GREAT POWERS, NATIONAL INTERESTS, AND AUSTRALIAN GRAND STRATEGY

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The conclusions and opinions expressed in this document are those of the author. They do not reflect the official position of the US Government, Australian Government, Departments of Defense, the United States Air Force, the Royal Australian Air Force, or Air University.

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ABSTRACT

This study comprises an analysis of the relationship between great power dynamics and Australian grand strategy. Using Regional Security Complex Theory as a methodological basis, the study examines how global and regional power dynamics have influenced Australia's definition of its national interest, and how these interests have been reflected in the development of Australian grand strategy. The aim of this analysis is to assess whether Australia can pursue a grand strategic path independent of the great powers.

To answer this question, the study uses two case studies of key periods in the evolution of Australian grand strategy: 1919 to 1941, and 1971 to 1991. These periods cover major shifts in great power dynamics in the Asia-Pacific region, as well as significant changes in Australian grand strategy. More specifically, they represent periods of willful dependence on great power patronage and the development of an independent grand strategy, respectively.

Drawing on the analysis from these two case studies, the final chapter assesses how Australian grand strategy may develop in response to the emerging dynamics of the Asian Century. Taking guidance from recently published Australian government documents and official statements from government officials, the study concludes that Australia's grand strategy that is taking shape presently is displaying signs of incoherence that could prove ultimately damaging to Australia's national interests.

The study concludes that Australia has demonstrated the ability to pursue an independent grand strategic path. However, when a culturally or politically aligned great power engages in its region, the importance of grand strategic independence is de-emphasized. As the United States begins its rebalance to the region, Australia must balance its tendency towards great power dependence with its desire to maintain an independent grand strategy. This requires a comprehensive reassessment of Australia's national interest and the framing of an Australian grand strategy that supports coherence in Australian defense and foreign policies.

CONTENTS

Illustrations

INTRODUCTION

> *Let me state the obvious: throughout our history we have supported the global order secured by the hegemony of the dominant liberal democratic maritime power—in succession, Great Britain and the United States. We have done that to secure our vital national interests. Every fibre of our culture and pragmatic self-interest supported that choice.*
>
> Australian Chief of Army, Lieutenant General David Morrison

Conventional wisdom holds that since Federation in 1901, successive Australian governments have sought security in the patronage of the dominant Western power in the Asia-Pacific region. This strategy of dependence appears to have served the young nation well. However, changes in the international dynamics of the Asia-Pacific region over the past two decades have raised questions over the continued validity of such a simplistic approach to grand strategy. With its prosperity increasingly coupled to the economic rise of China, but its security built upon its alliance with the United States, the choice of the grand strategic path Australia should pursue to further its national interests is not as *obvious* as it once appeared to be. Australian policy makers now face the daunting task of charting a strategic course between an Asian Scylla and Pacific Charybdis. As the global center of gravity shifts to Asia, Australia's grand strategic choices will become evermore complex and consequential.

At the heart of this strategic dilemma is the belief that, in the words of Song Xiojun, a former senior officer in the People's Liberation Army (PLA), Australia "has to find a godfather…[because it] always has to depend on somebody else, whether it is to be the 'son' of the US or 'son' of China…depends on who is more powerful, and based on the strategic environment."[1] Song's statement challenges the conventional wisdom. Australian grand strategy, in Song's analysis, is shaped by considerations of relative power alone, divorced from considerations of cultural affinity and the alignment of values. And based upon a cursory examination of Australian history, his assertions would appear

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[1] Quoted in Phillip Wen, "Chinese official: It's Us or America," *The Age*, 16 May 2012, http://www.theage.com.au/opinion/political-news/chinese-official-its-us-or-america-20120515-1yp5f.html (accessed 20 November 2012).

prima facie true. As a middle power, Australian grand strategy has always been and continues to be responsive to the dynamics of great power politics. But does this mean that Australian strategy development is a deterministic process? Is relative power the primary determinant in crafting its grand strategy? And is Australia forever bound to opt for filial allegiance to a regional or global hegemon?

This thesis seeks to answer these questions through an examination of the relationship between great power dynamics and the development of Australian grand strategy. More specifically, it addresses the question: can Australia pursue a grand strategic path to promote its national interests independent of the great powers? Through an analysis of two key periods of Australian history, this thesis will identify how three key variables have interacted in the formation of Australian grand strategy: the actions of the great powers in the Asia-Pacific region, Australian prosperity, and Australian perceptions of security. Drawing on the analysis of these historical periods and recent government policy pronouncements, the thesis will then examine how these three variables are shaping Australia's emerging grand strategy for the 2013 to 2030 timeframe. As the Australian government continues its quest to find the optimal strategic path to follow during the first decades of the Asian century, it is vital to understand the path it has already tread.[2] This thesis will argue that this previous path was marked by shifting degrees of dependency that reflected both Australia's evolving national interests and the extent of the regional engagement by the world's dominant Western power. It is a pattern that appears to be repeating in the Australian government's preparations for capitalizing on the opportunities created by, and managing the threats to be faced in, the opening decades of the Asian century.

The periods examined in this thesis were selected as they are representative of the three principal epochs in Australian strategic history: the pre-Second World War era of Imperial Defence,[3] the post-Vietnam rise of the

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[2] The *Asian Century* is a term used by the Australian government to portray how the rise of Asia will be the defining feature the twenty-first century. Australian Department of the Prime Minister and Cabinet, *Australia in the Asian Century,* Australian Government White Paper (Canberra: Commonwealth of Australia, 2012), 1.

[3] *Imperial Defence,* capitalized and using Australian spelling, refers to the concept embodied by the Committee for Imperial Defence (CID), which sought to coordinate the

Defence of Australia (DoA) policy, and the present challenge of integrating into a rising Asia.

Focusing on the period 1919 to 1941, the period in which Australian reliance on the framework of Imperial Defence reached its apogee, the first case study explores how declining British regional power, the rise of an aggressive and increasingly powerful Imperial Japan, and the emergence of a powerful but unencumbered United States shaped Australia's views of security during the interwar period.[4] Although the young Australian state remained deferential to Imperial authorities on matters of strategy, during this period the Australian government identified and pursued its own interests independently of its erstwhile British masters. Nationalist defense and immigration policies were expressions of Australia's nascent strategic independence. When war erupted in the Pacific, this independence would enable Australia to break free from London and, in the words of the then Prime Minister John Curtin, look to "America, free from any pangs as to [its] traditional links or kinship with the United Kingdom."[5]

Australian-American cooperation during the Second World War would eventually lead to the formation of the Australia-New Zealand-United States (ANZUS) alliance, the cornerstone of Australian postwar security. Alliance did not, however, mean abandonment of Australia's national interest or its complete subjugation to the interests of the United States. Differences in views on issues, such as engagement with Indonesia, the opening up of China, and the withdrawal of the Western powers from the Indian Ocean and Western Pacific, would lead Australia to adopt a grand strategy focused on achieving self-reliance.[6] This grand strategic approach would be embodied in the DoA

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defensive efforts of the members states of the British Empire. National Archives, "The Cabinet and its Committees," http://www.nationalarchives.gov.uk/records/research-guides/cabinet-office.htm.

[4] National Archives of Australia (NAA): A5954, 841/3. For the reader: the citation format used when referring to documents held in the National Archives of Australia (NAA) is that recommended by the NAA. More detail on each document cited is contained in the bibliography.

[5] Extract from Curtin's article in *The Age* on 27 December 1941. Quoted in NAA: A5954, 654/27.

[6] Hugh White, "Four Decades of the Defence of Australia: Reflections on Australian Defence Policy Over the Past 40 years", in *History as Policy: Framing the Debate on the*

policy that dominated Australian strategic thinking during the period examined in the second case study, 1971-1991. Through achieving a modicum of self-reliance during this period, Australia felt greater confidence in playing a more active role in Asia, and pursued a policy of constructive engagement with regional states. Engagement with Asia has since become the primary focus of Australian grand strategy in the twenty-first century, and is the reflected in two recently released defining documents lay the foundation for Australian grand strategy for the next two decades.[7]

In January 2013, the government released Australia's first National Security Strategy (NSS). *Strong and Secure: A Strategy for Australia's National Security* outlines the government's assessment of the threats posed by the changing strategic environment, and established a basis for Australian grand strategy going forward.[8] The NSS compliments the 2012 government White Paper, *Australia in the Asian Century*, which addresses how Australia will seek to capitalize on the economic opportunities presented by the rise of Asia as the global economic powerhouse.[9] Informed by these two documents, the final section of this thesis will examine how Australian grand strategy may change in response to the new dynamics created by growing regional prosperity and the changing relations between current and emerging powers in the region. Competition and cooperation are potential characteristics of future great power dynamics in the Asia-Pacific region. Australia may not be able to impose its preferred outcome on the region; however, as history has shown, this does not mean it will be relegated to simply choosing a godfather. If history provides any indication, Australia's future grand strategic path will depend on its evolving conception of its national interest.

This is not the first research project to analyze the evolution of Australian grand strategy. This thesis builds on three seminal works on the

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Future of Australia's Defence Policy, ed. Ron Huisken and Meredith Thatcher. (Canberra: Australian National University E Press, 2007), 164-165.

[7] Since this paper was drafted the Australian government has released its 2013 Defence White Paper. The contents of the Defence White Paper do not adversely affect the conclusions reached in this paper.

[8] Australian Department of Prime Minister and Cabinet, *Strong and Secure*: *A Strategy for Australia's National Security*, (Canberra: Commonwealth of Australia, 2013)

[9] Australian Department of the Prime Minister and Cabinet, *Australia in the Asian Century*, ii.

topic. The first is *Dependent Ally: A Study in Australian Foreign Policy*, written by Australian academic Coral Bell and published in 1988.[10] In this work, Bell examines the relationship between alliance and dependency in Australian foreign policy between 1941 and 1987. The second work, published in 2007, is a collection of essays by leading Australian academics that examines the global and regional issues that have shaped Australian strategy with a view to informing "the future development of Australian defence policy."[11] *History as Policy: Framing the Debate on Future Australian Defence Policy*, is a defining study of the evolution of Australian grand strategy, though it does not use that precise term. The final work upon which this research is based is an edited collection of Australian strategic appreciations, drafted by the Australian Defence Committee between 1946 and 1976, and used to inform the government's development of defense policy.[12] All three works provide insights into how Australian grand strategy has evolved since Federation in 1901. This thesis adds to these insights in three ways: its specifically focuses on understanding the effects of great power dynamics on the crafting of Australian grand strategy; it updates the extant research on the subject in light of recent changes in the regional dynamics and Australian policies; and, most notably, it uses Regional Security Complex Theory (RSCT) as a framework for analysis.

RSCT, explained in greater detail in Chapter One, draws on neorealist and constructivist approaches to international relations, emphasizing the importance of the regional level in understanding the actions and strategies of states. The importance of regional dynamics on Australian grand strategy development is well understood and is reflected in the extant literature. Where RSCT adds to the current field is in its radical constructivist approach to the analysis and synthesis of the factors that shape Australian perceptions of the

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[10] Coral Bell, *Dependent Ally: A Study in Australian Foreign Policy* (Melbourne: Oxford University Press, 1998).
[11] Ron Huisken, "Introduction" in *History as Policy: Framing the Debate on the Future of Australia's Defence Policy*, ed. Ron Huisken and Meredith Thatcher. (Canberra: Australian National University E Press, 2007), 1.
[12] Stephan Frühling, ed., *A History of Australian Strategic Policy Since 1945* (Canberra: Defence Publishing Service, 2009)

threats to its security.[13] It does this using the two concepts of *securitization* and *sector analysis.*

Securitization is a process by which an actor, in this case the Australian government, defines an issue as being an existential threat and thereby legitimizes actions outside of normal political procedures.[14] It focuses on the social construction of threats, not their objective existence. In contrast to previous research on the topic, the RSCT framework seeks to explain how changes in great power relations altered the Australian government's *perceptions* of security, rather than how the objective assessment of the security environment itself was changed.

RSCT also looks beyond the traditional military focus of security analysis with regards to national security to examine perceptions of threats in the economic, societal, political, and environmental sectors.[15] The benefit of this sectorial analysis is that by disaggregating the various dimensions of Australia's conception of security, it is easier to isolate the variables and thereby reduce the complexity of the analysis of each case study. Moreover, it enables the development of a more nuanced appreciation of the factors that shape Australian grand strategy.[16] After each sector is analyzed in isolation, the results are synthesized to provide a single conception of the Australian government's conception of the threats its grand strategy must seek to ameliorate.

Through applying these concepts of securitization and sectorial analysis, RSCT allows new insights to be drawn into the factors that shape the development of Australian grand strategy. Whereas previous research has focused on an objective assessment of threats to Australia's national interest, the approach adopted in this thesis examines how the Australian government has constructed these threats partly in response to the great power dynamics within the Asia-Pacific region.

It should be noted that RSCT is complex and the application of the theory is not possible within the constraints of this thesis. Accordingly, a

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[13] Barry Buzan, Ole Wæver, and Jaap de Wilde, *Security: A New Framework for Analysis* (Boulder, CO: Lynne Rienner Publishers, 1998), 204.
[14] Buzan, Wæver, and de Wilde, *Security*, 24-25.
[15] Buzan, Wæver, and de Wilde, *Security*, 27.
[16] Buzan, Wæver, and de Wilde, *Security*, 8.

complete securitization and sectorial analysis is not undertaken for the periods examined in each case study. Instead each case study focuses on three securitized issues within the military, societal, and political dimensions of Australia's interaction with the international system. Buzan, Wæver, and de Wilde point out that the concept of economic securitization is "fraught with contradictions and complications."[17] The economic aspects of grand strategy are therefore treated outside of the securitization framework, and are instead assessed in terms of promoting national prosperity. The increasing level of attention afforded to environmental matters may make exclusion of the environmental sector from the analysis seem suspect; however, the securitization in this sector is a relatively recent phenomena and was not a factor during the first two periods being examined.[18] To provide consistency of analysis, this sector has not been analyzed in this thesis.

A further limitation placed on this research is the selection of the time periods examined. Grand strategy development has been an ongoing process for Australia, and key events in Australia's external relations have occurred during periods not covered in this thesis. The Malaya Emergency, *Konfrontasi,* and the Korean and Vietnam Wars, were major events in Australian strategic history that occurred in the period between the first two case studies. Similarly, from 1999 through 2013, Australian military forces have been engaged in operations in East Timor, the Middle East, and Central Asia in the largest deployment of forces since the Vietnam War. These periods have been excluded as they do not feature significant shifts in great power engagement in the region, one of the key variables examined in this thesis. Although the limitations of space and scope have precluded a comprehensive examination of the history of Australian grand strategy, the periods selected for analysis represent key turning points in Australia's grand strategic evolution. The period chosen for the case studies are assessed as providing the greatest insight into the factors that have shaped that evolutionary process. Examining the periods excluded from this thesis would be a worthy research project in its own right and is a potential future area for expanding on this analysis.

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[17] Buzan, Wæver, and de Wilde, *Security*, 95.
[18] Buzan, Wæver, and de Wilde, *Security*, 71.

Despite the limitations and exclusions in this thesis, the application of a limited form of RSCT to key epochs in Australian grand strategy development will provide policy makers and strategists with a new perspective on the path Australian grand strategy has followed since Federation and, by extension, with new insights to guide the journey ahead. As Australia navigates its way through the challenges posed by the Asian Century, its policy makers and strategists must develop a more nuanced appreciation of how Australian grand strategy responds to great power dynamics both globally and within the region. The current research that seeks to frame Australia's present security dilemma primarily in military terms overlooks the complex nature of the securitization process that shapes the government's conception of threats to Australia's national interest. This thesis attempts to address this important but overlooked area.

CHAPTER 1

Grand Strategy, National Interests, and Regional Security Complex Theory: A Primer

> *The Far-East is our Far-North. We are of European race. Our fathers came from Europe; we have grown up to think as Europeans, and our interests have been centered in that group of nations from which our stock has come. Whilst racially we are European, geographically we are Asiatic. Our own special immediate Australian interests are more nearly concerned with what is happening in China and Japan than with what is happening in Belgium and Holland. War in the East, or the causes of war there, mean infinitely more to us from our Australian point of view than anything that may happen in Belgium, Holland, Poland, or other countries farther removed.*
>
> Senator George Pearce (1922)

The central question of this thesis asks whether Australia can pursue an independent grand strategic path to promote its national interests. But what exactly is grand strategy? What defines the notoriously ambiguous concept of the national interest? What framework is best for analyzing this question? This chapter answers these questions and outlines how Regional Security Complex Theory (RSCT) will be used to address the thesis central question.

Grand Strategy

The concept of grand strategy is in the midst of a revival. A recent RAND study into American grand strategy identified more than 100 articles, and 24 major books on the subject of grand strategy since 2011, as well as a proliferation of university programs focused on teaching the subject.[1] Yet despite a growing interest in the subject, *grand strategy* remains an ambiguous term. Acknowledging the complexity of the concept, military historian Williamson Murray posited that, "No simple, clear definition of grand strategy

[1] RAND researcher Adam Grissom outlined this research in a presentation delivered to SAASS students. Adam Grissom, "A New American Grand Strategy" (presentation, School of Advanced Air and Space Studies, Maxwell Air Force Base, AL, 10 November 2012).

can ever by fully satisfactory."[2] The answer to the question of what is grand strategy would appear to depend upon the problem being solved.

In researching the need for a new American grand strategy, RAND researchers identified two principal schools of grand strategic thought, differentiated by the breadth of their focus: an externalist school and a unitary school.[3] The distinguishing feature between these schools concerns the meaning of *grand.*

Adherents of the externalist school of grand strategy focus on a state's words and actions in its external relations with state and non-state actors. Grand strategy, according to this view, is the fusion of a state's foreign and defense policies. This is a traditionalist view of grand strategy, closely resembling the original meaning of the concept when it was coined during the interwar period to refer to a higher level of strategy, above that of pure military strategy.[4] Liddell Hart equated grand strategy with *higher strategy,* asserting that its role was "to co-ordinate and direct all the resources of the nation, or band of nations, towards the attainment of the political object of the war—the goal defined by fundamental policy."[5] Viewed this way, grand strategy encompasses a state's capacity to bring military, economic, and diplomatic pressure to bear against an adversary in order to realize its policy objectives.[6]

Those ascribing to the unitary school adopt a more holistic view of grand strategy, seeing it as encompassing both domestic and foreign policies. Underlying this unitary approach is the belief that distinguishing between a state's domestic and foreign policies creates a false dichotomy in relation to the allocation of a state's resources. Resources needed to achieve a state's objectives, whether domestic or foreign, are drawn from a common governmental source. Accordingly, "strategy in any single policy domain cannot be enacted without affecting resources available for other domains."[7] Taking

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[2] Williamson Murray, "Thoughts on Grand Strategy," in *The Shaping of Grand Strategy: Policy, Diplomacy, and War*, eds. Williamson Murray, Richard Hart Sinnreich, and James Lacey (New York: Cambridge University Press, 2012), 5.
[3] Grissom, "A New American Grand Strategy."
[4] Grissom attributes Basil Henry Liddell Hart as the first to define the term "grand strategy." Grissom, "A New American Grand Strategy."
[5] Basil Henry Liddell Hart, *Strategy*, 2nd ed. (New York: Meridian, 1991), 322.
[6] Hart, *Strategy*, 322.
[7] Grissom, "A New American Grand Strategy."

this view, grand strategy is as much a question of taxation policy and social programs as it is foreign relations and defense policies.

By adopting a holistic view of a nation's ends, ways, and means, the unitary approach offers significant practical benefits to the policy maker in the formulation of grand strategy. Determining a state's priorities between different programs and commitments requires a clear articulation of national objectives and a considered approach to the apportionment of state resources. This need for a holistic approach to grand strategic decision-making has been evident in the *fiscal cliff* negotiations that dominated US politics before, during, and after the 2012 presidential election. In advocating the use of this holistic approach to developing grand strategy, unitary theorists emphasize the need to balance a state's resources to meet both domestic and foreign policy objectives.[8]

Despite its utility in assisting policy development, using unitary theory as an analytical tool for assessing a state's grand strategy is a complex undertaking. To develop an accurate appreciation of how a government assesses and resources its priorities across the policy spectrum requires in-depth analysis of taxation, spending, and domestic programs. Such depth of analysis exceeds that which is required by the question this thesis seeks to answer. The focus of this paper is understanding how Australia responds to shifting great power dynamics, not the more detailed question of how the Australian government balances competing foreign and domestic priorities. To answer the former question, it is important to understand how the government assesses and shapes its priorities in relation to its dealings with foreign actors, not how these priorities, once formulated, are balanced against competing domestic concerns. In the words of Peter Jennings of the Australian Strategic Policy Institute (ASPI), "In strategy, it's the big judgements about security that matter—they set the context for all the policy decisions that follow."[9] In line with this reasoning, this thesis adopts an externalist definition of grand strategy.

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[8] Grissom, "A New American Grand Strategy."
[9] Peter Jennings, "National Security: The Decade After the Decade Before," *The Strategist* (blog), http://www.aspistrategist.org.au/national-security-the-decade-after-the-decade-before (accessed 26 January 2013).

An externalist definition of grand strategy

The externalist concept of grand strategy has changed little since the Second World War. Writing in 1943, scholar and author Edward Meade Earle saw the traditional notion of strategy, "the art of military command," as no longer an adequate reflection of the growing integration of war and society. He argued:

> in the present-day world … strategy is the art of controlling and utilizing the resources of a nation—or a coalition of nations—including its armed forces, to the end that its vital interests shall be effectively promoted and secured against enemies, actual, potential, or merely presumed. The highest type of strategy—sometimes called grand strategy—is that which so integrates the policies and armaments of the nation that the resort to war is either rendered unnecessary or is undertaken with the maximum chance of victory.[10]

As this broadened the scope of strategic concern to encompass non-military resources, Earle and his contemporaries thereby extended the reach of strategy beyond the conduct of war, into the realm of managing the peace.[11]

The political scientist Beatrice Heuser highlights that "the blurred distinction between war and peace" that defined the Cold War period further "pushed 'strategy' over the fence up to the level of politics."[12] Grand strategy increasingly came to be regarded as the use of a state's instruments of power in the furtherance of its interests, as much in peace as in war. More specifically, grand strategy was understood as the way in which states use the two principal tools for managing their interaction with the outside world, foreign policy and military strategy, to further their national interests. Grand strategy is, in essence, the fusion of mutually reinforcing diplomatic endeavors and military strategies. This is the interpretation of grand strategy to which contemporary externalists subscribe.[13]

In the foreign policy sphere, direct bilateral diplomatic relations, involvement in multilateral institutions, and the signing and ratification of

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[10] Quoted in Beatrice Heuser, *The Evolution of Strategy: Thinking War From Antiquity to the Present* Kindle ed., (New York: Cambridge University Press, 2010), 26.
[11] Liddell Hart also emphasized the role of strategy in peace, stating that, "While the horizon of strategy is bounded by the war, grand strategy looks beyond the war to the subsequent peace." Hart, *Strategy*, 322.
[12] Heuser, *The Evolution of Strategy*, 27.
[13] Grissom, "A New American Grand Strategy."

international treaties represent the primary mechanisms of grand strategy. From a military perspective, these mechanisms take the form of force development, force structure, force posture, collectively referred to as defense policy. Though foreign and defense policies can be treated and analyzed separately, doing so would only provide a partial picture; they are two sides of the same grand strategy coin. This characterization defines much of the contemporary debate surrounding the development of grand strategy, and is reflected in the approach adopted by the Australian government in drafting the 2013 NSS.

