China relations," *The Australian*, September 11, 2010; Greg Sheridan, "Don't kowtow to Beijing bully," *The Australian*, July 23, 2009; Greg Sheridan, "Cleave boldly to the centre," *The Australian*, September 9, 2010.
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22. Brad Glosserman, "The Australian canary," *PacNet*, no. 67 (November 21, 2011).
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25. Huntington, "Why international primacy matters," 83.
26. White, "Power shift," 2–5.
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31. Evelyn Goh, "Great powers and hierarchical order in Southeast Asia: Analyzing Regional Security Strategies," *International Security* 32, no. 3 (2008): 113–114; Evelyn Goh, "Hierarchy and the role of the United States in the East Asian security order," *International Relations of the*

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32. Bisley, "Asia's transformation," 107. See also Paul Dibb, "Don't kowtow to China now," *The Australian*, May 2, 2011.
 33. Thayer, "China's rise and the passing of U.S. primacy," 26.
 34. Scott Dewar, "Australia and China and the United States: responding to changing great power dynamics," paper prepared for the Australian Centre on China and the World, April 2011, http://ciw.anu.edu.au/research_papers/Scott%20Dewar_Australia%20and%20China%20and%20the%20United%20States_ArticleFinal.pdf, 10–13.
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 42. "Remarks by President Obama and Prime Minister Gillard"; "Remarks by President Obama to the Australian Parliament," Office of the Press Secretary, The White House, November 17, 2011.
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47. G. John Ikenberry, *Liberal Leviathan: The Origins, Crisis, and Transformation of the American World Order* (Princeton: Princeton University Press, 2011), 356.
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