However, while it may be easy to frame a grand strategic approach in the abstract, executing it is not always as straightforward as many commentators or theorists may hope. Murray captures this difficulty well, stating, "No theoretical construct, no set of abstract principles, no political science model can capture [grand strategy's] essence. That is because grand strategy exists in a world of flux. Constant change and adaptation must be its companions if it is to succeed."[14] Moreover, a grand strategy may exist without being so defined, as was the case in Australia prior to the release of the first Defence White Paper in 1976.[15] To understand a state's grand strategy, it is therefore necessary to look beyond a government's public pronouncements of what its grand strategy is; a state's actions must be given precedence over its words.

Imputing a grand strategy

Central to this thesis is the ability to decipher Australian and great power grand strategies during the key periods being examined. This process is easier as the period under analysis approaches the present day, because states have become more proactive in clearly articulating their national goals and the ways they intend to realize them. The five Australian Defence White Papers released since 1976 and the 2012 White Paper on *Australia in the Asian Century* are examples of governments' efforts to codify and express their grand strategies. However, when such documents do not exist, or even when they do, it is necessary to analyze the actions of a state in order to distill the grand strategy that guided them. For as military historian Richard Hart Sinnreich

[14] Murray, "Thoughts on Grand Strategy," 11.
[15] Australian Department of Defence, *Australian Defence*, Australian Government White Paper (Canberra: Australian Government Printing Service, 1976).

states, "History confirms that even in war, in which its explicit formulation is most likely, grand strategy almost never will be executed as conceived."[16]

Accordingly, in this thesis, great power and Australian grand strategies will be as much imputed by actions as distilled from official sources. These two approaches enable a more accurate appreciation of how the states being examined managed interactions with other key players in the Asia-Pacific region. How these approaches are applied will differ between the examination of the grand strategy of great powers and that of Australia.

The primary focus in relation to the great powers is understanding how the dynamics between them changed during each period examined. This does not require an in-depth examination of the intricacies of the shaping and implementation of great power grand strategy; instead, the examination is limited to understanding how each great power's dealings with other actors shaped the web of interactions in the Asia-Pacific region. This level of understanding is achieved through an examination of primary sources and secondary sources.

To answer the question posed in this thesis requires a deeper level of analysis of Australian grand strategy. It is necessary to understand how Australia responded to the changing dynamics in the region. Drawing on parliamentary records, the records of leading public servants and politicians, and official government publications, such as White Papers, the sections dealing with Australian grand strategy examine how each government at the time developed not only its perspectives on the external world, but what these perspectives meant for Australian policy.

Grand strategy as defined in this thesis refers to the way in which a state uses its two primary means of interacting with the external world, its foreign and defense policies, in order to further its national interests. Understanding grand strategy therefore requires understanding what a nation values and is willing to expend its resources to protect and promote. In the words of international relations scholar Robert Art, "determining a nation's interests is

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[16] Richard Hart Sinnreich, "Patterns of Grand Strategy," in *The Shaping of Grand Strategy: Policy, Diplomacy, and War*, eds. Williamson Murray, Richard Hart Sinnreich, and James Lacey (New York: Cambridge University Press, 2012), 254.

the central task of grand strategy."[17] This can be even more challenging than seeking to distill a nation's grand strategy.

Defining the national interest

The difficulty in defining the national interest stems from susceptibility of those interests to changes in context and circumstance. Ashton Calvert, a former senior diplomat and the Secretary for the Australian Department of Foreign Affairs and Trade (DFAT) between 1998 and 2003, captured the dynamic nature of the national interest when he stated in 2003 that, "The national interest is not static, nor can it be defined in a mechanical way. It depends in part on prior strategic choices we have made, and is informed by the view we have of ourselves as a country, and by what we want to stand for."[18] Ironically, in the same year Calvert's own department released a White Paper entitled *Advancing the National Interest,* which argued, "Making the right choices for Australia's future requires clear-sighted understanding and resolute pursuit of Australia's national interest."[19] How is it possible to understand and pursue the national interest if it is so contingent on circumstance?

The answer lies in the defining of the concept of national interest as broadly as possible and interpreting details as and when circumstances dictate. In *Advancing the National Interest*, DFAT did exactly this defining Australia's national interest as "the security and prosperity of Australia and Australians."[20] Based on this broad and intentionally ambiguous definition, determining the interests that Australian grand strategy seeks to protect and promote requires first the clarification of how "the Australian Government and the Australian people," who define the national interest, regard the nature of and threats to

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[17] Robert J. Art, "Geopolitics Updated: The Strategy of Selective Engagement," *International Security* 23, no. 3 (Winter 1998/1999): 79–113, 83.
[18] Ashton Calvert, "The Evolving International Environment and Australia's National Interest." (speech, Lowy Institute, Canberra, ACT, 26 November 2003), http://www.dfat.gov.au/media/speeches/department/031126_lowy_institute.html (accessed 18 January 2013).
[19] Australian Department of Foreign Affairs and Trade. *Advancing the National Interest*, Australian Government White Paper (Canberra, ACT: Commonwealth of Australia, 2003), v.
[20] Australian Department of Foreign Affairs and Trade. *Advancing the National Interest*, vii.

their security and prosperity.[21] RSCT provides an effective methodology to achieve this.

Regional Security Complex Theory

RSCT provides the methodological foundation for this thesis. Blending neorealist views on power, territoriality, and the anarchic structure of the international system, with a constructivist concept of securitization, the founders of RSCT—Barry Buzan and Ole Wæver—developed a theory of international security that shifts the focus of analysis from the global to the regional level.[22] There are two core concepts upon which RSCT is built: securitization and Regional Security Complexes (RSC). The former provides the means for understanding how a state identifies or, more accurately, constructs threats to its security. The latter is based on the notion that as "most threats travel more easily over short distances than over long ones, security interdependence is normally patterned into regionally based clusters: security complexes."[23] Together, these concepts provide RSCT with explanatory and, to a limited degree, predictive power in understanding the process by which states, particularly those states whose ability to influence the global level is limited, define the security dimension of their national interest.

This section provides an outline of RSCT and its utility in understanding how Australian grand strategy responds to changes in great power dynamics in the Asia-Pacific region.

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[21] Calvert asserted, correctly, that it was the government and the people of Australia that defined its national interests. Calvert, "'The Evolving International Environment and Australia's National Interest."

[22] Neorealism, also referred to as structural realism, is a theory of international relations that focuses on the structure of the international system. More specifically, neorealism deals with "the forces that are in play at the international level, and not at the national level," discounting the importance of a state's external behavior for understanding international politics. Relative power is, according to neorealism, the defining characteristic of the intentional system. Kenneth N. Waltz, *Theory of International Politics* (Long Grove, IL: Waveland Press, 1979), 64, 71. Constructivism is an umbrella term for theories of international relations that build on the fundamental principle of constructivist social theory that "People act toward objects, including other actors, on the basis of meanings that the objects have for them." Alexander Wendt, "Anarchy Is What States Make of It: the Social Construction of Power Politics," *International Organization* 46, no. 2 (Spring 1992): 391–425, 396.

[23] Barry Buzan and Ole Wæver. *Regions and Powers: The Structure of International Security*, (Cambridge, UK: Cambridge University Press, 2003), 4.

Securitization

Technically defined, securitization is "the discursive process through which an intersubjective understanding is constructed within a political community to treat something as an existential threat to a valued referent object, and to enable a call for urgent and exceptional measures to deal with the threat."[24] Put more simply, securitization is "a more extreme version of politicization."[25] It is a process in which a securitizing actor, through a securitizing move that is accepted by an appropriate audience, establishes an existential threat to an object or ideal, the referent object, and thereby justifies "emergency measures" and "*actions outside the normal bounds of political procedure.*"[26] This process does not require the existence of an actual threat; instead, it merely requires the acceptance of the threat by an audience. Understanding how this constructivist approach to security works in reality, requires further definition of the process described above.

The securitizing actor is the key to the securitization process. This individual or group is responsible for identifying an issue as an existential threat requiring extraordinary action in response.[27] The government of a state is the most obvious example of such an actor. Bearing primary responsibility for the protection of the state, governments routinely identify and designate threats, apparent or perceived, to the existence of the state, thereby justifying actions designed to remove or mitigate the threat. A powerful example of the government acting as a securitizing actor is Prime Minister John Howard's speech to the Australian House of Representatives, during which he explained his government's position on the threat posed by Iraq. Howard began his address stating that the purpose of his speech was:

> to explain to the House and through it to the Australian people the government's belief that the world community must deal decisively with Iraq; why Iraq's continued defiance of the United Nations and its possession of chemical and biological weapons and its pursuit of a nuclear capability poses a real and unacceptable threat to the stability and security of our world; why the matters at stake go to the very credibility of the United Nations itself; why the issue is of

[24] Buzan and Wæver, *Regions and Powers*, 491.
[25] Barry Buzan, Ole Wæver, and Jaap de Wilde, *Security: A New Framework for Analysis*, (Boulder, CO: Lynne Rienner Publishers, 1998), 23.
[26] Emphasis added. Buzan, Wæver, and de Wilde, *Security*, 23.
[27] Buzan, Wæver, and de Wilde, *Security*, 25.

> direct concern to Australia and why, therefore, the Australian government has authorised the forward positioning of elements of the Australian Defence Force to the Persian Gulf.[28]

Howard's speech to the House of Representatives highlights how a securitizing actor, in this case the Howard Government, can establish an existential threat using a *speech act*.[29] It is irrelevant whether Iraq actually posed such a significant threat to the security of the Australian state; what is important is whether the threat, as presented by the securitizing actor, was accepted by the audience as justifying the extraordinary measure of committing Australian forces to the invasion of Iraq. It is such a resort to emergency measure that differentiates *securitization* from *politicization*.

Successful securitization requires that the audience of the speech act accepts the existence of the threat identified by the securitizing agent and assents to the use of emergency measures.[30] Like the process of securitization itself, the characterization of actions as being "outside the bounds of normal political procedure" is context-dependent. What is normal in an authoritarian regime—domestic surveillance and requisition of private property by the state—may be considered extraordinary measures in a democratic society. Moreover, cultural and historical differences between states with similar political traditions may lead to different perceptions as to what are considered *normal* versus *emergency* measures. The deployment of military forces abroad has been a standard feature of US grand strategy since the end of the Second World War; however, a decision by the Australian government to deploy military forces constitutes a significant deviation from normal political processes. Each attempt at securitization must therefore be understood within the political and social environment that existed at the time.

This leads to the question of what are the referent objects against which the securitization process establishes threats. Buzan, Wæver, and de Wilde define referent objects simply as "things that are seen to be existentially threatened and that have a legitimate claim to survival."[31] This creates a

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[28] *Hansard Parliamentary Debates*, Australian House of Representatives, 4 February 2003
[29] Buzan, Wæver, and de Wilde, *Security,* 27.
[30] Buzan, Wæver, and de Wilde, *Security,* 27.
[31] Buzan and Wæver, *Regions and Powers*, 36.

circular definition in which the securitizing actors identify existential threats to referent objects, and referent objects are defined as things that can be existentially threatened. Based upon this definition, anything *could* be identified as a referent object; however, this does not mean that everything *will* be a referent object. Securitization requires that a referent object be something that is sufficiently valued by a broad audience so that its survival warrant's the audience's support for extraordinary measures.[32]

There are some referent objects that are institutionalized, meaning that the threat against them is generally accepted by the audience as justifying extraordinary measures without the need for the securitizing actor to establish an existential threat. Defense of a state's territorial integrity is the most obvious example of this. For institutionalized referent objects, "The need for drama in establishing securitization falls away, because it is implicitly assumed that when we talk of this issue we are by definition in the area of urgency."[33] There are other objects that are contingent upon, as Calvert asserted, "the view we have of ourselves as a country, and by what we want to stand for."[34] As the composition, ideologies, and perspectives of a group changes, so will their identification of what they view as important. Securitization theory provides a useful tool for identifying what objects groups identify as important at any given moment: sectoral analysis.

Sector analysis is used to identify different aspects of the interaction between states and nations that can be securitized.[35] Buzan, Wæver, and de Wilde identify five sectors that can be used to focus security analysis: military, societal, political, economic and environmental.[36] Each sector incorporates different referent objects that are liable to securitization, these include the state itself (associated with the military sector), racial or ethnic identity (societal sector), political ideology (political sector), the class system (economic sector), and environmental protection (environmental sector). Although each sector can be approached separately for analytical purposes, it can be difficult to differentiate clearly which sector a particular referent object belongs. The

[32] Buzan, Wæver, and de Wilde, *Security,* 25.
[33] Buzan and Wæver, *Regions and Powers*, 28.
[34] Calvert, "The Evolving International Environment and Australia's National Interest."
[35] Buzan, Wæver, and de Wilde, *Security,* 27.
[36] Buzan, Wæver, and de Wilde, *Security,* 27.

growing tension between Japan and China over the disputed Senkaku/Diaoyu Islands is an example of this.[37] While the dispute is ostensibly territorial in nature, therefore falling within the military sector, there is an inescapable ethnic undercurrent in which the control of the islands holds significance for both Japanese and Chinese national identities, a referent object in the societal sector. What the case of these five small shoals in the East China Sea highlights is that there is no impermeable line between the sectors. The aim of sector analysis is not to reify referent objects and compartmentalize them into clearly defined sectors, but to facilitate the analysis of a state's conception of its security by identifying the range of factors outside of a state's territorial integrity that can be effectively securitized.

Sector analysis provides a useful analytical framework for discerning what defines Australia's national security. By identifying those objects against which threats could be used by the Australian government to justify emergency measures, it is possible to gain a greater understanding of how Australian grand strategy seeks to promote the national interest.

Securitizing Australia

This thesis examines Australian security by analyzing "Australia" through a securitization lens focused on three sectors: military, political, and societal. These sectors are analyzed to determine if the Australian government, as a securitizing actor, has identified and sought to securitize issues as threats to Australian security. In situations where there have been securitizing acts, this analysis will assess their effectiveness in gaining acceptance from the Australian public of the need for emergency measures. Figure 1 depicts the application of the securitization concept as it is applied to the case studies that follow chapters.

[37] "Relations on the Rocks," *Economist*, 25 August 2012, http://www.economist.com/node/21560893 (accessed 14 May 2013)

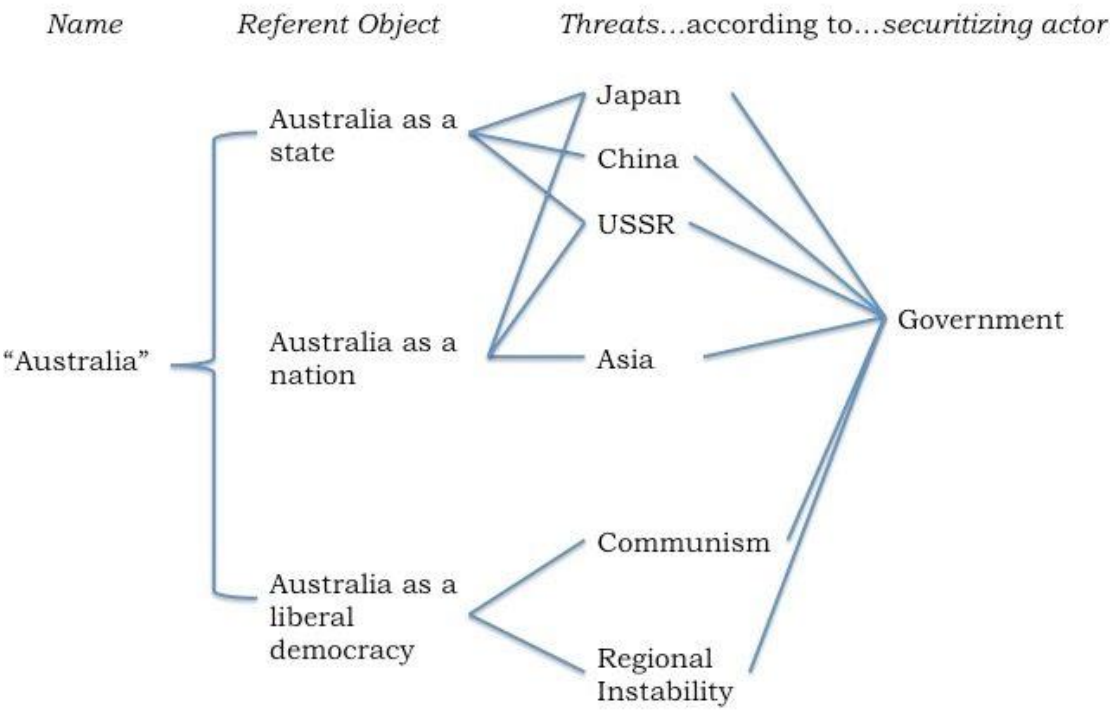

Figure 1: The Security of Australia

Source: Adapted from Barry Busan, Ole Wæver and Jaap de Wilde, Security: A New Framework for Analysis, "Security of France", 172.

Australia is expressed as three different referent objects: (1) Australia as the state refers to the territorial entity of Australia defined by its borders, and its physical possessions both within its borders and external to them; (2) Australia as a nation relates to Australia's national identity, first as an outpost of the British Empire, then as "a Western country located in the Asia-Pacific region,"[38] and finally integrating into region to such a degree that "Asia has become an important part of [the] Australian identity"[39]; (3) Australia as a liberal democracy relates to the values and ideal that define Australia politically, and which contribute to the maintenance of a stable international and regional order.

[38] Australia Department of Foreign Affairs and Trade, *Advancing the National Interest*, viii.
[39] Australian Department of the Prime Minister and Cabinet. *Australia in the Asian Century*, Australian Government White Paper (Canberra, ACT: Commonwealth of Australia, 2012), 99.

The Australian government has played the primary role in identifying and securitizing threats to these referent objects. However, the securitization process does not occur in isolation from other actors in the international system. Patterns of mutual securitization will develop as states securitize key issues leading other nations or states to securitize the same or similar issues. This creates a situation of security interdependence which links nations and states together in "clusters of interconnected security concerns."[40] Buzan and Wæver labelled these clusters Regional Security Complexes (RSC).[41]

Regional Security Complexes

Despite the figurative shrinking of the world as the result of improvements in transportation and communications technology, the closer the physical location of a threat, the greater its influence on a state.[42] Accordingly, the realities of geography mean that the relationships and interactions between geographically proximate states continue to play a defining role in a state's conception of its security. Regional dynamics that shape the security interdependence RSCs are constructed include patterns of enmity and amity, power distribution, and economic, cultural, and trade integration.[43] These patterns are manifested in the way in which a state and its society perceive threats to their security. In an RSC "states … link together sufficiently closely that their securities cannot be considered separate from each other."[44]

Four variables define a RSC:

1. boundary, which differentiates the RSC from its neighbours;

2. anarchic structure, which means that the RSC must be composed of two or more autonomous units;

3. polarity, which covers the distribution of power among the units; and

4. social construction, which covers the patterns of amity and enmity among the units.[45]

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[40] Buzan and Wæver, *Regions and Powers*, 73.
[41] Buzan and Wæver, *Regions and Powers*, 491.
[42] Buzan and Wæver, *Regions and Powers*, 4.
[43] Buzan, Wæver, and de Wilde, *Security,* 12.
[44] Buzan and Wæver, *Regions and Powers,* 43.
[45] Buzan and Wæver, *Regions and Powers,* 53.

These variables highlight the neorealist notions of an anarchic international system governed by the balance of power on which RSCT draws on; however, in so doing they deemphasize, without disregarding, the role of great powers in shaping *regional* patterns of security interdependence.[46] For smaller powers, regional patterns of securitization can often play a greater role than the global-level dynamics associated with great power balances of power. Accordingly, RSCT's focus on the regional level provides it with greater explanatory and predictive power in relation to the factors that shape the grand strategies of small and middle powers, such as Australia.

Polarity reflects the distribution of power across states within an RSC and is used as a means to differentiate between different types of RSC. Buzan and Wæver use a three-tier typology of power to support RSCT. The tiers are differentiated between states based on each state's capacity to exert influence on the securitization process in their regions and beyond. A *superpower*, exemplified by the United States during the post-Cold War era, enjoys global military and political influence. To qualify as a superpower a state must be an active participant "in processes of securitisation and desecuritization in all, or nearly all, of the regions in the system."[47] *Great powers*, such as Russia, China, and Japan, do not possess the political and military clout to be active across all global regions; however, "what distinguishes great powers from merely regional ones is that they are responded to by others on the basis of [global-level] calculations about the present and near-future distribution of power."[48] *Regional powers* are the lowest tier powers within the RSCT framework and include countries such as South Africa, Iran, and Brazil. The power of these states enable them to exert significant influence over their region, but they hold little sway at the global level.[49]

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[46] Buzan and Wæver argue that "neorealism provides the better template for differentiating the global and regional levels of our security constellations, yet there remains a problem within the neorealist concept of polarity as the key to the system-level security structure." They continue that "the formation of RSCs derives from the interplay between, on the one hand, the anarchic structure and its balance-of-power consequences, and on the other the pressures of local geographical proximity." Buzan and Wæver, *Regions and Powers*, 30, 45-46.
[47] Buzan and Wæver, *Regions and Powers*, 35.
[48] Buzan and Wæver, *Regions and Powers,* 35.
[49] Buzan and Wæver, *Regions and Powers,* 37.

Drawing on the three-tiered definition of polarity, Buzan and Wæver classify RSCs into four broad categories: standard, centered, great power, and supercomplexes. These categories, described in table 1, will be used during the case studies to conceptualize, in broad terms, the regional dynamics within which Australian grand strategy developed. Two additional categories of RSC are also relevant to the use of RSCT to analyze Australian grand strategy: *overlay* and *unstructured* RSCs.[50] An overlay RSC refers to a situation in which external great powers dominate the region to such an extant that local patterns of securitization are subsumed by the external patterns. Africa during the colonial period is an archetype of this form of RSC. Unstructured RSCs exist where, for various reasons, patterns of mutual securitization do not develop between regional states. The South Pacific during the postwar period was an unstructured RSC.

RSCs provide structure to the securitization process. Whereas securitization focuses on the state's perceptions of security, RSCs provide the mechanism through which state-centric perspectives of security are connected into the broader regional and global systems with which they must necessarily interact. Built upon these mutually reinforcing concepts, RSCT provides a useful analytic framework for understanding the driving forces behind the development of Australian grand strategy.

[50] Buzan and Wæver, *Regions and Powers,* 61-62.

Table 1: Summary of types of security complex

Type	Key Features	Examples
Standard	Polarity determined by regional powers.	Middle East, South America
Centered	Unipolar centered on a superpower, great power, or regional power.[51]	North America (superpower), South Asia (great power), and Southern Africa (regional power)
Great Power	Bi- or multi-polar with great powers as the regional poles.	East Asia
Supercomplex	Strong interregional level of security dynamics arising from great power spillover into adjacent regions.	Asia

Source: Adapted from Busan and Wæver. Regions and Powers, 62.

Regional Security Complex Theory and Australian Grand Strategy

The following three chapters explore the development of Australian grand strategy in response to changes in the great power dynamics within the Asia-Pacific region. RSCT provides the analytic framework to identify the regional dynamics that shaped Australian perceptions of security. The analysis will focus on three RSCs: Northeast Asia, Southeast Asia, and the South Pacific. The states comprising these regions have been the focus of Australian concerns over its security and prosperity since Federation. With an appreciation of the regional dynamics, the analysis turns to examining the factors shaping Australia's national interest. This includes a overview of Australia's economic and trade situation, followed by a sector analysis of the three sectors outlined

[51] Buzan and Waever also include institutionally centered RSCs in their classification system; however, this is presently limited to the EU. As the EU is not of direct relevance to this thesis, institutionally centered RSCs have not been examined in this thesis.

above in order to identify Australia's conception of its security interests during each period. The chapters conclude with an examination of Australian foreign and defense policies and an assessment of the degree of independence evinced in the resulting grand strategy. This provides the methodological basis for defining the relationship between great power dynamics and Australian grand strategy.

In accordance with this methodological approach, the following chapters are divided into five sections:

1. An overview of the global and regional situation during the period of the case study.

2. A state-focused overview of the great power dynamics in the region.

3. A summary of Australia's economic and trade situation.

4. A sector analysis of Australian security.

5. A summary of Australian foreign policy and military strategy during the relevant period which is synthesized with the preceding four sections to determine how Australian grand strategy has adapted to changes in great power dynamics.

The Asia-Pacific region has undergone a significant transformation over the past one hundred years. From being a playground for the European powers prior to the Second World War, Asia has now become the global economic powerhouse.[52] As this transformation has unfolded, Australian grand strategy was evolving as the country sought to establish its position, regionally, and globally, as an independent state. This evolution is continuing as Australia enters its second century of statehood. By shedding light on how the development of Australian grand strategy has been shaped by great power dynamics in the region, the chapters that follow will provide an insight into Australia's willingness and ability to chart an independent path through the vagaries of international politics. With an understanding of the past, it will be possible to look to the future and assess if Australian can indeed chart a safe path between the Asian Scylla and the Pacific Charybdis.

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[52] National Intelligence Council, *Global Trends 2030: Alternative Worlds*, Kindle ed. (Washington, DC: National Intelligence Council, 2012), loc. 3406.

CHAPTER 2

Willful Dependency: Australian Grand Strategy, 1919-1941

> *I do not mean by this that we are to act in the Pacific as if we were a completely separate power; we must, of course, act as an integral part of the British Empire.*
>
> Prime Minister Robert Menzies (1939)

The Australian government's *Australia in the Asian Century* White Paper, released in 2012, suggests that Australians have only recently acknowledged the need to accept geographic reality and embrace the opportunities offered by their location in the Asia-Pacific region. This is incorrect. Australian statesmen and politicians have long accepted that Australia's destiny is tied directly to its geographic position. Prime Minister Robert Menzies captured this sentiment well in 1939 when he explained the reasons for selecting Tokyo and Washington as the destinations for Australia's first diplomatic representatives: "We will never realise our destiny as a nation until we realise that we are one of the Pacific Powers … Our primary responsibilities are around the fringes of the Pacific Ocean."[1] The difference between now and then is not the understanding of the need to engage, but the question of how to do so. As Australia slowly emerged from behind the apron of the Mother Country during the interwar period to face a dynamic and hostile Asia-Pacific region, its government quickly appreciated the daunting strategic challenge that it faced: How to protect a geographically isolated nation of 7 million Britons from the rising power of Asia, Japan? This would be a defining question for Australian policymakers during the interwar period.

1919-1941: An overview

The seeds of the Second World War were sown in Paris in 1919. Though it is true that American idealism, British imperialism, French revanchism, and Japanese nationalism mixed together in Versailles to create a compromise post-war international system that failed to address the political fault lines upon which the system itself was built, Versailles was a symptom not the cause of

[1] National Archives of Australia (NAA): A981, MIG 52 Part III.

the great power dynamics that ignited the global conflagration in 1941. However, while pre-war great power dynamics persisted beyond 1919, there were two fundamental differences between the pre-1914 international system and that of the interwar period. First, the structure of the interwar international system was more fragile.[2] Second, there was a shift in power from Europe to the Pacific with the emergence of Japan and the United States as great powers.[3] Both influenced Australian security and its nascent grand strategy.

Global dynamics

Three factors shaped the international system during the interwar period: impotent multilateralism, economic chaos, and the rise of revisionist powers. Each alone was insufficient to reshape the international system; however, together these forces played a critical role in propelling the world towards war.

The League of Nations was the crown jewel of the post-1919 international system. By embracing collective security as the foundation of international order, the League aimed to do away with the entangling alliances that had provided the framework for the 1914 European tinderbox. In reality, the League's lack of an enforcement mechanism and reliance "primarily and chiefly upon one great force … the moral force of the public opinion of the world," made it largely ineffectual.[4]

The League was not the only noble but flawed attempt at promoting world peace. On 27 August 1928, 15 states signed the Pact of Paris, also known as the Kellogg-Briand Pact, renouncing "war as an instrument of national policy in their relations with one another."[5] Other states soon ratified

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[2] Paul Kennedy, *The Rise and Fall of the Great Powers: Economic Change and Military Conflict From 1500 to 2000,* Kindle ed., (New York: Vintage, 1987), loc. 6245.
[3] David Reynolds, *Britannia Overruled: British Policy and World Power in the 20th Century*, 2nd ed., (Essex, UK: Longman, 2000), 19.
[4] Taken from Woodrow Wilson's statement to the Peace Conference on 14 February 1919. Quoted in Henry Kissinger, *Diplomacy*, Kindle ed., (New York: Simon & Schuster, 1994), 52.
[5] The fifteen signatories were Germany, the United States of America, France, Great Britain and Northern Ireland, Canada, Australia, New Zealand, South Africa, Irish Free State, India, Italy, Japan, Poland, and the Czechoslovak Republic. Avalon Project, "Kellogg-Briand Pact 1928," Yale University, http://www.yale.edu/lawweb/avalon/imt/kbpact.htm (accessed 24 January 2013).

the Pact, thereby "officially ... [consigning] war to oblivion."[6] As with the Covenant of the League of Nations, the Pact of Paris carried only the power of international morality to enforce its articles. Indeed, US Secretary of State Frank Kellogg, one of the Pact's principal drafters, denied that ratifying the Pact created any obligations for the United States to enforce its articles.[7]

Together, the League and the Pact formed the institutional basis for a utopian solution to the problems that had plagued the international system. The statesmen and diplomats had built elaborate structures upon which the peace of the world would rest; however, they built them upon the unsteady sands of morality. Accordingly, when the tidal wave of the Great Depression crashed first on the shores of America and then spilled across the globe, the fragile international order buckled and eventually collapsed.

The Great Depression began a year after the signing of the Pact of Paris. The economic chaos that ensued shattered the international harmony that had defined the first decade of the interwar period. In response to the economic crisis, the world split into rival trade blocs based on the sterling, gold, yen and the US dollar, fracturing an already damaged international trade and monetary system.[8] Damage to the international economic system could not be prevented from spilling over into the international political system. George Herring, a historian of US foreign policy, highlights that as a result of the Depression "in Europe and East Asia, economic dislocation provoked political and military challenges not simply to the regional status quo but to the entire postwar structure of peace."[9] Faced with mounting domestic pressures, some states turned inward, adopting beggar-thy-neighbor economic policies, while others turned outward seeking to use expansion and conquest to channel domestic unrest in support of a revision of the international system. It would be these

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[6] Norman A. Graebner and Edward M. Bennett, *The Versailles Treaty and Its Legacy: the Failure of the Wilsonian Vision* (New York: Cambridge University Press, 2011), 82.
[7] Graebner and Bennett, *The Versailles Treaty and Its Legacy*, 82.
[8] Kennedy, *The Rise and Fall of the Great Powers,* loc. 6359.
[9] George C. Herring, *From Colony to Superpower: U.S. Foreign Relations Since 1776*, Kindle ed. (New York: Oxford University Press, 2008), 478.

revisionist powers that, starting in 1931, would lead the world along the path to war.[10]

The two great revisionist powers, Germany and Japan, emerged from the Paris Peace Conference dissatisfied with the outcome, considering themselves victims of the peace process.[11] Though this is not a surprising outcome for Germany as a defeated power, Japan's treatment by its wartime allies, in particular in relation to the defeat of the racial equality clause in the Covenant of the League of Nations, created a nation that harbored a bitter resentment towards the Western powers. Racist immigration policies adopted by states such as Australia and the United States during the interwar period further stoked this resentment. In Japan and Germany, rising nationalistic sentiments were fueled by radical elements within each society, and when these sentiments combined with political instability caused by the economic hardship of the Depression, a match was lit that would ignite the world into the conflagration of the Second World War.

Regional dynamics

The Asia-Pacific region during the interwar period defies easy classification within RSCT. Buzan and Wæver argue that, until 1945, the world was a single region dominated by the security interdependences of the European imperial powers, with three notable exceptions: China, Japan, and the United States.[12] These states exercised a degree of independent action, which created a security dynamic unique to the Asia-Pacific region. Shaped by the interplay of the colonial interests of the European powers, predominantly British, with those of an increasingly confident and assertive Japanese Empire, and an idealistic yet insular United States, the Asia-Pacific region during the interwar period was a multipolar Great Power RSC.

The relative power between the region's dominant states shifted throughout the course of the interwar period in response to international pressures, economic realities, and strategic considerations. Given the region's inherent maritime focus, the balance of power related directly to each state's

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[10] The Japanese invasion of Manchuria in 1931 marks the commencement of the path to war in the Pacific. Herring, *From Colony to Superpower*, 487.
[11] Graebner and Bennett, *The Versailles Treaty and Its Legacy,* 59.
[12] Barry Buzan and Ole Wæver, *Regions and Powers: The Structure of International Security*, (Cambridge, UK: Cambridge University Press, 2003), 15.

naval capacity and capability. During the interwar period, the powers assigned a high priority to carefully managing the region's balance of maritime power, and avoiding a costly naval arms race. To that end, three conferences were held—Washington in 1921-1922, London in 1930, and again in 1935—with the express intention of placing limits on global naval power.

The Five-Power Pact, signed in Washington on 6 February 1922 by representatives of the United States, the British Empire,[13] Japan, France, and Italy, marked the "first time in recorded history [that] the Great Powers voluntarily surrendered their freedom to arm as they pleased."[14] The Pact placed two major limitations on naval power in the Pacific; first, it placed a ceiling on the tonnage and number of capital ships that the signatories could construct, modify, or acquire. The capital ship tonnage ratio for the key treaty signatories—the United States, the British Empire, and Japan—was 5:5:3 respectively.[15] Second, in accordance with Article XIX of the Pact, the United States, Japan, and Britain agreed to maintain the status quo in relation to the fortification of their "insular possessions" in the Asia-Pacific.[16] This provision essentially froze the British fortification of Hong Kong, and precluded the fortification of Guam and the Philippines by the United States.

Japan was the greatest beneficiary under the terms of the Five-Power Pact.[17] As a solely Pacific power, the Pact essentially handed numerical superiority to the Japanese as the United States and Britain were forced to split their fleets across numerous theaters.[18] Moreover, the restrictions on fortifications limited the power projection capabilities of the Western powers into the Western Pacific and East Asia. Unable to secure their ports close to the Japanese home islands, Great Britain and the United States would be forced to

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[13] As the contracting party to the Pact was the "British Empire," the total allowable naval tonnage for the British included ships of British Dominions and Commonwealth countries. John M. Maki, ed., *Selected Documents: Far Eastern International Relations (1689-1951)* (University of Washington, 1951), 150.
[14] Warren Cohen quoted in Herring, *From Colony to Superpower*, 454.
[15] Haruo Tohmatsu and H. P. Willmott, *A Gathering Darkness: the Coming of War to the Far East and the Pacific, 1921-1942* (Lanham, MD: SR Books, 2004), 7-8.
[16] Maki, *Selected Documents*, 152.
[17] Graebner and Bennett, *The Versailles Treaty and Its Legacy,* 92.
[18] Herring, *From Colony to Superpower*, 454.

base their fleets further from the areas of potential strategic competition: in Singapore and Hawaii rather than in Hong Kong and the Philippines.

Though placing limitations on the states in the region, the Five-Power Pact did not mark the end of the naval arms race in the Pacific. Limited to capital ships, the Pact still allowed for the construction of auxiliary vessels, such as cruisers. The United States led efforts to extend the limitations to cover auxiliary vessels; however, failing to gain the necessary consensus during initial talks in Geneva in 1927, in 1929 the United States announced plans for the construction of 15 new cruisers.[19] This spurred a response from Britain and Japan, and a second round of naval arms limitation talks were held in London in 1930.[20]

The outcome of the 1930 London Conference was a more complex arrangement than that agreed to in Washington eight years earlier.[21] Japanese naval strength would remain below that of the United States and Britain in most classes of ship, though the difference had been lessened and parity in submarines was agreed upon. The London Naval Treaty signed on 5 June 1930, much like its 1922 counterpart, was not perfect; but the fact that agreement had been reached boded well for the prospects for peace in the Asia-Pacific region.[22] However, "the London Conference marked the end of cooperation and the beginning of an era of conflict."[23]

By the time the three major powers in the Asia-Pacific region met again in London in 1935 to renegotiate the terms of the two naval limitations treaties, due to expire at the end of the year, the fissures that had existed between them earlier in the decade had grown into chasms.[24] Japan, which had invaded Manchuria in 1931, had become increasingly militaristic and expansionist, and

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[19] Herring, *From Colony to Superpower*, 479.
[20] Herring, *From Colony to Superpower*, 479.
[21] The London Naval Treaty subdivided cruisers between light and heavy cruisers and set allowable tonnage between the three powers at different levels. For heavy cruisers, those with 8-inch guns, construction was limited to 18 for the United States, 15 for Britain, and 12 for Japan. Allowable for tonnage for light cruisers, those with 6-inch guns, were at a tonnage for 143,500; 192,200; 100,450 for the United States, Britain, and Japan respectively. A ratio of 10:10:7 was agreed for destroyers. Parity between the powers was agreed to in relation to submarines. NAA: A5954, 958/2.
[22] Harley Farnsworth MacNair and Donald F. Lach, *Modern Far Eastern Relations*, 2nd ed. (New York: D. Van Nostrand Company, 1955), 238.
[23] Herring, *From Colony to Superpower*, 480.
[24] MacNair and Lach, *Modern Far Eastern Relations*, 382.

was no longer willing to accept parity. While acknowledging Japan's right to equal security, delegates from the United States and Britain argued that the geography of the region and the disposition of their Asia-Pacific possessions required a greater naval strength than Japan's; naval parity was not an option.[25] With parity ruled out, the Japanese withdrew from the conference on 15 January 1936, and in June announced that Japan would not adhere to the treaty signed in London in March 1936.[26] Thus began a naval arms race in the Asia-Pacific region that increased the cadence of the powers' march to war.[27]

Underlying these ultimately failed efforts to avoid, or at least curtail, a naval arms race in the Asia-Pacific region were the security interdependences that began to emerge between the region's major powers during the interwar period. These interdependencies were addressed in the first treaty signed during the Washington Conference, the Four-Power Pact signed on 13 December 1921.

The Four-Power Pact was signed by representatives of the United States, the British Empire, France, and Japan.[28] It was an undertaking to respect the other signatories' "rights in relation to their insular position and insular dominions in the region of the Pacific Ocean," and that should "said rights be threatened by the aggressive action of any other Power, [the signatory powers] shall communicate with one another fully and frankly in order to arrive at an understanding as to the most efficient measures to be taken, jointly or separately, to meet the exigencies of the situation."[29] Although implicitly acknowledging the potential for great power rivalry, the Pact lacked enforcement mechanisms to maintain peace in the region, other than an undertaking to "communicate."[30] Moreover, article IV of the Pact explicitly terminated the Anglo-Japanese Alliance that had regulated Japan's relationship with the

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[25] Norman H. Davis, "The New Naval Agreement." *Foreign Affairs* 14, no. 4 (July 1936): 578–583, 579.
[26] Davis, "The New Naval Agreement," 579.
[27] Tohmatsu and Willmott, *A Gathering Darkness*, 40.
[28] Maki, *Selected Documents*, 149.
[29] Maki, *Selected Documents*, 149.
[30] Article II of the Pact states that "If the said rights are threatened by the aggressive action of any other Power, the High Contracting Parties shall communicate with one another fully and frankly in order to arrive at an understanding as to the most efficient measures to be taken, jointly or separately, to meet the exigencies of the situation." Maki, *Selected Documents*, 149.

British Empire since it was first signed in 1902.[31] From 1921 onwards, the great power dynamics in the Asia-Pacific region were based upon undertakings to seek understanding that were not backed with the threat of force. Two decades later the fragile fabric of regional order created by the Four-Power Pact would be ripped apart as the Japanese sought to establish a new Japanese-centric Asia order, free of British and American influence.

The Great Powers: Japan, Great Britain, and the United States

It was Japan's relationship with Great Britain and the United States that would exert the greatest influence on Australian grand strategy during the interwar period. Though the French and Dutch had significant colonial possessions in Asia and the Pacific, their role in defining Australian security interests were minimal. Accordingly, this section will focus on the great power dynamics that developed in the region as a result of the grand strategies pursued by Japan, Great Britain, and the United States.

Japan

Two factors shaped Japan's interwar grand strategy: the desire to relieve the domestic pressures on the state caused by a burgeoning population and the economic ravages of the Depression, and Japan's vision of itself as the "leader of Asian independence."[32] These two factors coalesced in the 1930s when Pan-Asianism fused with Japanese nationalism to provide the spark that ignited Japan's aggressive expansion at the expense of its Asian neighbors and the Western powers.[33]

Japan entered the interwar period having benefitted greatly from the First World War, both economically and territorially. During the course of the war, the decline of Western merchant traffic in the region had enabled the Japanese merchant marine to dominate trade in Asia and on the US Pacific Coast.[34] However, after the war, when the economic tsunami of the Depression hit the Japanese mainland, these advances were reversed when the system of international trade fractured into protectionist blocs, resulting in Japanese

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[31] Maki, *Selected Documents*, 149.
[32] Graebner and Bennett, *The Versailles Treaty and Its Legacy*, 89.
[33] Tohmatsu and Willmott, *A Gathering Darkness*, 12, 17.
[34] Tohmatsu and Willmott, *A Gathering Darkness*, 2.

industries being excluded from the external markets for their goods.[35] Compounding this economic trauma was a population crisis, presenting the Japanese government with the challenge of feeding a population growing by one million a year.[36] Faced with restrictive immigration laws that severely limited Japanese immigration to the United States, Australia, and New Zealand, the Japanese came to view Asian expansion as "a matter of life and death."[37]

These domestic pressures would find an outlet in the increasing militarization of Japanese politics; a phenomenon Tohmatsu and Willmott refer to as "government by assassination."[38] As the nascent liberal-democracy began to crumble, the military assumed greater independence in pursuing its own agenda. Eventually this would lead to the invasion and occupation of Manchuria by the Japanese Kwantung Army in 1931, the first domino to fall in Japan's Asian expansion. While Japanese expansion provided access to the food resources so lacking on the home islands, the targets of Japan's initial conquests did not possess the type and diversity of resources required by a modern industrial state undergoing rapid militarization, such as oil.[39] Accordingly, Japan set out to establish regional hegemony over Asia in order to bring the Western powers' resource rich Southeast Asian colonies under its direct control.[40]

Achieving hegemony became official policy in August 1940 with the pronouncement by the Japanese Foreign Minister that "the immediate aim of the [Japanese] foreign policy at present is to establish ... a great East Asia chain of common prosperity."[41] Through the establishment of a Greater East Asian-Co-Prosperity Sphere, Japan's euphemistic title for its planned regional hegemony, Japan hoped to address both of the major issues that influenced its interwar grand strategy.[42] The underpopulated plains of Manchuria provided

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[35] Tohmatsu and Willmott, *A Gathering Darkness*, 15.
[36] Mamoru Shigemitsu, *Japan and Her Destiny: My Struggle for Peace.* ed. Major General F. S. G. Piggott, trans. Oswald Watt, (New York: E. P. Dutton & Co, 1958), 60.
[37] Shigemitsu, *Japan and Her Destiny*, 60. Graebner and Bennett, *The Versailles Treaty and Its Legacy,* 90.
[38] Tohmatsu and Willmott, *A Gathering Darkness*, 14.
[39] Tohmatsu and Willmott, *A Gathering Darkness*, 88.
[40] Herring, *From Colony to Superpower*, 485, 530-531.
[41] Maki, *Selected Documents*, 236.
[42] Herring, *From Colony to Superpower*, 530-531.

an outlet for Japan's growing population. Control of Indo-China and the Netherlands East Indies would provide the Japanese Empire with the autarky it desperately sought. Ironically, Japan's expansion initially led to its increased dependence on the Western states for supply of the resources needed to power its industrial and military machinery.[43] The imposition of sanctions by the Western powers, in particular the US ban on oil and iron-ore exports in July 1941, therefore presented the Japanese government with the unenviable choice between a humiliating and unpalatable acquiescence to Western demands for withdrawal from its Asian conquests, or war.[44]

Japan's relationship with Great Britain and the United States had come under increasing strain as a result of Japanese expansion into China. The economic sanctions levied by the West against Japan brought these tensions to a head. Japan had long realized that imperial expansion would not be tolerated by the Western powers, and that war was a possibility.[45] The principal threat, as it had been for the duration of the interwar period, would come from the United States. Japan could not hope to match the manpower resources and industrial potential of the United States in a protracted war of attrition. This was the primary concern of Japanese naval commanders; how to achieve a quick and decisive victory over the US Asiatic and Pacific Fleets, thereby removing them as a threat to Japanese expansion into the Netherlands East Indies. With the Americans out of the picture, the Japanese advance south could proceed unhindered. The Japanese receipt in December 1940 of the minutes of a British Cabinet meeting held in August that year which implied that "Malaya and Singapore were defenseless and would continue to be so for the foreseeable future," essentially removed any doubts over the minimal threat that token British forces in the Pacific presented.[46] The rapidity with which the Japanese brushed aside British, American, and Dutch resistance in their advance southwards would see Japanese forces on Australia's doorstep within three months of the start of the war.

Great Britain

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[43] Kennedy. *The Rise and Fall of the Great Powers*, loc. 6771.
[44] Herring, *From Colony to Superpower*, 534-535.
[45] Graebner and Bennett, *The Versailles Treaty and Its Legacy*, 89.
[46] Tohmatsu and Willmott, *A Gathering Darkness*, 90.

John Maurer, Chair of Strategy at the US Naval War College, described interwar Britain as "a 'frugal superpower' that could ill afford an arms race against a rising power in Asia."[47] A drastic program of military retrenchment that began with the imposition of the Ten-Year Rule[48] in August 1919 led to the decline of the Royal Navy capacity to fulfill its role as the defender of the Empire. The Royal Navy's decline had significant implications for the security of the British Empire in the Asia-Pacific region, as the Empire's regional security strategy came to rest on the unstable pillars of Japanese strategic rationality, the ability to dispatch the Royal Navy to Singapore, should a threat become manifest, and the inevitability of American intervention. Two of these pillars would collapse in December 1941 with the Japanese invasion of Malaya and the elimination of the Royal Navy east of then Ceylon. In the end it would be the third pillar, the United States, that would secure British interests against the Japanese onslaught. Although ultimately successful, the loss of prestige Britain suffered as a result of the war adversely affected its post-war standing in the region. Accordingly, the Second World War in the Pacific was a failure in terms of British grand strategy.

With its power in the region "neutered by the Washington Conference and the economic drivers of the 1920s,"[49] key figures within the British government, including Winston Churchill, defended the vulnerability of the Empire in the Asia-Pacific region by arguing that it would be illogical for Japan to attack British interests in the region. Churchill captured this view in his statement to the July 1926 Committee for Imperial Defence (CID): "Because Japan knows perfectly well the risk she would run in attacking the British Empire … I am convinced it will not come."[50] Despite warnings from the Admiralty of the threat posed by Japan to the Asia-Pacific status quo,

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[47] John H. Maurer, "'Winston Has Gone Mad': Churchill, the British Admiralty, and the Rise of Japanese Naval Power," *Journal of Strategic Studies* 35, no. 6 (December 2012): 775–797, 778.
[48] The *Ten-Year Rule* required that the British armed forces develop their funding estimates "on the assumption that the British Empire would not be engaged in any great war during the next ten years." Paul Kennedy, T*he Rise and Fall of British Naval Mastery*, (Amherst, NY: Humanity Books, 1983), 273.
[49] Kennedy, T*he Rise and Fall of British Naval Mastery*, 283.
[50] Quoted in Maurer, "'Winston Has Gone Mad'," 789.

politicians believed that British power would eventually triumph, for, as Churchill eloquently argued in 1925:

> great as are the injuries which Japan, if she 'ran amok,' could inflict upon our trade in the Northern Pacific, lamentable as would be the initial insults which she might offer to the British flag, I submit that it is beyond the power of Japan, in any period which we might foresee, to take any action which would prevent the whole might of the British empire being eventually brought to bear upon her.[51]

At the time, Churchill's statements were not as outrageous as they now appear with the benefit of hindsight. Japanese expansion only began in the 1930s; however, by this stage the Royal Navy had become a shadow of its former self, and threats closer to home reduced Britain's ability to mount the response necessary to check the Japanese advance.[52] In the words of British statesman Leo Amery: "A great Navy, once let down, cannot be improvised in an emergency."[53]

British naval allocations dropped significantly in the aftermath of the First World War. The downward trend, evident in Figure 2, began before the Washington Conference and was more a reflection of the budgetary pressures than considered strategic decision making. This is supported by the fact that the British did not build to the allowable naval limits agreed to in Washington.[54]

The Washington Treaty limited the Royal Navy to 20 capital ships with which to defend Britain's global empire.[55] None of these capital vessels were based in Singapore; instead, Britain based its regional defense planning on the fortification of the Singapore Naval Base and the dispatch of a fleet "adequate to cope with the Japanese fleet."[56] Unfortunately, as pointed out by historian Paul Kennedy, by the time war came in 1941, "the *entire* Royal Navy would have had an enormously difficult task in taking on the Japanese alone."[57] When fleet units were dispatched in 1941, the sinking of the HMS *Repulse* and HMS *Prince*

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[51] Quoted in Maurer, "'Winston Has Gone Mad'," 789.
[52] Kennedy, T*he Rise and Fall of British Naval Mastery*, 292.
[53] Quoted in Maurer, "'Winston Has Gone Mad'," 794.
[54] Reynolds, *Britannia Overruled*, 120.
[55] Kennedy, *The Rise and Fall of British Naval Mastery*, 276.
[56] This was an assumption made during a 1928 Imperial Defence College planning exercise based on a hypothetical war with Japan in 1938. NAA: A5954, 19/4.
[57] Emphasis in original. Kennedy, *The Rise and Fall of British Naval Mastery*, 294.

of Wales not only demonstrated the vulnerability of capital ships to air attack, but also the folly of British arrogance in managing the Japanese threat.

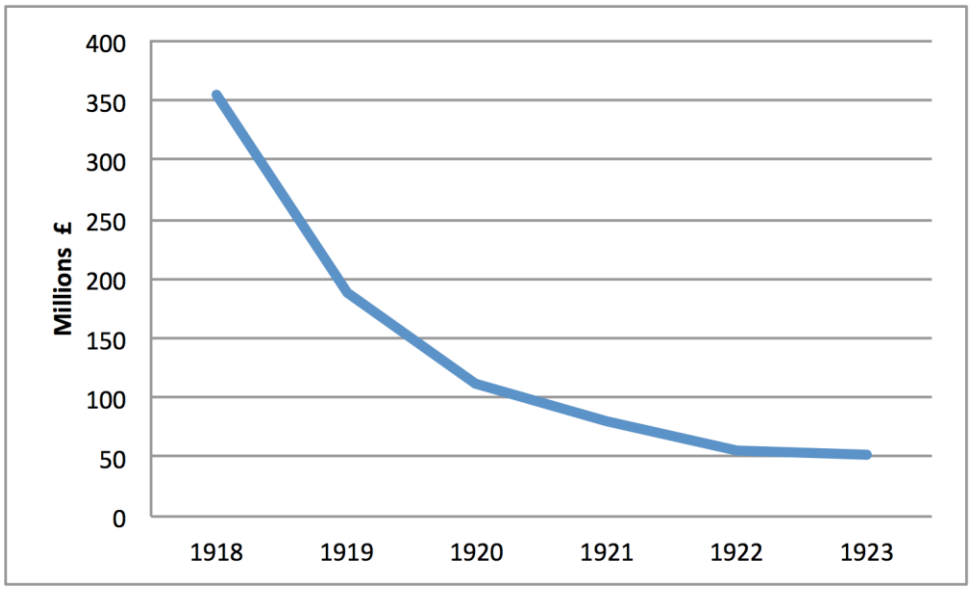

Figure 2: British Naval Allocations, 1918-1923

Source: Adapted from Kennedy, The Rise and Fall of British Naval Mastery, 276.

The issue British strategists faced during the interwar period was a declining resource base without a commensurate reduction in responsibilities. In words of political scientist Barry Posen: "Britain simply had insufficient power to defend her global interests, even if she could successfully defend herself."[58] When Italy and Germany began to threaten British interests west of the Suez, plans to dispatch the fleet to Singapore were quietly shelved.[59] Up until June 1940, the British government continued to reassure its South Pacific dominions that "no consideration for the security of British interests in the Mediterranean should be allowed to interfere with the dispatch of a fleet to the Far East."[60] However, in that month, the Australian and New Zealand governments were advised that the situation in Europe and North Africa meant that a fleet would not be sent to the Pacific in the event of Japanese aggression.

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[58] Barry R. Posen, *The Sources of Military Doctrine: France, Britain, and Germany Between the World Wars* (Ithaca, NY: Cornell University Press, 1984), 164.
[59] Kennedy, *The Rise and Fall of British Naval Mastery*, 292.
[60] Reynolds, *Britannia Overruled*, 139.

The Pacific Dominions would need to seek their protection under the aegis of US military power.[61]

Although in early 1939 an agreement had been reached between Britain and the United States that saw the bulk of the US fleet moved to Hawaii, freeing the British to concentrate its fleet in the Atlantic, the United States continued to express reluctance to assume the role of, what some characterized as, "the world's protector."[62] It would take the Japanese attack on its Pacific naval base in Pearl Harbor to propel the United States into active participation in the defense of Western interests in the Asia-Pacific Region.

United States

US grand strategy during the interwar period is generally characterized as isolationist[63]. However, this misrepresents the United States by implying that it was a great power disengaged from the world and international affairs. Throughout the interwar period, the United States remained active in promoting its interests, primarily economic in nature, by seeking to maintain an international order conducive to American economic growth.[64] American policy makers believed such an order, once achieved, could be maintained through the power of international morality embodied in the various agreements made between the great powers during the first decade of the interwar period.[65] Although it was not a member of the League of Nations, America's leading role in the creation of the Kellogg-Briand Pact and the Four-Power Pact, and its vociferous advocacy for international adherence to them, were the hallmarks of an engaged but unencumbered great power.

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[61] A statement made to the 1937 Imperial Conference by the British Chiefs of Staff. Kennedy, T*he Rise and Fall of British Naval Mastery*, 292.
[62] Kissinger, *Diplomacy*, 384.
[63] Kissinger, *Diplomacy*, 371. Herring, *From Colony to Superpower,* 502.
[64] Jeffrey Legro refers to President Warren Harding's policy in which "the United States would engage the world in finance and trade (through private parties), it would offer advice, and it would join in efforts to reduce armaments." Jeffrey W. Legro, *Rethinking the World: Great Power Strategies and the International Order* (Ithaca, NY: Cornell University Press, 2005), 57. This approach is also reflected in President Coolidge's statement that "the business of America is business." Herring, *From Colony to Superpower,* 445.
[65] Kennan highlighted that "the tendency to achieve our foreign policy objectives by inducing other governments to sign up to professions of high moral and legal principle appears to have a great and enduring vitality in [US] diplomatic practice." George F. Kennan, *American Diplomacy*, Sixtieth-Anniversary ed. (Chicago, IL: University of Chicago Press, 2012), 49.

The desire of its politicians to remain unencumbered in its international dealings was the main reason for America's conspicuous absence from the table of the League of Nations. Henry Kissinger attributes America's reluctance to ratify the Covenant of the League to the fact that "the country was not yet ready for so global a role."[66] However, as Herring accurately asserts, such a view "grossly misread[s] what actually happened."[67] The objections raised by leading isolationists were not against America assuming a prominent role in global affairs, but against binding America to action before the fact.[68] American initiative in the international arena was clearly evident in the decision to hold the Washington Conference of 1921-1922. The three pacts signed by the world's great powers during that conference were intended to guide and regulate international behavior. Moreover, the lead US role in the global renunciation of war following the signing of the Kellogg-Briand Pact promised to usher in an enduring era of world peace. The effectiveness of these international undertakings that were not backed by force was tested soon after they took effect.

In response to the 1931 invasion of Manchuria, the United States implemented the Stimson Doctrine, a policy approach that saw the non-recognition of gains made in violation of international agreements as the first step in an escalating policy framework that included economic and military sanctions, and which did not rule out an eventual resort to war.[69] The US administration's greatest concern was not with the territorial integrity of China, however, but the implications that the Japanese violation of the Kellogg-Briand Pact would have on an international structure built upon moral and legal undertakings. Despite its demonstrated long-term interest in supporting Chinese political and territorial integrity, America was still reticent to appear to

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[66] Kissinger, *Diplomacy*, 54.
[67] Herring, *From Colony to Superpower,* 482.
[68] Senator William Borah was one of the leading isolationists and stated his opposition to the League Covenant in the following terms: "What we want is … a free, untrammeled Nation, imbued again with the national spirit; not isolation but freedom to do as our own people think wise and just." Quoted in Herring, *From Colony to Superpower*, 429. Congressman Ogden Mills expressed similar sentiments stating that "we believe that the United States can better serve by maintaining independence of action than by pooling her influence in advance." Quoted in Graebner and Bennett, *The Versailles Treaty and Its Legacy*, 69.
[69] Graebner and Bennett, *The Versailles Treaty and Its Legacy*, 102.

commit itself to military action.[70] Stimson's refusal to endorse the 1931 League of Nations resolution for Japan to withdraw from Chinese territory, for fear that it would commit the United States to use military force should the Japanese not comply, confirmed for the international community America's desire to remain unencumbered by requirements to apply military force in defense of foreign interests.[71] The lack of a US response to the sinking of the USS *Panay* by Japanese aircraft in 1937 demonstrated the depth of this desire.

As the threat to its interests, both economic and ideological, grew in the late 1930s, America began to transition from neutrality to nonbelligerency.[72] "In 1940–41," Herring points out, "Americans began to think and talk of national security in ways they had not since the early republic."[73] Two weeks after the German invasion of France began in May 1940, Roosevelt addressed the nation stating that:

> to those who have closed their eyes for any of these many reasons, to those who would not admit the possibility of the approaching storm—to all of them the past two weeks have meant the shattering of many illusions. They have lost the illusion that we are remote and isolated and, therefore, secure against the dangers from which no other land is free.[74]

America was not only to rearm, but would become "the arsenal of democracy."[75] However, despite the expressed solidarity with the British Empire's struggles against the Axis powers, the commitment of US forces

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[70] The Open Door notes, and the Nine-Power Pact and supporting resolution relating to China signed at the Washington Conference in 1922, demonstrate America's active interest in the China issue.
[71] Graebner and Bennett, *The Versailles Treaty and Its Legacy*, 96.
[72] This shift was referred to in Roosevelt's speech to the University of Virginia on 10 June 1940. Roosevelt stated: "In our American unity, we will pursue two obvious and simultaneous courses; we will extend to the opponents of force the material resources of this nation; and, at the same time, we will harness and speed up the use of those resources in order that we ourselves in the Americas may have equipment and training equal to the task of any emergency and every defense." Franklin D. Roosevelt, President, United States of America (address, University of Virginia, Charlottesville, VA, 10 June 1940) http://millercenter.org/president/speeches/detail/3317 (accessed 1 February 2013).
[73] Herring, *From Colony to Superpower*, 526.
[74] Franklin D. Roosevelt, President, United States of America (fireside chat, Washington, DC, 26 May 1940) http://millercenter.org/president/speeches/detail/3316 (accessed 1 February 2013).
[75] Franklin D. Roosevelt, President, United States of America (fireside chat, Washington, DC, 29 December 1940) http://millercenter.org/president/speeches/detail/3319 (accessed 1 February 2013).

remained out of the question.[76] It would take a direct attack against its territory for the United States to commit its vast military potential to the conflict.

By forcing the United States into a military commitment in support of the Allies, Japan's attack on Pearl Harbor counteracted years of Britain's strategic neglect of the Asia-Pacific region. This drove a fundamental shift in Australian grand strategy as Australia turned to the United States for its security "free from any pangs as to [its] traditional links or kinship with the United Kingdom."[77]

Australia: 1919-1941

Australian Prime Minister John Curtin's statement in 1941 enraged Churchill.[78] Although the Federation of the British colonies in 1901 had created an independent state, the bonds of Empire remained firm and the requirements of the Mother Country continued to guide Australia's external relations into the 1940s. The first test of these bonds came in 1914 as Australia followed Great Britain into the First World War. The war was a baptism of fire for the newly federated Commonwealth of Australia. The young nation enthusiastically committed itself to war: 416,809 enlisted out of a population of less than five million.[79] Though the war would extract a terrible human toll on the nation, it was instrumental in shaping Australia's future. It would provide the foundation for a national identity built upon the actions of the Australian and New Zealand Army Corps (ANZAC), fighting for King and country on the shores of Gallipoli and in the trenches of France and Belgium. The war also spurred Australia's economic growth during the interwar period. Paul Kennedy points out that the economies of states removed from the

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[76] Roosevelt specifically addressed the question of the deployment of US forces to fight in Europe in his "Arsenal of Democracy" fireside chat, stating that "there is no demand for sending an American Expeditionary Force outside our own borders. There is no intention by any member of your Government to send such a force." Franklin D. Roosevelt, President, United States of America (fireside chat, Washington, DC, 29 December 1940) http://millercenter.org/president/speeches/detail/3319 (accessed 1 February 2013).

[77] Extract from Prime Minister Curtin's article in *The Age* on 27 December 1941. NAA: A5954, 654/27

[78] *Australian Dictionary of Biography,* s.v. "John Curtin" (by Geoffrey Searle) http://adb.anu.edu.au (accessed 19 April 2013)

[79] Australian War Memorial, "First World War 1914-1918," http://www.awm.gov.au/atwar/ww1.asp (accessed 4 February 2013)

devastation of the European front lines "found their economies stimulated by the industrial, raw-material, and foodstuffs demand of a Europe convulsed by a war of attrition."[80] Australia emerged from the war as a prosperous state with a new, nationalist identity; however, Australian grand strategy continued to reflect the primacy of the bonds of Empire over geographic reality. Though the Australian government began to embrace its position in the Asia-Pacific region during the final years of peace, Australia's Empire-centric policies would play a decisive role in its relations with the Pacific powers.

Australian prosperity

The Australian interwar economy was built on commodities: wool, wheat, and base metals made up 70 percent of Australian exports during the interwar period.[81] Australia's abundance of natural resources was a source of national pride; however, the promotion of an image of "vast empty spaces" and of Australia as "treasure house" of resources created tensions with its less resource-endowed and more densely populated Asia-Pacific neighbors.[82] On 20 May 1941, the Japanese newspaper *Kokumin* published an article supporting a southward advance, stating: "Are we not waiting with outstretched hands to develop the virgin lands of Australia and New Zealand? Of course, these resources are not ours, and we do not intend to attack these areas, but this natural treasure house is by rights the very life of 1,150,000,000 people of Greater East Asia, and is a boon to be bestowed upon them that they may prosper."[83]

Concern over the implications for Australian security stemming from the perpetuation of such "false ideas" as to the extent of Australia's resource abundance led the Australian Minister in Tokyo to recommend that "influential persons from abroad should be induced to visit [Australia's] arid areas," and Australian geography books should be reviewed "in order to avoid the risk of

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[80] Kennedy, *The Rise and Fall of the Great Powers,* loc. 6276.
[81] NAA: A5954, 190/8.
[82] NAA: A981 MIG 52 Part III.
[83] Quoted in a Department of External Affairs, *"White Australia" and "Unlimited Resources" in Japanese Opinion*. (Sydney, NSW: Department of External Affairs: n.d), 1. NAA: A981 MIG 52 Part III

giving misleading ideas to [its] own people of [Australian] productive capacities and limitations."[84]

Exacerbating the tension over resources was an Australian trade policy that favored trade within the British Empire over that with its regional neighbors. In 1939, 69 percent of Australian exports were to countries within the British Empire, compared with 22 percent to non-Empire Pacific countries; imports were less skewed as 59 and 41 percent, respectively.[85] This perceived imbalance in trade was regarded by the Japanese as "unnatural," as it ignored not only the benefits of geographic proximity, but also the complementary nature of the Australian and Japanese economies.[86] However, as a Department of External Affairs memorandum pointed out in an official response: "Geographical position is not the sole factor determining the direction of a nation's trade."[87] Empire was the driving force behind Australian trade policy.

Prior to the Depression of 1929, Australia maintained one of the highest sets of tariff barriers in the world: imports that were not prohibited were taxed at between 10 and 50 percent.[88] When the Depression hit and the world split into rival currency-based trading blocks, Australia aligned itself with Great Britain as part of an Imperial Preference system. The system did not remove tariff barriers completely, but reduced both tariff and non-tariff barriers to a level that would facilitate trade between Australia and the United Kingdom in certain industries.[89] It is worth noting that the Imperial Preference system

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[84] The Minister stated that "Upon this vital matter we face a hostile world. We can, I believe, go far to disarm that hostility if, in addition to changing the manner of presentation and execution of our policy [referring to the White Australia policy discussed below] as already suggested, we ourselves recognise the real limitations of our resources and take steps to see that others are accurately informed upon this subject." Underline in original. J. G. Latham, Australian Legation Tokyo, to Department of External Affairs, memorandum, 29 May 1941. NAA: A981 MIG 52 Part III.

[85] Department of External Affairs, *Publications etc.* (Sydney, NSW: Department of External Affairs: 20 February 1941), 1. NAA: A5954, 190/8.

[86] NAA: A5954, 190/8.

[87] Department of External Affairs, *Publications etc.* (Sydney, NSW: Department of External Affairs: 20 February 1941), 1. NAA: A5954, 190/8.

[88] David L. Glickman "The British Imperial Preference System," *Quarterly Journal of Economics* 61, no. 3 (May 1947): 439–470, 445.

[89] The dominions sought to ensure a degree of industry protection, even from the British industries. This mainly had to do with "secondary industries" such as steel and motor vehicle production. Glickman "The British Imperial Preference System," 462. H. V. Hodson. "Before Ottawa." *Foreign Affairs* 10, no. 4 (July 1932): 589–599, 592.

discriminated against non-Empire countries equally. Trade with the United States was as much affected by Australia's adoption of the Imperial Preference trade policy as trade with Japan: the highest-level tariffs were imposed on merchandise from both countries.[90] In response to Australia's implementation of the Imperial Preference system—in the form of the 1936 Trade Diversion Plan—the United States revoked Australia's most-favored-nation status resulting in a 5 percent drop in imports from fiscal year 1936-37 to 1937-38.[91] Trade diversion was not the only legislative measure employed by the Australian government that reflected a national preference for Empire, Australian immigration policy, in particular the White Australia Policy—an immigration policy that severely restricted non-European migration to Australia—reinforced the importance of the Empire connection in Australian society.

A discussion of Australia's controversial White Australia Policy may seem out of place in a section dealing with national prosperity; however, during the latter years of the interwar period, the Australian government increasingly sought to justify the policy in economic terms.[92] Sir Frederick Stewart, Minister for External Affairs between 1940-41, asserted that the policy was aimed at excluding "persons who might work for less than a fair reward and whose exploitation would pull down the standard of living."[93] The truth of such an assertion is not as important for the purposes of this thesis as the implication of the policy's continued effect on Australia's Asia-Pacific relations.

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[90] Glickman, "The British Imperial Preference System," 462.
[91] US imports of Australian products fell from £8.727,000 to £2,695,000. Glickman, "The British Imperial Preference System," 462.
[92] Sydney, "The White Australia Policy." *Foreign Affairs* 4, no. 1 (October 1925): 97–111, 104. Australian Minister to Tokyo, John Latham, argued that there was an "excellent case for the White Australia Policy … on other than racial grounds. Our objective … is at least as much economic as racial. It cannot be denied, of course, that certain aspects of this policy have their roots deeply embedded in basic, religious, racial, patriotic, and philosophic concepts. On the other hand, the policy owes its origin more to economic considerations than any others. With the growth of modern machinery and organisation, the need for 'Coolie' labour is passing, and with it goes much that is internationally offensive in our policy of Australia for the white man." Sir John Latham, Australian Legation Tokyo, to Sir Frederick Stewart, Department of External Affairs, draft memorandum, n.d, 4. NAA: A981 MIG 52 Part III.
[93] Sir Frederick Stewart, "Australia and the Pacific" (draft chapter, Department of Information, 1941), 2. NAA: A981 MIG 52 Part III.

Australian immigration policy, like its trade policy, sought to strengthen Australia's links to the Mother Country and the Empire. This did not mean the Australian government ignored geostrategic reality and closed its eyes to the proximity of the threats and opportunities in the Asia-Pacific region; it was simply that the idea of *Australia* remained inextricably connected to its British roots.

Australian Securitization: 1914-1941

The identity crisis that the Australian government faced during the interwar period, and its associated effects on the referent objects of Australian securitization, were summed up eloquently by Senator George Pearce in his speech to the Australian Senate during the debate over the ratification of the treaties signed during the Washington Conference:

> The Far-East is our Far-North. We are of European race. Our fathers came from Europe; we have grown up to think as Europeans, and our interests have been centered in that group of nations from which our stock has come. Whilst racially we are European, geographically we are Asiatic. Our own special immediate Australian interests are more nearly concerned with what is happening in China and Japan than with what is happening in Belgium and Holland. War in the East, or the causes of war there, mean infinitely more to us from our Australian point of view than anything that may happen in Belgium, Holland, Poland, or other countries farther removed.[94]

During the interwar years, Australia's national identity remained largely synonymous with that of Britain—99 percent of the respondents in the 1932 Census identified themselves as British.[95] There was, however, a strong nationalistic undercurrent permeating through Australian society, most evident in the local focus of defense policy. As a result of the dual personalities of the Australian public, interwar governments bore responsibility for identifying and managing threats to both the Australian state and to Australia's connection to the Empire. Moreover, as a small nation, the Australian government also maintained an interest in the stability of the international order established by the League of Nations and the Kellogg-Briand Pact. The following section analyzes how the Australian government identified and securitized threats

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[94] *Hansard Parliamentary Debates*, Australian Senate, 27 July 1922.
[95] Australian Bureau of Statistics, *Census of the Commonwealth of Australia 2110.0* (Canberra: Commonwealth Government Printer, June 1933), 844.

against the three main referent objects during the interwar period: Australia as a state, Australia as an organic part of the British Empire, and Australia as a liberal-democracy.

Australia as a state

The challenge of defending a land area of nearly 7.7 million square kilometers, and a coastline more 25,000 kilometers, would be one of the driving forces behind the creation of the Australian state, as the six Australian colonial governments would seek Federation partly out of a desire for collective defense.[96] Soon after Federation, Australia's territorial boundaries expanded with the acquisition of a League of Nations Mandate over the Territory of New Guinea in 1921.[97] These post-war acquisitions would extend Australian territory further north and bring it into direct contact with the southern limits of Japanese territory. As Japan's expansionist inclinations became apparent in the 1930s, the defense of Australia's mandated territories would take on greater strategic significance as they provided a buffer to the mainland.[98] However, despite the rhetoric surrounding the *Yellow Peril,* the Australian government did not securitize the threat against the Australian state.

The Japanese Empire was the clearly identified threat to Australia as a territorial entity.[99] The *Yellow Peril*, a term used on both sides of the Pacific to refer to the perceived threat emanating from Asia, was the focus of Australia's interwar strategic deliberations.[100] Driving this threat assessment was an acknowledgement of the potential lure of Australia's resource wealth and low population density that were regarded by some as making Australia an "obvious

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[96] Paul Dibb, "The Self-Reliant Defence of Australia: The History of an Idea," in *History as Policy: Framing the Debate on the Future of Australia's Defence Policy,* Ron Huskien and Meredith Thatcher eds. (Canberra, ACT: Australian National University E Press, 2007), 11.

[97] The Territory of New Guinea covered 90,000 square kilometers and included the New Guinea, New Britain, New Ireland, the Admiralty Islands, the Hermit Islands, the Ninigo Islands, Bouganville and of the Buka Islands. NAA: A1, 1928/10552, 4.

[98] The strategic importance of the Territory of New Guinea was highlighted during the public debate sparked by the German demands for the return of the territory in 1936. A Sydney Morning Herald column from 14 November 1938 sums this up stating, "New Guinea is part of the outer ring of our defences. In the hands of a foreign Power it would be a pistol pointed at our head." NAA: A518, P118/2 Part 1.

[99] A conference of Senior Australian military officers stated in 1920 concluded "The Empire of Japan remains…in the immediate future, as the only potential and probable enemy." NAA: A5954, 797/1, 6.

[100] Kennedy, T*he Rise and Fall of British Naval Mastery*, 221.

field of expansion" for its densely populated and resource Asian neighbors.[101] In February 1941, the Australian Chiefs of Staff identified the key factors that would shape the Asia-Pacific region into the foreseeable future as being Japan's expansive foreign policy, its chaotic economic situation, and the shortage of key strategic resources it was experiencing as the result of the embargoes levied against it as.[102]

Although the source of the threat to Australian territorial integrity had been identified, the extent of the threat and how it would manifest itself remained matters of debate between the Australian and British governments. During the 1920s and early 1930s, the specter of a Japanese invasion loomed large in the minds of Australian military planners. The Australian Director of Military Operations and Intelligence argued in his 1930 strategic appreciation "that in the natural course of events, as British sea power declines as a result of Parity [sic] and Disarmament, Japanese command in the Western Pacific tends to become established and the invasion of Australia more and more feasible and probable."[103] Ironically, however, as Japan's aggressive expansion began in the early 1930s, the perceived threat of a mainland invasion of Australia began to decline.

Two factors contributed to this reevaluation. First, the British believed that the Japanese would be deterred from attacking British interests in the region. In a cable to the Australian Prime Minister Robert Menzies in December 1940, Winston Churchill stated his belief that the "danger of Japan going to war with the British Empire [was] ... definitely less than it was in June after the collapse of France. Since then we have beaten off attacks of German Air Force, deterred invasion by our ever-growing land strength, and gained a decisive victory in Libya."[104] This was a continuation of Churchill's conviction, expressed forcefully during his tenure in the 1920s as Chancellor of Exchequer, that Japanese aggression against British interests in the Asia-Pacific region would be strategically irrational and therefore unlikely.[105] As late as November 1941, Churchill was convinced that the dispatch of the HMS *Prince of Wales*

[101] NAA: A5954, 39/3 No 2.
[102] NAA: A5954, 565/4.
[103] NAA: A5954, 39/3 No 2.
[104] NAA: A5954, 565/2.
[105] Maurer, "'Winston Has Gone Mad'," 796.

and HMS *Repulse* to Singapore would be a sufficient deterrent against Japanese aggression in the region.[106] The ships' eventual fate would highlight the error of Churchill's convictions.

The second factor was an objective assessment of Japanese capabilities to project force the distances required for an invasion of Australia.[107] Responding to the Australian Chiefs' of Staff appreciation of the 1940 situation in the Far East, the British Commander-in-Chief of the China Station pointed out that "shipping immediately available for [a Japanese] expeditionary force could only transport a force of some five or six divisions" and that separating available force between two or more invasions routes would be impractical. Accordingly, he found it "difficult to believe that the Japanese would wantonly disperse their initial effort in that way."[108] Singapore and the Netherlands East Indies were assessed by British, Australian, and Dutch officials as being the most likely targets for an initial Japanese advance in the region.[109] Australia's territorial defense preparations therefore focused on ensuring adequate local resources were available to repel potential Japanese raids.[110]

What is interesting about these strategic appreciations is the apparent transfer of deterrent responsibility from the Royal Navy, the traditional guarantor of British overseas interests, to the United States. Kissinger contends that an April 1939 agreement between Britain and the United States

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[106] Reynolds, *Britannia Overruled,* 141.

[107] The logistics required for an invasion of Australia were estimated by British officials to be "about 400,000 tonnes of shipping, or from 40 to 70 ships." Imperial Conference 1937: Questions Raised by Australian Delegation on Empire and Australian Defence Policy," 9. NAA: A9787, 36. Following a meeting with the British Admiralty in November 1939, Australian Parliamentarian R.G. Casey wrote a secret cablegram to the Australian Prime Minister stating "Invasion of Australia is regarded as even less likely [than an attack on Singapore] as this would involve the despatch and maintenance of a large army with a much longer line of communications, liable to be cut at any time by a British fleet arriving in the area." R.G. Casey, Member of Parliament, to Prime Minister, Australia, cablegram, 17 November 1939. NAA: 5954, 1023/1.

[108] Emphasis in original. NAA: A5954, 565/4.

[109] "Anglo-Dutch-Australian Agreement, Singapore—February 25th 1941," 1. NAA: A5954, 565/4.

[110] *Raids* were defined during the Imperial Conference of 1937 as operations "carried out by forces that are self-contained and do not depend on a line of communication for maintenance during their operation. It is characteristic of a raid that the troops executing it would be landed with a specific task." "Imperial Conference 1937: Questions Raised by Australian Delegation on Empire and Australian Defence Policy," 10-11. NAA: A9787, 36.

that freed the British to concentrate their forces in the Atlantic also implied that the "United States [would assume] responsibility for the defense of Great Britain's Asian possessions against Japan."[111] Churchill appears to have held a similar view, assuring the Australian Prime Minister in a cable sent in December 1940, that "if Japan should enter into the war, the United States will come in on our side, which will put the naval boot very much on the other leg, and be a deliverance from many perils."[112] British and Australian military officials, however, were more cautious as to the potential for American involvement, basing their 1940 Far Eastern appreciation on the assumption that the Empire could not "anticipate active United States co-operation."[113]

Irrespective of where responsibility for the deterrence of Japanese aggression lay, it is clear that Australian officials, both military and civil, discounted the threat of a Japanese invasion of the Australian mainland. By quantifying the principal Japanese threat to Australia as raids by relatively small forces, Australian and British officials reduced the perceived threat to Australia as a state. The belief in Australia's security from Japanese invasion was reflected in Menzies's statement to the House of Representatives in May 1939 that compared Japan to the United States as one of the "great and *friendly* powers in the Pacific."[114]

The belief in the absence of a Japanese threat had profound implications for Australian security. In 1939-40, the government sent five divisions of Australian volunteers to fight for the Empire in Europe and the Middle East, based on the belief that "Japan was not an enemy."[115] When Japanese forces advanced into Australian territory in January 1942, the Australian mainland lay largely defenseless with the majority of its military forces deployed to theaters west of the Suez Canal.[116] The decision to dispatch a significant number of Australian military forces to European theaters upon the outbreak of

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[111] Kissinger, *Diplomacy*, 384.
[112] NAA: A5954, 565/2.
[113] NAA: A5954, 565/2.
[114] Emphasis added. *Hansard Parliamentary Debates*, Australian House of Representatives, 9 May 1939.
[115] John Curtin, Prime Minister, Australia, to Prime Minister, Great Britain, cablegram, 15 February 1942. NAA: A5954, 573/2
[116] Tohmatsu and Willmott, *A Gathering Darkness:*, 147-48. Reynolds. *Britannia Overruled*, 140.

war in 1939 may have left Australia vulnerable to the Japanese, but it reflected the importance of a second referent object, Australia's national identity as an organic part of the British Empire.

Australia as a nation

During the Imperial Conference of 1923, Australian Prime Minister Stanley Bruce remarked that "although the members of the Empire were scattered throughout the world, they were still one people and one nation … Although we are a Commonwealth of nations, we were one people with an indivisible destiny, with one mind and with one system of development."[117] This societal identification with the Empire was a key component of Australia's national identity. No less a figure than Prime Minister John Curtin, who in December 1941 turned Australia's eyes from Great Britain to America, later stated that Australia's "loyalty to the King goes to the core of our national life. It is part of our being. That is the reason why this great continent, peopled by his subjects, is, in my view, absolutely vital. I do not consider Australia a segment of the British Empire. It is an organic part of the whole structure."[118] The nation's deep social and political connection with the Mother Country, as captured in Curtin's statement, led to any decline of the Empire abroad, or Britishness at home, being viewed as threats against Australia's national identity. This societal connection with the Empire was the second referent object that defined Australia's security interests during the interwar period.

The extent of the Australian connection to the British Empire was evident in the Australian government's response to the British declaration of war in September 1939. Rather than issuing an Australian declaration of war in solidarity with and in support of the British, Prime Minister Robert Menzies asserted that when the Crown goes to war, Australia is, by default, also at war.[119] When, on 3 September 1939, Menzies delivered his radio address to advise the nation that Australia was at war with Germany, he concluded by linking the plight of Europe to the duty of Australians: "There can be no doubt that where Great Britain stands there stand the people of the entire British

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[117] NAA: A5954, 757/4.
[118] Extract from *The Argus* dated 30 December 1941. NAA: A5954, 654/27
[119] Coral Bell, *Dependent Ally: A Study in Australian Foreign Policy* (Melbourne: Oxford University Press, 1988), 15.

world."[120] However, the ability to contribute forces directly to the European theater was initially limited to small air force and navy contingents due to the legal restrictions placed on the deployment of Australian Military Forces outside of Australian territory (discussed in greater detail below). Committing land forces to the war effort would require the establishment of an army that volunteered to serve abroad, as happened during the First World War. In his address to the House of Representatives during the first sitting following the declaration of war, Menzies expressed optimism that such an army could be formed as "support will be forthcoming because we are all Australians here, and we are all British citizens."[121] On 15 September 1939, Menzies announced the formation of a *Special Force* of one division of volunteers. Renamed the Second Australian Imperial Force (AIF), this force would grow to five divisions—6th, 7th, 8th, and 9th Divisions, and the 1st Armoured Division.[122]

The significance of the AIF is that it represented a second Australian Army, comparable to the existing Permanent Military Forces (PMF).[123] Although the creation of two armies, each comparable in size to a British Army Corps, may appear insignificant when viewed within the grand scale of the Second World War, building such a large force from a population base of just over 7 million people in 1941, represented a significant achievement for the Australian government. The success in raising the AIF also demonstrated the willingness of the Australian public to volunteer for overseas duty in service of the Empire.

What is more, the forces, once raised, were not sent to regions that were related to the direct defense of Australia. Of the AIF's five divisions, four would be deployed west of the Suez Canal and only two brigades of the 8th Division would be dispatched to Malaya to reinforce the peninsula's weak defenses. The

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[120] Museum of Australian Democracy, "Australia's Prime Ministers: Landmark Speeches." http://explore.moadoph.gov.au/trails/211-australias-prime-ministers-landmark-speeches/list?page=1 (accessed 18 February 2013)
[121] *Hansard Parliamentary Debates*, Australian House of Representatives, 6 September 1939.
[122] Australian War Memorial, "2nd Australian Imperial Force," https://www.awm.gov.au/units/unit_13201.asp (accessed 14 May 2013)
[123] By 1944 the total strength of the non-PMF component of the Australian Army was 307,000 volunteers in the AIF and 91,000 conscripts. The total size of the Army, including the PMF was 423, 526. Gavin Long, *Australia in the War of 1939-1945: Series 1—Army*, vol. 7, *The Final Campaigns* (Canberra: Australian War Memorial, 1963), 19 fn.9, 80 fn. 8.

perilous state of the defenses of Singapore and Malaya, "the key to [Australia's] defensive position in the event of war with Japan" was acknowledged by both British and Australian authorities.[124] Delegates to the Singapore Conference in October 1940 concluded that the land and air strength available to defend Malaya from a direct attack remained "far below requirements."[125] Yet in a cable sent on 1 December 1940 to the New Zealand Prime Minister and the British Secretary of State for Dominion Affairs, the Australian government pointed out that the dispatch of a brigade of the 8th Division AIF to Malaya was a temporary measure "until such time as the 8th Division A.I.F. … [could] be concentrated in the Middle East."[126]

This disposition of forces reflected the belief of the government that a "disaster to Britain as the heart of the Empire Defence would be almost a greater disaster to the Dominions."[127] Committed to the belief that the British Empire was "one people and one nation,"[128] the Australian government effectively securitized the defense of the Empire abroad.

The Australian government also took active measures in defending the British Empire at home, primarily from the perceived threat Asian migration posed to the Britishness of Australian society. The principal tool used by the government to defend against this insidious threat was the White Australia policy. The effectiveness of the policy, originally adopted in 1901, is clearly evidenced by the 99 percent of the population who identified themselves as *British* in the 1932 Census.[129] The significance of the policy to the present discussion is not that the Australian government classified Asian migration as a threat (countries such as the United States had also adopted such policies), but that the government continued to adhere to the policy even though it was acknowledged that it increased tensions with Japan, a state against which it was militarily vulnerable. In the words of the pseudonymous author Sydney: "The Australian people may risk incurring the hostility of powers to whose

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[124] NAA: 5954, 565/2.
[125] NAA: 5954, 565/2.
[126] NAA: 5954, 565/2.
[127] Comment attributed to Prime Minister Stanley Bruce at the 1923 Imperial Conference. "Australian Defence Policy to 1939. Part 8." NAA: A5954, 757/4.
[128] Prime Minister Stanley Bruce in 1923. Quoted in NAA: A5954, 757/4.
[129] Australian Bureau of Statistics, *Census of the Commonwealth of Australia 2110.0*, 844.

nationals they refuse unrestricted admission, but the danger would be far greater if those nationals were admitted and treated as a class apart."[130] Invasion by migration was seen as a greater threat than invasion by force.

Australia did not shift from its exclusionary immigration policy, even as tensions in the region began to rise during the Depression and in the lead up to the war. Noting the increasing number of articles that were appearing in Japanese newspapers in the early 1940s that attacked Australia's restrictive immigration policies and highlighted its vast open spaces, a Department of External Affairs memorandum from February 1941 commented: "The contention that it is best to let sleeping dogs lie is no longer valid. This particular dog is wide awake."[131]

In response to the concerns raised by the Australian Minister in Tokyo and from within the Department of External Affairs about the increasing tensions the policy was causing with Australia's primary military threat, ministers within the government recommended: (1) the economic justifications for the White Australia policy should be emphasized, and (2) the name should be dropped "as far as the outside world is concerned."[132] These cosmetic changes did not alter the fundamental drivers behind the adoption and continued adherence to this policy in the face of increasing regional hostility, nor its reception by those against whom it was directed; Australia attached substantial value to maintaining its social and national identification with the British Empire and was willing to accept the enmity it created with its powerful Asian neighbor.

Opposition to the policy was not limited to those excluded. The British government had expressed concern over the policy's exclusion of the Empires "colored people," in particular British subjects in India.[133] Though the wording of the policy was modified in deference to British concerns, its application remained unchanged.[134]

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[130] Sydney, "The White Australia Policy," 105.
[131] NAA: A981, MIG 52 Part III
[132] Minister of Home Security, Australia, to Minister of External Affairs, Australia, letter, 30 July 1941. NAA: A981, MIG 52 Part III.
[133] Sydney, "The White Australia Policy," 98.
[134] The requirements of the Dictation Test which lay at the heart of the policy were changed so that the test was conducted in a "prescribed language" and did not specify

It is clear from the words and deeds of both the government and the public that Australia's national identity during the interwar period was inextricably connected to that of the British Empire. Accordingly, the Australian people and their government went to extraordinary lengths to defend the Empire against threats both domestically and abroad. Their success in raising the all-volunteer AIF to serve the Empire in distant battlefields, and the continued adherence to an admittedly inflammatory immigration policy are evidence that the Australian government successfully securitized the threats posed to the British Empire both at abroad and at home.

Australia as a liberal-democracy

The final referent object to be examined during the interwar period is Australia as a liberal-democracy. This is the least refined of the referent objects as it is difficult to differentiate between Australia's commitment to liberal institutions and its focus on protecting Imperial interests in the Asia-Pacific region. Where differentiation can be found is in the discourse and actions that followed from Japanese violations of the main liberal institutions of the interwar period: the Covenant of the League of Nations, the Kellogg-Briand Pact, and the Nine-Power Pact. Australian government reactions to the Japanese expansion during the 1930s indicate that it did not securitize threats to the peace insofar as they were viewed as violations of the interwar liberal institutions.

The first test of Australia's commitment to the interwar institutions came in 1933 following the League of Nation's deliberations over the Lytton Commission Report on Japanese actions in Manchuria. In response to Opposition questioning as to the Australian government's response to Japan's refusal to honor the League of Nations decision regarding Manchuria, John Latham—Minister for External Affairs and subsequently Australia's first Minister to Tokyo—stated: "The Commonwealth Government is prepared to co-operate in any general action which may be taken by the Members of the League and other countries in the direction indicated. The Government is not prepared otherwise to limit Australian trade with the East while the trade of

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that English had to be used. This provided a degree of discretion to choose for other languages used in the Empire. How often that discretion was exercised is unclear. Sydney, "The White Australia Policy," 98.

other countries is not subject to corresponding limitations."[135] The Australian government's actions between the Manchurian Incident and the Japanese attacks on British and American interests in December 1941 consistently evinced such an unwillingness to sacrifice economic prosperity for international idealism.

Following the Marco Polo Bridge Incident and the subsequent full-scale invasion of China by Japanese forces, trade with Japan continued to be a priority for both sides of Australian politics.[136] Security concerns may have lead to the termination of iron ore exports to Japan in 1938; but, in July of the same year, a trade treaty was signed between the two countries that offered significant benefits to Australian wool exporters.[137] The government's commitment to maintaining trade relations with Japan despite its acknowledged aggression against China gained folkloric status in November 1938 when Attorney General and Minister for Industry Robert Menzies intervened in an industrial dispute at Port Kembla in which waterside workers refused to load a shipment of pig iron destined for export to Japan.[138] Menzies earned the moniker "Pig Iron Bob" after breaking the strike action and compelling the loading of the shipment.[139]

Throughout the interwar period, the Australian government tolerated Japanese violations of its international undertakings against aggression. Despite strong rhetoric, primarily from the opposition Labor party in parliament, the continuation of Australian trade with Japan enjoyed bipartisan support until the attacks of 8 December 1941. Suspension of trade with Japan

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[135] *Hansard Parliamentary Debates*, Australian House of Representatives, 9 March 1933.
[136] During questioning about the trade talks between Australia and Japan, leading Opposition parliamentarian Francis Forde requested assurances from the Government that "there [would] be no reduction of exports of Australian wool to Japan." *Hansard Parliamentary Debates*, Australian House of Representatives, 15 September 1937.
[137] Department of Foreign Affairs and Trade Economic Analytical Unit. *Australia and Japan: How Distance and Complimentarily Shape a Remarkable Commercial Relationship* (Canberra: Commonwealth of Australia, 2008) 36. "Trade Treaty with Japan," *The Argus*, Monday, 4 July 1938, 1. http://trove.nla.gov.au/ndp/del/article/12429746 (accessed 19 February 2013).
[138] NAA: A432, 1938/1301, 218.
[139] National Archives of Australia, "Australia's Prime Ministers," http://primeministers.naa.gov.au/image.aspx?id=tcm:13-22114 (accessed 14 May 2013).

in response to its violations of the interwar institutions aimed at deterring war would have constituted extraordinary measures. That the Australian government was not willing to sacrifice the economic advantages of its trade relationship with Japan indicates that the government did not securitize the threat posed by Japan to the liberal international order established during the interwar period.

Australian Grand Strategy: 1919-1941

Australia's national interests during the interwar period can be defined as: (1) promotion of prosperity through protectionism and restrictive immigration, (2) defense of Empire abroad and Britishness at home, and (3) defense of the territorial integrity through limited local defense measures. To say that Australia adopted a clearly discernible grand strategy to promote these interests would be to overstate the independence of Australian government policy during the interwar period. Despite having gained self-governing status in 1901, Australia still remained firmly wedded to the Imperial system, both economically and militarily. Accordingly, the actions of the Australian government in managing its external relations is best characterized as being a form of proto-grand strategy. This characterization reflects the evolving nature of Australia's relationship with Great Britain during the interwar years.

Although Australia ostensibly gained its independence from Great Britain following the Federation of the former six self-governing colonies in 1901, the independence was qualified. The Constitution of 1900 that established the Commonwealth of Australia was enacted by the British Parliament.[140] Australia, therefore, was technically a creation of the British Parliament. Until 1931 and the passage of the Statute of Westminster, which bestowed legislative independence on the Australian Parliament, Australia was still subject to laws passed by the British Parliament.[141] When the Statute of Westminster was, belatedly, adopted by the Australian parliament, specific reference was made in the preamble of the Adoption Act as to the effect the Statute had on Australian defense policy: "Whereas certain legal difficulties exist which have created

[140] John Leonard Mordike, "*We Should Do This Thing Quietly": Japan and the Great Deception in Australian Defence Policy, 1911-1914* (Canberra: Aerospace Centre, 2002), 1.
[141] Statute of Westminster, 1931, 22 Geo. 5. c.4.

doubts and caused delays in relation to certain Commonwealth legislation, and to certain regulations made thereunder, particularly in relation to the legislation enacted, and regulations made, for securing the public safety and defense of the Commonwealth of Australia, and for the more effectual prosecution of the war in which His Majesty the King is engaged."[142] Australian Parliaments had, however, exercised legislative independence particularly in relation to matters of national defense. The 1903 Defence Act is such an example. The Defence Act represented the Australian government's first steps towards creating an independent Australia defense policy.

Defense policy

The passage of the 1903 Defence Act, through the Australian Houses of Parliament, highlighted the difficulty the Australian government found in reconciling the defense of the Empire with the requirements for local defense. When was it first introduced into the House of Representatives in June 1901, the Defence Bill included the provision: "The Permanent Forces shall be liable to serve beyond the limits of the Commonwealth in times of emergency."[143] This would have enabled, as the British authorities had hoped, Australian forces to form part of an Imperial reserve that could be employed as required by the Imperial General Staff.[144] However, the Australian government had no desire to send its small permanent forces on overseas operations.[145] When the Defence Bill was sent to the Senate in August 1903, the wording had changed to deny the government the ability to compel members of the Permanent Military Forces to "serve beyond the limits of the Commonwealth and those of any Territory under the authority of the Commonwealth" unless they volunteered to do so.[146] Australia's small standing army was only to be used for home defense. This

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[142] Statute of Westminster Adoption Act, 1942 (Aus).
[143] "Chapter 6 - The First Defence Act and its Principles," 2. NAA: A5954, 1280/9.
[144] Mordike, "*We Should Do This Thing Quietly*", 1.
[145] In 1902 the Australian Acting Minister of Defence advised the British General Officer in Command of Australian Military Forces Major-General Edward Hutton that Australian forces would not be sent overseas. Mordike, "*We Should Do This Thing Quietly*", 5.
[146] "Chapter 6 - The First Defence Act and its Principles," 3. NAA: A5954, 1280/9.

policy is often referred to, perhaps incorrectly, as a *Fortress Australia* strategy.[147]

The Defense Act restrictions extended to the employment of draftees. Conscripts, like their permanent force colleagues, were also barred from service outside the borders of the Commonwealth and its territories.[148] Those called up for militia service as part of the Civilian Military Forces (CMF) following the outbreak of war in 1939, were restricted to home defense duties. Members of the CMF would eventually see service outside Australian territory following a 1943 revision of the Defence Act which extended the definition of territories to include "such other territories in the South-west Pacific Area as the Governor-General proclaims as being territories associated with the defence of Australia."[149] However, Dutch New Guinea would be the only non-Australian territory to which the CMF would deploy. The implementation of the Defence Act legally precluded the Australian government from sending Australian soldiers to fight on behalf of the Empire unless the soldiers volunteered to do so.

The creation of the AIF provided the government with a mechanism to circumvent the Defence Act restrictions and contribute land forces in support of the defense of the Empire. This proved to be a highly effective policy tool. Menzies' creation of volunteer force enabled the Australian government to create a force to meet an immediate threat to the Empire without fundamentally altering the basis of Australian defense policy; an excellent example of grand strategic pragmatism. However, the experience of the Second World War, in particular Japan's rapid southward advance, convinced postwar government's that concentrating land forces in Australia as a force of last resort was

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[147] The strategy's moniker belies the fact that Australian policy makers acknowledged the inherent indefensibility of Australia. Rather, the definition of the strategy has been used to contrast it to the alternative strategy of Forward Defence, which involved the forward deployment of Australian forces into Asia. Paul Dibb, "The Self-Reliant Defence of Australia: The History of an Idea," in *History as Policy*, 11. Andrea Benvenuti, "The British Military Withdrawal From Southeast Asia and Its Impact on Australia's Cold War Strategic Interests," *Cold War History* 5, no. 2 (May 2005): 189–210, 207.
[148] *Australian War Memorial Encyclopedia*, s.v. "Conscription" https://www.awm.gov.au/encyclopedia/conscription/ (accessed 18 February 2013).
[149] National Archives of Australia, "National Service and War, 1939–45 – Fact sheet 162," http://www.naa.gov.au/collection/fact-sheets/fs162.aspx (accessed 18 February 2013).

strategically unwise. Accordingly, in the aftermath of the war, the government would abandon the Fortress Australia strategy and instead rely on the forward deployment of forces to counter a threat to Australia before it could approach its shores.

The concept of forward deploying forces was not new to Australian defense planners. It was the concept that underpinned Imperial Defence—the cornerstone of Australian interwar security—and had been used as the basis for the development of Australian air and naval forces. Unlike their land force equivalents, the government's employment of the Royal Australian Air Force (RAAF) and Royal Australian Navy (RAN) was not geographically restricted. On the contrary, both the RAN and the RAAF were developed and structured to facilitate integration with their British counterparts as part of an Imperial Force.

The RAAF was the smallest of the Australia's forces during the interwar period. Defense spending on air power during the interwar period was consistently lower than that directed towards developing Australian land and sea power.[150] Accordingly, in 1928, Australian air power comprised a mere two squadrons, one flight, and a flying training school.[151] However, the deteriorating international situation of the 1930s gave impetus to the growth of the RAAF. In particular, there was a growing realization that Australian air power could play an important role in Imperial Defence. The speed with which RAAF units could be deployed made them ideal for rapidly reinforcing strategic points of the Empire as circumstances changed.[152] From 1935 onwards the RAAF was developed in accordance with a plan that would balance air power's contribution to Australia's local defense, as well as enabling the seamless integration of Australian units with British and other Dominion air forces in support of combined Empire operations.[153]

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[150] Between 1921 (when the RAAF was created) and 1932, peak expenditure on the RAAF remained just over half that allocated to Army and a fifth of naval allocations. Alan Stephens, *Power Plus Attitude: Ideas, Strategy and Doctrine in the Royal Australian Air Force, 1921-1991* (Canberra: Australian Government Printing Service, 1992), 19.
[151] Stephens, *Power Plus Attitude*, 30.
[152] Stephens, *Power Plus Attitude*, 44.
[153] Christopher D. Coulthard-Clark, *The Third Brother*: T*he Royal Australian Air Force, 1921-39,* (Sydney: Allen & Unwin, 1991), 443.

The RAN, however, was developed principally for employment as an integral part of the Royal Navy.[154] The RAN was not viewed as a force decisive in its own right, but rather it was developed to a "strength which [was] an effective and fair contribution to Empire Naval Defence."[155] It was acknowledged and accepted by the Australian government that, in the event of war, it would no longer retain control of its naval forces, and its ships "would be merged into the whole Empire navy and [would be] available for naval purposes generally."[156] The importance the government attached to its naval contribution to Imperial Defence is evidenced by the large investment made in the RAN during the interwar period: RAN allocations ranged between a high of 47 percent (1932-33) and a low of 30 percent (1937-38) of the Australian defense budget.[157] This represents a substantial investment in a capability that, with the outbreak of war, the government would relinquish control over. However, it reflected the understanding at the time that naval power was the basis of the Imperial Defence system, and that the Imperial Defence system was the cornerstone of Australian security.

Australia's size, small population, and limited resources meant that the self-reliant defense was, during the interwar period, an unrealistic aspiration for Australian defense policy. Ultimately, Australian security rested upon the Royal Navy's ability to defend the Empire's sea lines of communication and challenge any attempt by a hostile power to establish sea supremacy in the region.[158] The government's Fortress Australia strategy was developed to compliment Imperial Defence system; it was intended to "prevent an enemy from attaining a decision on shore" until the "Empire's full power could be asserted."[159] Accordingly, although the Fortress Australia strategy contained the seed of an independent Australian defense policy, during the interwar

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[154] Prime Minister Stanley Bruce is reported to have remarked at the 1923 Imperial Conference: "With its small population and stage of development, Australia could not create the big fleet necessary for protection from aggression by a great naval power. To some extent the protection had been one of co-operations between the Australian and British navies, and in future that was of course the method to which Australia had to look." NAA: A5954, 757/4.
[155] NAA: A5954, 841/3.
[156] NAA: A5954, 757/4.
[157] Clark, *The Third Brother*, 469.
[158] NAA: A5954, 797/1. NAA: A5954, 757/4.
[159] NAA: A5954, 797/1.

period, Australian defense policy remained dependent upon British naval power.[160]

Foreign policy

Australia's dependence on Great Britain was most evident in the realm of foreign policy. During the majority of interwar period, Australia's external relations were managed through London: the Empire's foreign policy *was* Australian foreign policy. This began to change when Menzies took office in 1939. In his first address to the Australian public in April 1939, the new Prime Minister asserted that the time had come for Australia to increase its contact with other states in the Pacific region, stating: "I see no reason why we should not play not only an adult, but an effective part in the affairs of the Pacific."[161] However, it was not until March 1940 that Australia's first overseas minister arrived in Washington, followed towards the end of the year by an Australian Minister to Tokyo.[162]

These representatives played an important role prior to the outbreak of war. As described above, Australia's Minister to Tokyo provided the government with insights into the changing Japanese perspectives on Australia. On the other side of the Pacific, Australia's Minister to Washington, R. G. Casey, worked to establish contacts within the United States administration that laid the foundation for Australia's successful wartime relationship with the United States. However, despite their utility in the lead up to the war, the role of Australia's small diplomatic corps was not to provide a means for Australia to act independently on the international stage. As Menzies stated: "I do not mean by this [decision to establish Australian diplomatic contacts with regional states] that we are to act in the Pacific as if we were a completely separate power; we must, of course, act as an integral part of the British Empire."[163] Accordingly, London retained primary responsibility for Australian foreign policy during the interwar period.

Although Australia's formal diplomatic apparatus remained underdeveloped during the interwar period, the government played an

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[160] Reynolds, *Britannia Overruled,* 123.
[161] Quoted in Alan Watt, *The Evolution of Australian Foreign Policy, 1938-1965* (London: Cambridge University Press, 1967), 24.
[162] Watt, *The Evolution of Australian Foreign Policy*, 30.
[163] Quoted in Watt, *The Evolution of Australian Foreign Policy*, 24.

important role in shaping its foreign relations through its domestic policies. Australia's immigration policy in particular, though geared towards the domestic audience, had a significant effect on the way Australia's relationship with the region; White Australia Policy became a thorn in the side of Australian-Japanese relations. However, despite unambiguous advice from the Australian representative in Tokyo that the policy was a cause of growing Japanese hostility towards Australia, successive governments proved unwilling to change the policy. This was because the policy was seen as the most effective tool by which the government, fearful that waves of Asian migrants would dilute Australia's British heritage, could defend Australia's national identity. Accordingly, as a tool for the protection of Australia's national interest, the White Australia Policy must be considered a key component of Australia's interwar grand strategy. Moreover, as a a policy developed independently of, and the face of opposition from, the British government, the policy also represents the government's independent efforts to manage the perceived external threat.

This is not to suggest that Australian foreign policy during the interwar period can be regarded as independent. However, the adherence to a restrictive immigration policy, despite protests from London and Tokyo, demonstrated a willingness on the part of the Australian government to engage in independent policy making in order to promote its assessed national interests. Indeed, management of immigration policy would become a key aspect of Australian foreign policy following the Second World War. Viewed holistically, however, despite the establishment of diplomatic missions in the capitals of the two great powers in the Pacific, Australia's external relations remained subservient to the dictates of London.

Willful Dependence

The interwar period saw significant changes in the Asia-Pacific region. The rise of the Pacific powers—Japan and the United States—made the region a focus of great power competition. Efforts to curtail this competition, through the arms limitations and pacts ostensibly consigning war to oblivion, failed, and by the mid-1930s, the road to war in the Pacific had been laid. The significance of the shifting great power relations in the region was not lost on the Australian

governments. However, Australia's continued reliance on Great Britain in the formulation of both its defense and foreign policies meant that Australia exerted little influence in managing its response to the changing regional dynamics.

The extent of this reliance on Great Britain makes it inaccurate to refer to an Australian grand strategy during the interwar period. However, a growing awareness of the divergence between Australian and British interests in the region created a faintly discernible shift within the Australian government towards of the development of an independent Australian approach to managing its external relations in the region. This would eventually see Australia establish its first overseas missions in an effort to increase its regional presence, role and influence. But Australia continued to regard itself as an organic part of the British Empire. Its national interests, from trade to security, were intimately connected to the maintenance and promotion of Empire at home and abroad. Accordingly, greater independence from Great Britain was not an objective of interwar Australian governments. In fact, as Menzies asserted, Australian policy was to continue to act as an integral part of the Empire.[164] Australia was, in essence, willfully dependent upon Great Britain.

The government instead sought to pursue Australia's unique interests within the framework of the Imperial system. From immigration policy to the development of land and air forces as part of a Fortress Australia strategy, successive governments during the interwar period developed Australia-centric policies aimed at protecting and promoting its national interests. These policy initiatives represented a proto-grand strategy. Australia emerged from the Second World War with its Imperial bonds weakened and a growing awareness of the need to achieve greater self-reliance in the protection of its national interests. However, it would not be until the withdrawal of its great power patrons from the region in the 1970s that sufficient impetus was given for policymakers to pursue a more independent Australian grand strategy.

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[164] Refer to the epigram at the beginning of the chapter in which Prime Minister Menzies asserted in 1939 that Australia must act "as an integral part of the Empire." Quoted in Watt, *The Evolution of Australian Foreign Policy*, 24.

CHAPTER 3

Towards Self-Reliance: Australian Grand Strategy, 1971-1991

> *The final evolution of a genuinely independent Australian foreign policy is a very recent phenomenon indeed. We link it ... with the publication of the 1987 Defence White Paper which, in spelling out for the first time a coherent and achievable policy of defence self-reliance, liberated Australian foreign policy from the constraints under which it had traditionally laboured.*
>
> Senator Gareth Evans, Minister for Foreign Affairs

During the immediate postwar period, Australian defense policy remained explicitly dependent upon the continued presence of British and American forces in the region. This would all change in the early 1970s when domestic concerns resulted in a near-simultaneous British and American from the region. This precipitated a reevaluation of Australia's national interests, and emergence of a strategy focused on achieving defense self-reliance. The result was liberation not only of Australian foreign policy, but of Australian grand strategy. It was during this period that Australian grand strategy would reach a level of maturity that would enable later governments to refer to Australia as a pivotal power.

1971-1991: An overview

The period of the second case study covers the last two decades of the Cold War. This period marked a shift in the nature of the Cold War, which had become a defining feature of international politics since Truman announced on 12 March 1947 that "the policy of the United States [would be] to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressure."[1] Truman's doctrine, and Secretary of State George C. Marshall's plan for the United States to fund the economic recovery of Europe, generated a response from Stalin and his puppet governments in Eastern Europe that, by 1969, had crystalized into a division between Eastern and Western Europe. That year marked a turning point. George Herring contends that the events of that year saw the end of the postwar period, and the start of a

[1] John Lewis Gaddis, *The Cold War: a New History* (New York: Penguin, 2005), 31.

"new and uncertain era."[2] The growth of Japan and Western Europe as economic powers, the Sino-Soviet schism, *rapprochement, détente*, and the re-escalation of the Cold War highlight the dynamism of the international situation during the final years of the Cold War period.

Global dynamics

The military stand-off between the world's superpowers, the USSR and the United States, is one of the most enduring images of the Cold War period. However, despite the impressive destructive potential the Soviets and the Americans had arrayed against each other, military potential alone did not define the polarity of the international system during the Cold War.[3] According to Kenneth Waltz, the preeminent postwar international relations theorist, the distribution of capabilities that define the structure of the anarchic international system must account for a state's "size of population, and territory, resource endowment, economic capability, military strength, political stability and competence."[4] For the duration of the Cold War, the United States and the USSR remained the preeminent powers based on their capabilities across the range of these variables. However, the extraordinary postwar economic recovery of Western Europe and Japan, and the consolidation of mainland power by the Chinese Communist Party, gave rise to a more "complicated strategic situation."[5]

Although the military capacity of the superpowers remained unrivaled, from 1969 onwards the political power of other states began to increase within the international system. The economic growth of Western Europe, Japan, and China led to an increase in their capacity to exert influence on the international system. President Nixon acknowledged this as early as 1971 when he stated that these three powers, along with the United States and the USSR, would "determine the economic future and, because economic power will be the key to other kinds of power, the future of the world in other ways in the last third of

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[2] George C. Herring, *From Colony to Superpower: U.S. Foreign Relations Since 1776*, Kindle ed. (New York: Oxford University Press, 2008), 761.
[3] Kenneth N. Waltz, *Theory of International Politics* (Long Grove, IL: Waveland Press, 1979), 180.
[4] Waltz, *Theory of International Politics*, 131.
[5] Australian Defence Committee, "Strategic Basis of Australian Defense Policy, 1971," in *A History of Australian Strategic Policy Since 1945*, ed. Stephan Frühling (Canberra: Defence Publishing Service, 2009), 395.

[the twentieth] century."[6] Although the focus of the Cold War remained firmly on the NATO-Warsaw Pact confrontation on the plains of central Europe, four of the five major powers of the international system confronted each other in the Asia-Pacific region. The interactions between these four power—the United States, the USSR, China, and Japan—dominated the regional strategic situation.[7]

The effects of the strategic interaction between these powers extended beyond the immediate Asia-Pacific region. Of particular note in this regard was the system level effects stemming from the creation of a "strategic triangle" comprising the United States, USSR, and China following the success of Nixon's Sino-American *rapprochement*.[8]

Recognizing the geopolitical significance of an ideological schism that flared into a border conflict between Soviet and Chinese forces along the Ussuri River in March 1969,[9] the newly elected US president set about normalizing relations between the United States and China soon after entering office. Beginning with Kissinger's secret visit to China 1971, the normalization of relations between the two ideological foes proceeded rapidly. Within the space of a year, the American and Chinese governments issued the Shanghai Communiqué, a "tacit alliance to block Soviet expansionism in Asia."[10] The following year, this already significant commitment was expanded into an undertaking to "resist ... any country's attempt at world … domination."[11] By creating a quasi-alliance against the USSR, the Sino-American *rapprochement* presented the Soviet government with the strategic dilemma of facing hostile forces on both its eastern and western fronts.[12] In this way, *rapprochement* represented an effective and efficient means of containing Soviet power in the Asia-Pacific region at minimal expense to the United States.

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[6] Quoted in John Lewis Gaddis, *Strategies of Containment: A Critical Appraisal of American National Security Policy During the Cold War.* Revised and Expanded ed. (New York: Oxford University Press, 2005), 278.
[7] Australian Department of Defence, *Defending Australia*, Australian Government White Paper (Canberra: Australian Government Publishing Service, 1994), 7.
[8] Henry Kissinger, *Diplomacy*, (New York: Simon & Schuster, 1994), 723.
[9] Gaddis, *Cold War*, 149.
[10] Kissinger, *Diplomacy*, 728.
[11] Kissinger, *Diplomacy*, 729.
[12] Kissinger, *Diplomacy*, 730.

The other side of the strategic triangle was formed by a continually shifting Soviet-American relationship. During the 1970s, this relationship was defined by *détente*, a series of diplomatic initiatives between the Soviet and American governments aimed at ultimately shifting their relationship from "competition to cooperation."[13] Two agreements, signed in 1972, provided the foundation for *détente*: the Strategic Arms Limitation Treaty (SALT) I and the Anti-Ballistic Missile Treaty (ABMT).[14] Although these treaties had no impact on overall military capability, they represented a spark of cooperation that could potentially lead to reduced tensions between the superpowers.

For the United States, which was seeking to extricate its forces from the Vietnamese quagmire, the process of *détente* was seen as a way to "minimize confrontation in marginal areas and provide, at least, alternative possibilities in major ones."[15] For the Soviets, the process had the more immediate effect of freeing resources to address the threat posed by China on its Asia-Pacific flank.[16] However, though *détente* saw cooperation in key areas such as arms control, competition continue largely unabated in the peripheries. Conflict in these areas, supported in part by superpower patronage, became a major feature of the international politics during 1970s and 1980s. And it would be Soviet involvement in one of these peripheral areas that would drive the nail into the coffin of *détente* and lead to the re-escalation of the Cold War.

As tensions between East and West stabilized along the potential battlelines of Germany and Manchuria, states in the Middle East, Africa, and Central Asia continued to be ravaged by domestic turmoil and interstate conflict. These conflicts would take on global proportions, particularly those in the Middle East, not only because of superpower involvement, but also due to the economic importance of Middle Eastern energy supplies and the effect that regional tensions had on global oil supplies. In fact it would be in the Middle East that *détente* would experience its first major test during the 1973 Yom Kippur War.

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[13] Gaddis, *Strategies of Containment*, 309.
[14] Herring, *From Colony to Superpower*, 775.
[15] Nixon quoted in Herring, *From Colony to Superpower*, 771.
[16] Herring, *From Colony to Superpower*, 772.

The 1973 conflict between American and Soviet client states in the Middle East highlighted both the success and potential for failure of *détente*. As the Arab forces were eventually pushed back by Israeli counterattacks, an Arab-initiated ceasefire was brokered by Soviet and American authorities.[17] However, following Israeli violations of the ceasefire—violations apparently sanctioned by Kissinger—the Soviets threatened to unilaterally intervene to enforce the ceasefire conditions.[18] This greatly increased superpower tensions. Though ultimately resolved without intervention, this episode highlighted that despite the spirit of cooperation fostered by *détente*, competition remained the "hallmark of [the US] relationship with the Soviet Union."[19]

The Yom Kippur War also demonstrated the importance of Middle Eastern stability to the global economy. In retaliation for Western support for Israel, the Organization of Petroleum Exporting Countries (OPEC) reduced production and placed an embargo on oil exports to countries deemed to be supportive of Israel, leading to a quadrupling of the price of oil.[20] For countries, such as Japan, that were heavily reliant on Middle Eastern oil OPEC's effective wielding of oil as a weapon lead to a reevaluation of its policy towards Israel and a general effort to dissociate their Middle East policies from those of the United States.[21] A second oil shock ravaged the global economy following the Iranian Revolution in 1979 and the outbreak of the Iran-Iraq War the following year. The turmoil following the overthrow of the Shah saw Iran cut back oil production by 3.8 million barrels per day, slightly larger than OPEC's reduction's in 1973.[22] This lead OPEC to raise the price of oil four times in a five month period in 1979.[23]

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[17] Herring, *From Colony to Superpower*, 805.
[18] Herring, *From Colony to Superpower*, 805.
[19] Nixon made this comment regarding the enduring nature of national interests during his 1972 annual foreign policy report. Quoted in Gaddis, *Strategies of Containment*, 315.
[20] Office of the Historian, "OPEC Oil Embargo," US Department of State, http://history.state.gov/milestones/1969-1976/OPEC (accessed 2 March 2013)
[21] Akira Mizuguchi, "From Ancient to Modern Times: a Retrospective of Japan's Relationship with the Middle East," *Asia-Pacific Review* 9, no. 2 (November 2002): 93–103, 101. Office of the Historian, "OPEC Oil Embargo."
[22] Mamdouh G. Salameh, "A Third Oil Crisis?," *Survival* 43, no. 3 (Autumn 2001): 129–44, 124.
[23] Herring, *From Colony to Superpower*, 850-851.

The significance of the oil shocks was that they occurred independently of the superpower rivalry. Although OPEC directed the oil weapon against the United States and its perceived pro-Israeli allies in 1973, this was not a reflection of Cold War ideology but the unique ethnic and religious dynamics of the Middle East. The global repercussions of oil price volatility focused international attention on the events that unfolded in the Middle East over the course of the next two decades.

Meanwhile, the Cold War continued with small scale conflicts being waged by proxy in other regions of the world. Africa, in particular provided a fertile battleground with Soviet advisors and Cuban forces being actively from Ethiopia to Angola.[24] Angola, in particular, became a focal point for the Cold War in the periphery. When the Portuguese withdrew from their former colony in 1975 a bloody civil war ensued, which eventual drew in American, Soviet and Cuban involvement.[25]. However, it would be in Central Asia that the superpowers would seal the fate of *détente* and kickstart Cold War Two.[26]

Détente ended with the Soviet invasion of Afghanistan on 27 December 1979. Fearful of the danger the Iranian Revolution posed to its Muslim majority republics, and the potential for Chinese influence exerted through its close ties to Pakistan, Moscow acted to shore up its communist proxy in this crucial buffer state.[27] Over 100,000 Soviet troops were sent to occupy Afghanistan in a commitment that would last until 1989.[28] This act, perceived by the United States as a clear example of direct Soviet expansionism, led President Jimmy Carter to reescalate the strategic competition between the superpowers. Under his successor, President Ronald Reagan, these tensions would reach levels "not equaled since the Cuban Missile crisis."[29]

Reagan raised the bar of Cold War rhetoric, rekindling the fears of conflict between the superpowers.[30] Under Reagan, "America's goal was no

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[24] Kissinger, *Diplomacy*, 763.
[25] Herring, *From Colony to Superpower*, 824.
[26] Dennis H. Phillips, *Cold War 2 & Australia* (Sydney: George Allen & Unwin, 1983), x.
[27] Herring, *From Colony to Superpower*, 853.
[28] Kissinger, *Diplomacy*, 763.
[29] Herring, *From Colony to Superpower*, 866.
[30] Joyce P. Kaufman, *A Concise History of U.S. Foreign Policy*. Kindle ed. (Plymouth, UK: Rowman & Littlefield, 2010), loc. 2549. One of Reagan's most notable rhetorical flourishes was a joke caught inadvertently on an open microphone in August 1984: "My

longer a relaxation of tensions," Kissinger contends, "but crusade and conversion."[31] With *détente* consigned to the dustbin of history, the United States embarked on a program of rearmament and active support for anticommunist movements across the globe. The rationale that underpinned this Reagan Doctrine, as the policy of anticommunist support became known, was to "bring home to the Soviets that they had overreached."[32] The events of the decade would confirm this was indeed the case.

Mikhail Gorbachev's promotion to General Secretary of the Communist Party of the Soviet Union in 1985 began a process that would eventually lead to the demise of the Soviet Union and the end of the Cold War. The economy and society which he had inherited was in a state of decay.[33] Gorbachev commenced a process aimed at relieving the stress on the economy created by the militarization of the Soviet Union.[34] Instigating social and political changes in the forms of *glasnost* (openness) and *perestroika* (restructuring), Gorbachev's policies fundamentally altered the character of the Cold War. In 1988, he announced a reduction of half a million men and 10,000 tanks from the Soviet military, as well as a withdrawal of the forces facing the Chinese in Mongolia.[35] Little over a year later, Gorbachev would advise President George H. W. Bush that the Soviet Union no longer considered the United States an enemy. Unable to stop the political train that he had set in motion, Gorbachev formally dissolved the Soviet Union on 26 December 1991 and brought the Cold War to an end.

Regional dynamics

Like all regions, the Asia-Pacific region was heavily penetrated by the system level dynamics of the Cold War.[36] However, the diversity, size, and dynamism of Asia make it markedly different from the Cold War as it was

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fellow Americans, I am pleased to tell you today that I've signed legislation that will outlaw Russia forever. We begin bombing in five minutes." Quoted in Herring, *From Colony to Superpower*, 866.

[31] Kissinger, *Diplomacy*, 767.

[32] Kissinger, *Diplomacy*, 774.

[33] Kissinger, *Diplomacy*, 789.

[34] Kaufman, *A Concise History of U.S. Foreign Policy*, loc. 2564.

[35] Kissinger, *Diplomacy*, 791-792.

[36] Barry Buzan and Ole Wæver. R*egions and Powers: the Structure of International Security* (Cambridge, UK: Cambridge University Press, 2003), 96.

experienced by the European and Atlantic states.[37] The major focal point within the broader region was Northeast Asia, the locus of interaction between four of the five major global powers—the United States, USSR, China, and Japan. However, great power dynamics also permeated into the Southeast Asian region where the Western-leaning Association of South East Asian Nations (ASEAN) states sought to counter the influence of the Soviet-aligned states of Indochina.[38] Finally, the strategic environment of the Southwest Pacific remained largely benign, enjoying the security benefits offered by isolation.

This section will examine each of the Asia-Pacific's three subregions in turn, outlining the security dynamics that existed each RSC and how they related to the system level dynamics of the Cold War.

Northeast Asia. During the postwar period Northeast Asia emerged as a standard RSC. Though the global dynamics of Soviet-American rivalry played a significant role in securitization between the regional states, as exemplified by the Sino-American *rapprochement*, these did not stifle the development of indigenous dynamics that shaped the relations between states within the region.

The securitization of territorial issues was a major feature of the Northeast Asia RSC during the Cold War. Indeed, some of the issues that dominated the relationships between the regional states during the Cold War remain unresolved to this day. The Korean standoff across the Demilitarized Zone and the tense stalemate between the two Chinas separated by the Taiwan Strait are the most notable examples of the territorial objects securitized by Northeast Asian states during the Cold War and beyond. These were not the only territorial disputes within the region. John Hickman points out that "the oceans of East Asia and Southeast Asia are home to the largest number of outstanding disputes over territorial sovereignty, many of them with three or more claimants and nearly all of them involving archipelagoes of small islands

[37] William J. Crowe Jr, and Alan D. Romberg. "Rethinking Security in the Pacific," *Foreign Affairs* 70, no. 2 (1981): 123–40, 123. Kimie Hara, "Rethinking the 'Cold War' in the Asia-Pacific," *The Pacific Review* 12, no. 4 (November 1999): 515–36, 516.
[38] Buzan and Wæver, *Regions and Powers*, 134.

with potentially large surrounding EEZs."[39] Japan's relationship with China, South Korea and the USSR were shaped in part by ongoing debates over the sovereignty of a number of small islands.[40] Sino-Soviet relations, though at times couched in ideological rhetoric, was dominated by territorial threat posed by the large number of forces facing each other along their mutual border.[41] By the early 1980s, the Kremlin had concluded that "the feud with China—which to that date had been largely political in character—now constituted a long-term interstate conflict," and had responded by stationing over 40 divisions along its border with China.[42] The concentration of forces by all states along these territorial faultlines created a number of potential flashpoints for conflict and was therefore a primary cause of the tensions between the states in Northeast Asia.

But territory was not the only factor at play in the region; overlaying the territorial disputes were concerns over national prestige and influence. This was particularly true in Sino-Soviet relations. The 1968 *Strategic Basis for Australian Defence Policy* highlighted that "the USSR regards itself as an Asian Power, is interested in future developments in the Asian region and sees itself in great power competition for influence in the region."[43] China similarly regarded influence in Asia as a natural expression of its emergence as a great power. This competition for influence between the communist powers was most evident in their sponsorship of communist client states in Indochina.[44] Following the communist reunification of Vietnam in 1975, Moscow became the chief benefactor of the Vietnamese government.[45] Through this patronage, the USSR

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[39] John Hickman, "The New Territorial Imperative," *Comparative Strategy* 29, no. 5 (2010): 405–411, 409.
[40] Barry Buzan, "Japan's Defence Problematique," *The Pacific Review* 8, no. 1 (January 1995): 25–43, 31
[41] Mao had accused the Soviet Union of being revisionist and advocated for ongoing class-struggle and revolution. Taizo Miyagi, "Post-War Asia and Japan—Moving Beyond the Cold War: An Historical Perspective," *Asia-Pacific Review* 18, no. 1 (May 2011): 25–44, 32.
[42] Richard H. Solomon, "East Asia and the Great Power Coalitions." *Foreign Affairs* 60, no. 3 (1981): 686–781, 689.
[43] Australian Defence Committee, "Strategic Basis of Australian Defense Policy, 1968," in *A History of Australian Strategic Policy Since 1945*, 362.
[44] Joint Committee on Foreign Affairs and Defence, *Threats to Australia's Security: Their Nature and Probability* (Canberra: Australian Government Publishing Service, 1981), 15.
[45] Herring, *From Colony to Superpower*, 840.

was able to gain greater military access to Southeast Asia through bases in Vietnam—Cam Ranh Bay became the largest Soviet military base outside Eastern Europe.[46] It also allowed the USSR to extend its influence more easily into Southeast Asia. Beijing's concerns over this expansion of Soviet influence were validated in December 1978 when the Soviets supported the Vietnamese invasion of Kampuchea, then under the control of the Chinese-backed Khmer Rouge. China responded by initiating a punitive invasion of Vietnam in early 1979.[47] Although the Sino-Vietnamese War of 1979 was relatively short, lasting a mere 28 days, the Sino-Soviet rivalry over influence in South East Asia, which that conflict represented, would continue unabated for the duration of the Cold War.

Nationalist views within the region were also shaped by a long and bitter history of interstate rivalry, particularly the legacies of Japanese wartime aggression against its Asian neighbors. Japan's constitutional renunciation of "war as a sovereign right of the nation and the threat or use of force as means of settling international disputes"[48] did not preclude the development of forces for *self-defense*, and by 1989 Japan was the world's third largest spender on defense.[49] Accordingly, fear of Japanese militarism remained a matter of concern within the broader East Asian region.[50] However, two factors largely suppressed regional tensions over Japan's militarist past and its development as a limited military power: Japan's economic power and the American commitment to Japan's defense.

Japan was the dominant economic power in Asia during the last two decades of the Cold War. While its economic policies created tensions in its relationship with the United States,[51] Japan's willingness to engage its neighbors in a "depoliticized" economic relationship enabled regional states to

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[46] Australian Department of Defence, *Defence of Australia*, Australian Government White Paper (Canberra: Australian Government Publishing Service, 1987), 15.
[47] Miyagi, "Post-War Asia and Japan," 33.
[48] Japanese Constitution, Article 9, http://www.kantei.go.jp/foreign/constitution_and_government_of_japan/constitution_e.html (accessed 03 March 2013)
[49] *Australia's Strategic Planning in the 1990s* (Canberra: Commonwealth of Australia, 1989), 15.
[50] Buzan and Wæver, *Regions and Powers*, 132.
[51] Solomon, "East Asia and the Great Power Coalitions," 701.

accede to Japan's rising power.[52] When the majority of Asia emerged from the period of internally focussed consolidation of state power, what international relations scholar Taizo Miyagi refers to as the "era of politics," Japan was perfectly positioned to inject the significant levels of aid and technology into the economies of its regional neighbors and facilitate the Asian economic miracle.[53] As the states within the region remained focused on maximizing economic growth, Japan's success in creating "Japan-centered East Asian economic interdependence"[54] enabled it to reduce the region's nationalist issues associated with its militarist past.

Japan's focus on developing its economic potential during the Cold War was only made possible by the American commitment to defend Japan.[55] More accurately, however, it was America's broader approach to managing the Soviet threat in the Asia-Pacific region that provided the stability in the region necessary to achieve security and economic growth. Miyagi credits the regional stability provided by the "Japan-US-China quasi-alliance" against the USSR as the political basis for Japanese economic expansion, and by extension broader regional economic growth and stability.[56] The *rapprochement* between the US and China was quickly followed by the normalization of Sino-Japanese relations. The willingness of the world's leading capitalist powers and Communist China to put aside their ideological differences to balance against Soviet expansion brings into question the role ideology played in the Northeast Asian RSC.

The Cold War was premised on an irreconcilable ideological conflict between communism and capitalism. This defined the Cold War globally until 1971, when events in Asia saw a shift in US policy from strict ideological dogmatism to geopolitical pragmatism. Until the *rapprochement*, China was viewed by the West as a part of the Soviet-bloc.[57] Similarly, until 1969, China

[52] Miyagi, "Post-War Asia and Japan," 33.
[53] Miyagi, "Post-War Asia and Japan," 30-31.
[54] Buzan and Wæver, *Regions and Powers*, 161.
[55] Buzan, "Japan's defence problematique," 30
[56] Miyagi, "Post-War Asia and Japan," 35-36.
[57] Buzan and Wæver, *Regions and Powers*, 138.

had categorized the United States as its "principal enemy."[58] The explanation for this pivotal shift in perspective was the revival of *Realpolitik* as the basis for interstate relations. The ideological differences that existed between the communist and capitalist states of Northeast Asia did not disappear as the result of *rapprochement*; however, the identification of the Soviet Union as the only power with the motive and capability to achieve regional hegemony created a common threat of sufficient magnitude that necessity and interest overcame the desire to pursue ideological purity.[59] Accordingly, in the aftermath of the Vietnam War, ideology can be seen as playing only a minor role in the Northeast Asian RSC.

Northeast Asia was the focal point of the Cold War in Asia, but not because of the ideological conflict between Asian communism and capitalism. As the states within the region emerged from the period of postwar recovery, their attention became focused on ensuring that no state achieved regional hegemony. Though disputes over sovereignty and territorial issues remained largely unresolved and continued to be a factor in the relations between regional states, these were secondary to guarding against expanding Soviet influence in the region. Achieving this led to the formation of an effective quasi-alliance between Japan, the United States, and China, which provided an enduring regional stability that would last until the collapse of the Soviet Union.

Southeast Asia. From the late 1960s through to the mid 1970s, the countries of Southeast Asia emerged from the domestic and international turmoil caused by the decolonization process that began during the Second World War.[60] As the states grappled with the challenges created by independence, the interlinking of security issues—territorial, national, and ideological—led to shifting alliances and confrontation between the states within the region, and powers external to it. However, beginning with the Indonesian coup that toppled the nationalist independence leader Sukarno in

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[58] China's Defense Minister dropped the designation of the United States as the principal enemy in a report delivered to the Ninth National Congress of the Communist Party on 1 April 1969. Kissinger, *Diplomacy*, 725.
[59] Gaddis, *Strategies of Containment*, 282. Joint Committee on Foreign Affairs and Defence, *Threats to Australia's Security: Their Nature and Probability*, 15. Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1971," 416.
[60] Buzan and Wæver, *Regions and Powers*, 133.

1965, the Southeast Asian RSC coalesced around the ideological divide between the communist states of Indochina (including their Chinese and Soviet patrons) and the states forming the anticommunist ASEAN bloc.[61]

Indonesia has played a major role in the Southeast Asia region since it achieved independence from the Dutch in 1947. Prior to 1965, Indonesia's pursued an active and confrontational foreign policy with its neighbors. In 1961, Indonesian forces invaded the Dutch colony of West New Guinea a move that was tolerated by the United States, which was reluctant to oppose Indonesian policies for fear it would have driven Indonesia into the communist camp.[62] Emboldened by his success in New Guinea, in January 1963 Sukarno launched Indonesia on a "strategy of political and military provocation" against Commonwealth forces referred to as *Konfrontasi* (Confrontation), aimed at preventing the imminent federation of the British colonies of Malaya, Singapore, and Borneo into the independent state of Malaysia.[63] Sukarno became increasingly anti-Western and, in 1964, proclaimed a "Peking-Jakarta Axis," announcing his intention to form an "alternative United Nations" with the Chinese. Meanwhile, the domestic Communist Party of Indonesia (PKI) was expanding its domestic influence with the hope that it could assume power after Sukarno, and transform Indonesia into the communist power in Southern Asia.[64]

Within a year, the "Peking-Jakarta Axis" and the PKI were destroyed. Following a failed coup in 1965 that was blamed on the PKI, the vociferously anticommunist military assumed a greater role in Indonesian political life. Sukarno was eventually removed from power and replaced by General Suharto; Indonesia reconciled with Malaysia, reversed its policy towards China, and the new regime implemented a range of anticommunist and pro-Western domestic and foreign polices.[65] Indonesia would become a bulwark against the spread of

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[61] Buzan and Wæver, *Regions and Powers*, 134.
[62] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1964," in *A History of Australian Strategic Policy Since 1945*, 323.
[63] Alan Stephens, *The Royal Australian Air Force*. The Australian Centenary History of Defence, Vol. II (Oxford University Press, 2001), 251.
[64] Miyagi, "Post-War Asia and Japan," 31.
[65] These policies included the outlawing of the PKI, banning the teaching of Marxism-Leninism. Guy J. Pauker, "Toward a New Order in Indonesia." *Foreign Affairs* 45, no. 3 (April 1967): 503–519, 510. Miyagi, "Post-war Asia and Japan," 31.

communism in Southeast Asia. It would achieve this through its leadership of ASEAN.

Formed in Bangkok in 1967, ASEAN, as originally conceived, was a limited regional organization comprised of five member states—Indonesia, Malaysia, the Philippines, Thailand, and Singapore—and aimed at "encouraging a sense of regional identity and independence."[66] The focus of the association was given greater clarity in 1971 when ASEAN states signed the Zone of Peace, Freedom and Neutrality (ZOPFAN) Declaration. Though the concept was not geographically or procedurally well defined, the signatory states agreed in general terms that they:

- should live at peace with one another within their present boundaries;
- not interfere in each other's internal affairs;
- co-operate in preventing internal security problems in one spreading to another;
- declare their impartiality and non-involvement in conflicts beyond the region;
- seek respect from external powers for their national sovereignty and independence; and
- collectively develop their capacity to run the affairs of their own region.[67]

Though ostensibly non-aligned, the ASEAN member states shared a common fear of domestic communist subversion.[68] This created a distinct regional dynamic, for as Australian academic Paul Dibb pointed out in his 1986 *Review of Australian Defence Capabilities*—commonly referred to as the Dibb Review—"without exception, the ASEAN countries are basically Western inclined, strongly suspicious of communism and wary of the ambitions of

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[66] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1971," 426.
[67] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1973," in *A History of Australian Strategic Policy Since 1945*, 456.
[68] Muthiah Alagappa, "Soviet Policy in Southeast Asia: Towards Constructive Engagement," *Pacific Affairs* 63, no. 3 (Autumn 1990): 321–350, 339.

external large powers."[69] Whereas the states of Northeast Asia had managed to set aside their ideological differences to focus on the common Soviet threat, the ASEAN states continued to fear communism in all its forms, viewing the threats posed by expanding Chinese and Soviet influence into the region as equal threats.

The 1978 Vietnamese invasion of Kampuchea was a pivotal point in ASEAN's development. The Philippine Foreign Minister highlighted the concern generated within ASEAN by the invasion, stating at a meeting of ASEAN Foreign Ministers in June 1980 that the Vietnamese actions had "projected the Sino-Soviet and Sino-Vietnamese disputes into the heart of Southeast Asia's regional politics."[70] The effect of this penetration of great power rivalries in the ASEAN area of interest was two-fold: firstly, it acted as a catalyst to improve the political cohesiveness of the ASEAN opposition to external influence in the region; secondly, it highlighted the need for member states to address external security issues as well as maintaining effective internal security mechanisms.[71]

As ASEAN matured as an organization, its role in the management of Southeast Asian security and prosperity continued to grow. "By the early 1980s," Coral Bell argued, "it was more than amply clear that ASEAN had developed into a self-confident and even a self-assertive regional grouping."[72] Through the creation of an organization that linked together the key non-communist states of Southeast Asia, the founders of ASEAN were able to desecuritize the territorial and nationalist issues that had plagued Southeast Asia since the end of the Second World War. What remained was an ideological divide within the region between ASEAN and the communist states of Indochina. Moreover, the concern over the penetration of the region by external powers either directly or through their Southeast Asian client states would continue until the collapse of the Soviet Union.

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[69] Paul Dibb, *Review of Australia's Defence Capabilities* (Canberra: Commonwealth of Australia, 1986), 48.
[70] Quoted in Solomon, "East Asia and the Great Power Coalitions," 711.
[71] Joint Committee on Foreign Affairs and Defence, *Threats to Australia's Security: Their Nature and Probability*, 17.
[72] Coral Bell, *Dependent Ally: A Study in Australian Foreign Policy* (Melbourne: Oxford University Press, 1998), 184.

South Pacific. The final RSC to be examined is the South Pacific, the most benign of the Asian RSCs during the Cold War. Comprising a number of small island states, Papua New Guinea (an independent state from 1975), New Zealand, and Australia, the South Pacific benefitted from its isolation from the Cold War dynamics that had shaped security complexes across the rest of the world. As Buzan and Wæver highlight, "Distance and water enabled this part of the world to remain unstructured in regional security terms."[73] Moreover, the two regional powers, Australia and New Zealand, shared a common political and military heritage, creating a cooperative rather than antagonistic regional power relationship in the South Pacific.

Despite the absence of a direct threat coming from within the South Pacific, the economic and military weakness of the region's smaller states made them vulnerable to influence from external powers. Of particular concern to Australian and New Zealand governments was the potential for hostile powers establish bases in the region thereby threatening Australian and New Zealand sovereignty or their lines of communications to their Western allies.[74] These fears were heightened in the 1980s when the USSR was able to secure fishing rights in the Pacific islands of Kiribati and Vanuatu.[75] Although it was acknowledged that penetration of the South Pacific was "low on any Soviet list of priorities," the Australian government increasingly came to accept that it could not "take the pro-Western attitudes of the region for granted."[76] The ease with which a destabilizing external power could gain a foothold in the Pacific was demonstrated by Libyan activities in the region in the late 1980s, which included offers to provide support to set up an Aboriginal nation in Australia.[77]

The major regional security issues, therefore, related to the stability of the region's island states. American influence in the region, principally in the form of the ANZUS alliance, was welcomed as it provided protection against

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[73] Buzan and Wæver, *Regions and Powers*, 134.
[74] Gary Smith, Dave Cox, and Scott Burchill, *Australia in the World: An Introduction to Australian Foreign Policy* (Melbourne: Oxford University Press, 1996), 149.
[75] Australian Department of Defence, *Defence of Australia*, 17.
[76] Joint Committee on Foreign Affairs and Defence, *Threats to Australia's Security: Their Nature and Probability*, 20.
[77] Associated Press, "Australia Ousts Libyan Politicians," *New York Times*, 20 May 1987, http://www.nytimes.com/1987/05/20/world/australia-ousts-libyan-diplomats.html (accessed 3 March 2013).

external, non-Western, influences. However, protection did not assure stability. In 1987, the region was rocked by *coup d'etat* in Fiji, an event that highlighted the increased political complexity of a region suffering from economic and environmental hardships.[78] Seeking to shore up its influence in the region, Australia increased its provision of aid to the region in the late 1980s as the Cold War superpower rivalry flared.[79]

The South Pacific was an RSC devoid of the serious security concerns that plagued Northeast and Southeast Asia during the closing decades of the Cold War. This is not to downplay the internal challenges faced by the small island states seeking to gain political and economic stability; however, the absence of significant territorial, nationalistic, or ideological tensions between the states greatly reduced the security tensions within the region, enabling states to direct their attention to other aspects of their national interests.

Indian Ocean. Before proceeding to discuss the great power dynamics in the Asia-Pacific region during this period, it is necessary to mention the growing strategic importance of the Indian Ocean. The Indian Ocean is a geographical and strategic entity and not a RSC within the definition of RSCT. American political scientist Alexander Ghebhardt argued that the Indian Ocean had to be viewed "in the context of political and strategic developments in the Red Sea, the Persian Gulf, the Bay of Bengal, and even the Mediterranean … each part of the Ocean forms a unit with its own problems that require specific solutions."[80] What unified the Indian Ocean as an area of strategic concern was its role as the artery of East-West flow of energy supplies. The importance of this artery to Western economic interests and the shifting security dynamics within the ocean itself and the littoral states that bounded it, were to make superpower rivalry the key feature of the Indian Ocean during the latter half of the Cold War.

Although the oil shocks of 1973 and 1979 were the result of production manipulation, they highlighted the vulnerability of the developed world to

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[78] Bell, *Dependent Ally*, 185.
[79] Smith, Cox, and Burchill, *Australia in the World*, 150.
[80] Alexander O. Ghebhardt, "Soviet and U.S. Interests in the Indian Ocean," *Asian Survey* 15, no. 8 (August 1975): 672–683, 682-83.

disruptions in the supply of oil from the Persian Gulf.[81] The industrialized world's heavy reliance on Middle Eastern energy supplies, flowing through the Indian Ocean, made ensuring the security of their sea lines of communication (SLOC) a vital national interest to the states of the Asia-Pacific region.[82] Indian Ocean security did not become a concern for these states until the late 1960s when the British announced their plan to withdraw from east of the Suez.

The British withdrawal, which commenced in 1971, created a power vacuum that quickly transformed the Indian Ocean from a "British lake" into an arena of superpower rivalry.[83] The increase in Soviet presence in the region began with the commencement of regular naval deployments in 1968.[84] Soviet involvement soon expanded to include the development of naval facilities in Somalia, Yemen, and Socotra, and the acquisition of access rights to ports in Iraq and India.[85] The United States responded by seeking to improve its power projection capabilities in the region, most notably through the acquisition of a 50-year lease of the British Indian Ocean Territory of Diego Garcia.[86] When the United States began construction of a communications station and extended runway on Diego Garcia in 1972, they secured a strategic foothold in the centre of the Indian Ocean, thereby enhancing their ability to influence the region.

Exacerbating this strategic rivalry was the instability of the countries that bounded the Indian Ocean. During the late 1960s and early 1970s, East Africa, the Middle East, and South Asia were undergoing a turbulent process of decolonization and nation building. Newly independent states were proliferating around the Indian Ocean rim that were susceptible to influence from the superpowers struggling to gain regional preeminence.[87] The significance of the fragility of the Indian Ocean Rim was captured by Zbigniew

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[81] Herring, *From Colony to Superpower*, 850-851
[82] Solomon, "East Asia and the Great Power Coalitions," 701.
[83] Senate Standing Committee on Foreign Affairs and Trade, *Australia and the Indian Ocean Region*, Parliamentary Paper No. 330/1976 (Canberra: Commonwealth Government Printer, 1976), 72. Chandra Kumar, "The Indian Ocean: Arc of Crisis or Zone of Peace?," *International Affairs* 60, no. 2 (Spring 1984): 233–246, 236.
[84] Richard Burt, "Strategic Politics and the Indian Ocean," *Pacific Affairs* 47, no. 4 (Winter 1974-1975): 509–514, 510.
[85] Burt, "Strategic Politics and the Indian Ocean," 510. Ghebhardt, "Soviet and U.S. Interests in the Indian Ocean," 676.
[86] Kumar, "The Indian Ocean," 238.
[87] Senate Standing Committee on Foreign Affairs and Trade, *Australia and the Indian Ocean Region*, 73.

Brzezinski, President Carter's National Security Advisor, who in 1979 observed that "an arc of crisis stretches along the shores of the Indian Ocean with fragile social and political structures in a region of vital importance to us threatened with fragmentation. The resulting political chaos could well be filled by elements hostile to our values and sympathetic to our adversaries."[88] The result was a mixture of incentives and threats directed at the rim states, as the United States and USSR sought to increase their access to and control of the region.[89] This led to a mixed response from the rim states.

Though there was a desire among the Indian Ocean's littoral states to adopt a ZOPFAN similar to that developed by ASEAN, the diversity of state interests made the creation of such a cooperative arrangement problematic.[90] Moreover, though the superpower rivalry was not welcomed the alternatives were even less desirable. The states realized that domination by one superpower, or a struggle among regional powers for hegemony should the superpowers withdraw, posed greater threats to regional stability than the existing superpower rivalry.[91] Accordingly, as the Soviet-American strategic rivalry in the Ocean stabilized—a situation defined by a 1976 Australian Senate Report as "matching presence" [92]—the Ocean's SLOCs remained largely unaffected by the disturbances that plagued the littorals. This in turn enabled the uninterrupted flow of commerce that was critical to both developed and developing countries.

The Great Powers: Great Britain, the United States, China, the Soviet Union, and Japan

Although the Asia-Pacific region was not the primary area of strategic competition during the Cold War, it was still a key locus of great power politics. While the majority of the broader regional great power interactions would be played out in the Northeast Asian RSC, the influence of these dynamics was felt by states throughout the Asia-Pacific. The major shifts in global and regional

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[88] Quoted in Kumar, "The Indian Ocean," 234.
[89] Kumar, "The Indian Ocean," 234.
[90] Senate Standing Committee on Foreign Affairs and Trade, *Australia and the Indian Ocean Region*, 199.
[91] Senate Standing Committee on Foreign Affairs and Trade, *Australia and the Indian Ocean Region*, 199.
[92] Senate Standing Committee on Foreign Affairs and Trade, *Australia and the Indian Ocean Region*, 199.

dynamics described above had a profound effect on Australian grand strategy during the final decades of the Cold War. The following section examines the strategies of the five powers whose relationships had the greatest impact on the development of Australian grand strategy between 1971 and 1991.

Great Britain

Following the end of the Second World War, Britain sought to reinvigorate its presence in Asia, which had been disrupted by the Japan's southward advance in the early 1940s. By 1957, British forces in the region included 21,000 soldiers, ten squadrons, and 11 major fleet units.[93] British and Commonwealth forces would fight two low-level military operations in the region, the Malaya Emergency and the *Konfrontasi*. However, the humiliation of the Suez Crisis of 1956 had confirmed to the British government that it no longer had the economic and military power required to fulfill the global role it had played prior to the Second World War.[94] With the federation of the former colonies of Malaya, Singapore, and Borneo into the new state of Malaysia, and the end of the Indonesian policy of confrontation, the scene was set to enable a drawdown of British forces in the region. In April 1967, the British government advised its Western allies that Britain would withdraw its forces by the mid-1970s.[95]

The British withdrawal from east of the Suez would have major implications for the region's Western nations, who were then heavily involved in the Vietnam War. Although British forces were not committed to the effort in Vietnam, they were regarded as a vital component of Western efforts to contain communism in Asia.[96] As Britain's economic position suffered continued set backs following further devaluations of the pound, the British government decided to speed up the withdrawal of British forces east of the Suez, to be completed by the end of March 1971.[97] By March 1971, British forces in Southeast Asia had decreased from the 1968 figure of 40,000 to a mere 4,000.[98]

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[93] Benvenuti, "British Withdrawal from Southeast Asia," 190.
[94] Smith, Cox, and Burchill, *Australia in the World*, 150.
[95] Benvenuti, "British Withdrawal from Southeast Asia," 190.
[96] Benvenuti, "British Withdrawal from Southeast Asia," 190.
[97] Benvenuti, "British Withdrawal from Southeast Asia," 202-3.
[98] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1971," 323.

Despite the precipitous drop in British forces permanently stationed in the region, British commitment remained in a limited form: the Five Power Defence Arrangements (FPDA). The FPDA comprises a series of separate bilateral agreements signed in 1971 between Malaysia and Singapore, and the three other powers that "obliges them to consult each other in the event of an external aggression or threat of such attack against Malaysia and Singapore."[99] The benefit to the British of this new arrangement was that it enabled them to maintain a veneer of involvement in Asia without creating a commitment to action. The FPDA did not require forces to be stationed in the region, and all that was required in the event of aggression was consultation, not action.[100]

With the FPDA in place, the British withdrew from their centuries-long military involvement in Asia, and, in so doing, destroyed one of the pillars of Australian postwar grand strategy. While the British were in the process of withdrawing, Australia's other main ally, the United States, also decided to reduce its commitment to the Asia-Pacific region, a decision which sounded the death knell to Australia's approach to managing its security in the region.

The United States

When Richard Nixon assumed the presidency of the United States in January 1969, he "inherited near-civil war conditions."[101] American society was riven with racial tensions, and the country was mired in an increasingly unpopular war in Vietnam. Part of his response to the challenges he faced was to alter America's approach to its external relations; in the words of George Herring, the Nixon shift in US grand strategy "was an act without precedent in the annals of twentieth century diplomacy."[102] Though US grand strategy would see some significant changes during the last two decades of the Cold War, Nixon launched US grand strategy in Asia on a trajectory that remained largely unaltered until the collapse of the Soviet Union. It was a grand strategy characterized by Soviet containment, Chinese engagement, and the promotion

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[99] Of note, Malaysia and Singapore have not signed a bilateral agreement. Khoo How San, "The Five Power Defence Arrangements: If It Ain't Broke…," *Pointer* 26, no. 4 (October-December 2000), http://www.mindef.gov.sg/safti/pointer/back/journals/2000/vol26_4/7.htm (accessed 4 March 2013).

[100] San, "The Five Power Defence Arrangements."

[101] Kissinger, *Diplomacy*, 704.

[102] Herring, *From Colony to Superpower*, 760.

of regional self-reliance. These three strands of US strategy acted as a catalyst for a major revolution in Australian grand strategy. And it began with the moon landing.

Nixon was in Guam on 25 July 1969 to witness the splashdown of the Apollo 11 astronauts. While in Guam, Nixon spoke informally to the media on the island and, in the process, laid the foundation for a new approach to US relations with Asia.[103] When asked by a reporter how he would respond to a leader of one of America's Asian allies who asked: "How [following the announcement of the US intention to withdrawal from Vietnam] can we know that you will remain to play a significant role as you say you wish to do in security arrangements in Asia?" Nixon outlined what would, in Australia, be referred to as the Guam Doctrine. Nixon stated that he believed:

> that the time has come when the United States, in our relations with all of our Asian friends, be quite emphatic on two points: One, that we will keep our treaty commitments … but, two, that as far as the problems of internal security are concerned, as far as the problems of military defense, except for the threat of a major power involving nuclear weapons, that the United States is going to encourage and has a right to expect that this problem will be increasingly handled by, and the responsibility for it taken by, the Asian nations themselves.[104]

Nixon would elaborate on the details of the doctrine over the coming months. Drawing on the various pronouncements of Nixon's thoughts on this subject, Kissinger, Nixon's National Security Advisor at the time, characterized the Guam Doctrine as an attempt to "navigate between overextension and abdication by establishing three criteria for American involvement:

- The United States would keep its treaty commitments.
- The United States would 'provide a shield if a nuclear power threatens the freedom of a nation allied with us or of a nation whose survival we consider vital to our security.'

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[103] Nixon stated at the beginning of the press conference that "the remarks today will be for attribution but not direct quotation, and for background." President Richard Nixon, (press conference, Guam, 25 July 1969).
http://www.presidency.ucsb.edu/ws/?pid=2140 (accessed 4 March 2013).
[104] Richard Nixon, President, United States, (press conference, Guam, 25 July 1969).

- In cases involving non-nuclear aggression, the United States would 'look to the nation directly threatened to assume the primary responsibility of providing the manpower for defense.[105]

Though the specifics of the doctrine's application were unclear—such as the implications of a nuclear power threatening US allies with conventional means—the intent behind it was unambiguous: America would honor its commitments, but this would not be a blank check. America's allies were expected to assume a greater responsibility for their own defense.

The requirement for US allies to assume a greater degree of self-reliance was reinforced in 1973 with the passage of the War Powers Resolution. The Law, passed over Nixon's veto, essentially gave Congress control over the extended use of forces overseas. American political scientist Joyce Kaufman summarized the effect of the law as requiring that "the president must end the use of force within sixty days unless Congress authorizes otherwise … and which require that forces be removed 'if the Congress so directs by concurrent resolution.'"[106] The significance of the War Powers Resolution was not lost on the Australian government, which recognized the implications for Australian defense of increasing Congressional oversight on the employment of US military forces. In its 1975 strategic appreciation, the Australian Department of Defence made the following observation regarding recent changes in the conduct of America's external relations: "Another development has been the significant curtailment of the power of the President of the United States by the Congress in respect of his ability to deploy and commit US military power abroad. This has the effect, moreover, of rendering the Administration more sensitive to public opinion in the US."[107] Australian policy makers could no longer rely simply on their relationship with the US executive as the basis for its defense planning, but now had to account for the vagaries of the US legislative system.

The effect of the Guam Doctrine on US force deployments in Asia was significant, as illustrated in figure 3. Even after accounting for the reduction in forces as a result of the US drawdown in Vietnam, US troop numbers deployed in Asia fell by more than half during the 1970s, while in Europe they increased

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[105] Kissinger, *Diplomacy*, 708.
[106] Kaufman, *A Concise History of US Foreign Policy*, loc. 2350.
[107] Australian Defence Committee, "Strategic Basis of Australian Foreign Policy, 1975," in *A History of Australian Strategic Policy Since 1945*, 323.

by 10 percent over the same period.[108] This is not to suggest that the US had abandoned Asia. Total force numbers hovered around 100,000 personnel from the late 1970s through the end of the Cold War; roughly a quarter of US forces overseas were deployed in the region. However, the depth of the US commitment to Asia remained a lingering concern for America's regional allies.

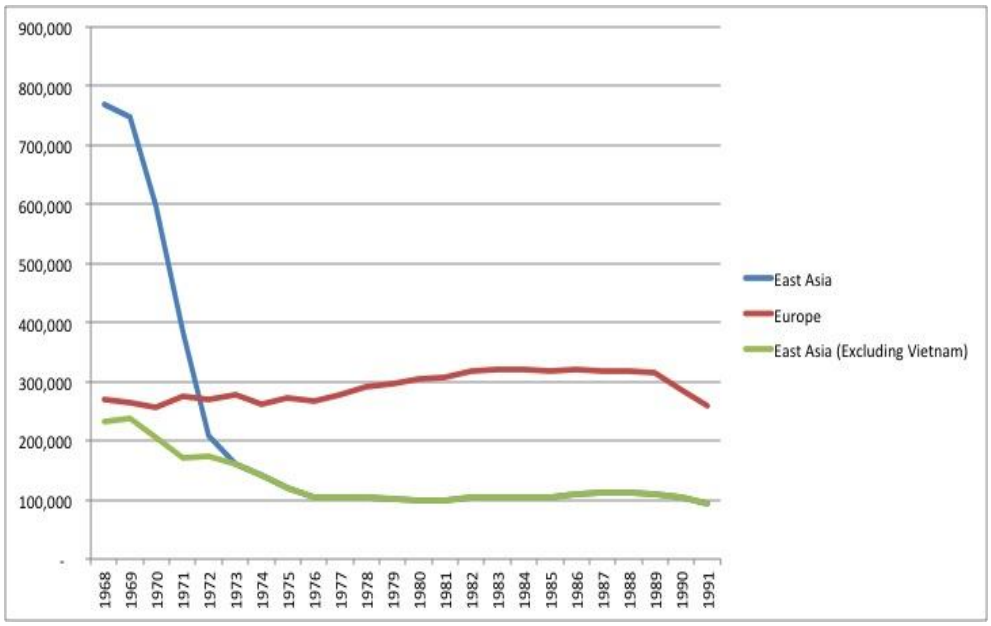

Figure 3: United States Troops Deployments to Asia and Europe, 1968-1991

Source: Adapted from Tim Kane, "Global U.S. Troop Deployment, 1950-2003," Heritage Foundation, http://www.heritage.org/research/reports/2004/10/global-us-troop-deployment-1950-2003 (accessed 5 March 2013).

When, soon after taking office, President Carter announced that he intended to commence troop withdrawals from South Korea to enable their redeployment to Europe, where he thought they were more needed, Japan and South Korea protested, questioning the reliability of the US security guarantee that was central to their national defense strategy.[109] The effects of Carter's

[108] Tim Kane, "Global U.S. Troop Deployment, 1950-2003," *Heritage Foundation*, http://www.heritage.org/research/reports/2004/10/global-us-troop-deployment-1950-2003 (accessed 5 March 2013).
[109] Herring, *From Colony to Superpower*, 833-34. Herring links the subsequent assassination of the South Korean President Park Chung Hee to Carter's decision, arguing that it weakened his stature within the country. This highlights the significance of US involvement in the region.

Asian retrenchment efforts were mitigated by the efforts of his National Security Advisor, Zbigniew Brzezinski, and Carter's successor, Ronald Reagan, who sought to demonstrate US support for the region by welcoming the South Korean President as one of his first official visitors. Nevertheless, US grand strategy clearly attached a lesser degree of emphasis on the security situation in Asia.[110]

The US drawdown in Asia was only made possible by changes in its foreign policy that saw the view of China shift from a "red menace" to being an effective balancer against Soviet expansion in the region. This process commenced with Nixon's rapprochement. However, the US approach to developing a "close, friendly, and cooperative relationship with the People's Republic of China" remained a consistent pillar of US grand strategy in the region.[111]

The process of normalizing US relations with China began with Kissinger's secret visit to Beijing in 1971 and was completed by the Carter Administration on 1 March 1979.[112] The reason for this dramatic shift in policy was the realization by US policymakers of the geopolitical significance of the growing Sino-Soviet schism that achieved militant fervency during the border clashes of 1969. The Nixon administration moved quickly to exploit the schism to further US interests.

Despite claiming that "ideological differences between the two communist giants [were not its] affair," and that the US did "not seek to exploit for [its] own advantage the hostility between the Soviet Union and the People's Republic,"[113] Nixon quickly realized that the United States could not remain indifferent to events unfolding in Northeast Asia. In August 1969, Nixon justified his decision to shift the US approach to China to his Cabinet, stating that "the worst thing that could happen for us would be for the Soviet Union to gobble up Red

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[110] Herring, *From Colony to Superpower*, 834. Solomon, "East Asia and the Great Power Coalitions," 687.
[111] *National Security Strategy of the United States* (Washington, DC: The White House, 1987), 15.
[112] Kaufman, *Concise History of U.S. Foreign Policy*, loc. 2379. Herring, *From Colony to Superpower*, 839.
[113] Undersecretary of State Elliot Richardson speaking on 5 September 1969. Quoted in Kissinger, *Diplomacy*, 724.

China."[114] He argued that the US could not allow such a situation to occur: "We're not doing this because we love the Chinese. We just have to see to it that the US plays both sides."[115] With the signing of the Shanghai Communiqué in 1972, Nixon formalized US engagement with China and brought the Chinese Communists into the US strategy of Soviet containment.

Although the foreign policy of the Carter Administration was distinguished from that of Nixon's immediate successor, Gerald Ford, by its commitment to change, US efforts to improve relations with China continued unabated.[116] If anything, the pragmatic American embrace of Chinese communism accelerated. In 1978, Brzezinski advised the Chinese of American willingness to break off formal relations with Taiwan, and offered the possibility of indirect arms sales.[117] The Soviet invasion of Afghanistan appeared to add impetus to further improve relations as Carter proposed in January 1980, the establishment of military ties between the countries.[118] When Reagan, a virulent anti-Communist, took over the Presidency in 1981, the military aspects of Sino-American relations reached a new level with Reagan's Secretary of State, Alexander Haig, advising the Chinese that they could gain access to "lethal U.S. weaponry on a case-by-case basis."[119]

Reagan's approach to China highlights how *realpoltik* and geostrategic considerations had become the cornerstones of US strategy in the Asia-Pacific. Talking to reporters during his 1984 visit to China, Reagan indicated the ongoing tension between ideology and pragmatism. When asked how far Sino-American relations could progress, he simply responded that it was up to the Chinese "whether it runs into ideology or not."[120] When further questioned about his response to Chinese Premier Zhao's statement that "ideology was not

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[114] Gaddis, *Strategies of Containment*, 294.
[115] Gaddis, *Strategies of Containment*, 294.
[116] Herring, *From Colony to Superpower*, 831, 840.
[117] Herring, *From Colony to Superpower*, 839.
[118] Herring states that following the Soviet invasion, Brzezinski "arranged for the sale of non-lethal military equipment including radar and other high-tech electronic items long sought by the Chinese and denied the Soviets." Herring, *From Colony to Superpower*, 855.
[119] Solomon, "East Asia and the Great Power Coalitions," 687.
[120] Ronald Reagan, President, United States of America (question and answer with reporters, Air Force One, 1 May 1984) http://www.presidency.ucsb.edu/ws/?pid=39847 (Accessed 6 March 2013).

the basis for establishing relations one way or the other," Reagan replied: "I think frankly that we arrived at a new level and a new stage now in the relationship. They understand where-how we feel—or where we feel [sic] about that system, but we understand how we feel about ours. But we still found there are areas of agreement with regard to peace, opposition to expansionism and hegemony, and we found we could agree on a great many things."[121]

However, the relationship between these strange ideological bedfellows was not always smooth. During the 1980s, tensions grew over the arms sales to Taiwan, which threatened a break in diplomatic relations between the countries.[122] The most serious rift, however, occurred following the Tiananmen Square massacre in 1989, which moved human rights firmly into the center of Sino-American relations.[123] The US response to the Chinese government's actions demonstrated the tension that existed between moral indignation and national self-interest. While President Bush imposed tough sanctions on the Chinese in response to the massacre, he also sent his National Security Advisor, Brent Scowcroft, in an effort to minimize the impact on Sino-American relations.[124] However, as the changes unfolding in the Soviet Union gained pace in 1989, the importance of the Sino-American relationship to US grand strategy changed; the Soviet threat to the Asia-Pacific had declined, and with it the strategic benefits offered by two decade long *rapprochement*. The Soviets not longer needed to be contained.

Although Asia was at the center of the superpower rivalries during the first decades of the Cold War, from the 1970s until the collapse of the Soviet Union, the primary focus of US-Soviet relations was Western Europe. This was where the bulk of US overseas military was deployed and was the center of its primary alliance, the North Atlantic Treaty Organization (NATO). Asia was seen largely as a secondary theater. This was evident from the different views on US strategy in Western Europe and in Asia outlined in the 1988 National Security Strategy (NSS).

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[121] Ronald Reagan, President, United States of America (question and answer with reporters, Air Force One, 1 May 1984).
[122] Solomon, "East Asia and the Great Power Coalitions," 687.
[123] Kissinger, *Diplomacy*, 830.
[124] Herring, *From Colony to Superpower*, 902.

In Western Europe, the NSS evinced a deep and direct US commitment to securing the region against Soviet expansionism:

> The security of Western Europe is a vital component of US National Security Strategy. We share a common heritage and democratic values with Western European countries, have a compelling mutual interest in containing Soviet expansion, and benefit from interdependent economic relations.
>
> Overall, our objectives in Western Europe are to help maintain the region's security and independence from Soviet intimidation, to promote its political and economic health, to consult with European governments on effective policies towards the Soviet Union and the Warsaw Pact, and to work with Western Europeans toward overcoming the East-West division of the European content.
>
> [NATO] embodies the US commitment to Western Europe.[125]

In Asia, by contrast, US strategy was more detached and circumspect. While acknowledging the "steady qualitative improvement" of Soviet forces in the region, the NSS defines US security objectives in the Asia-Pacific as: "helping our allies and friends in the region develop economically and politically as *they defend themselves* from encroachment."[126]

As in Europe, containing Soviet expansion remained the major strategic issue for the United States in the Asia-Pacific; however, the geostrategic situation in Asia achieved containment without the need for the same size of the American presence required in Europe. The US-Soviet dynamics were therefore minimized in the Asia-Pacific region as the United States focused on bolstering regional self-sufficiency and not direct confrontation.

The Soviet Union

The Soviet Union also adopted a different approach towards the Asia-Pacific region. Soviet interests in the region were defined by its ongoing conflict with the Chinese and its desire to expand its ideological and economic influence throughout Asia and the South Pacific. These goals proved to be contradictory as its increasing military presence in the region led regional states to view

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[125] *The National Security Strategy of the United States* (Washington, DC: The White House, 1988), 27.
[126] Emphasis added. *The National Security Strategy of the United States* (Washington, DC: The White House, 1988), 30.

Soviet presence with increasing caution.[127] The result was that the Soviet Union came to be viewed as the primary threat to the region.

The Sino-Soviet schism, followed by the Sino-American *rapprochement,* created a significant challenge for the Soviet Union: it now faced danger on two fronts.[128] Fortunately, the easing of tensions in Europe flowing from *détente* facilitated a shift in focus towards the East and enabling the Soviet to meet the challenge to its influence posed by Chinese forces.[129] In 1975, Soviet forces arrayed along the Chinese border had increased to 38 divisions from 13 in 1964, and included approximately 1,200 combat aircraft.[130] This represented a significant portion of the Soviet's conventional forces.[131] The rationale for this concentration of forces was to deter the Chinese from attacking Soviet territory either independently, or in response to an attack on the Soviet's western front with NATO, as well as to ensure sufficient offensive capabilities to inflict damage on Chinese industry, and occupy parts of northern China.[132]

The cause of the animosity between the two communist giants was both ideological and nationalistic. The fissure between the Chinese Communists and their erstwhile Soviet allies began as a personal split between the Chinese leadership and Soviet Premier Khruschev in 1963, partly in response to Soviet reluctance to assist the Chinese nuclear program.[133] However, relations continued to decline as China sought greater independence from Moscow and to

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[127] Joint Committee on Foreign Affairs and Defence, *Threats to Australia's Security: Their Nature and Probability*, 15.
[128] Kissinger, *Diplomacy*, 730.
[129] Herring, *From Colony to Superpower*, 772.
[130] Central Intelligence Agency, *Strategic Forces* (Washington, DC: Central Intelligence Agency, 1975) http://www.foia.cia.gov/sites/default/files/document_conversions/5829/CIA-RDP80R01731R002400210034-0.pdf (accessed 6 March 2013). Document is now declassified.
[131] Central Intelligence Agency, *Soviet Military Forces in the Far East: National Intelligence Estimate Volume II—Key Judgements, NIE 11-14/40-81D* (Washington, DC: Central Intelligence Agency, 1981) http://www.foia.cia.gov/sites/default/files/document_conversions/89801/DOC_0000278541.pdf (Accessed 6 March 2013), 2. Document is now declassified.
[132] Central Intelligence Agency, *Soviet Military Forces in the Far East*, 1.
[133] Central Intelligence Agency, *Central Intelligence Bulletin 7 September 1963*, (Washington, DC: Central Intelligence Agency, 1963) http://www.foia.cia.gov/sites/default/files/document_conversions/5829/CIA-RDP79T00975A007200270001-2.pdf (accessed 6 March 2013), 1. Document is now declassified.

establish itself as a great power in its own right.[134] This led to increasingly strong rhetoric from both Moscow and Beijing and ultimately to border clashes in 1969.[135] Though these clashes were ostensibly over territory and ideology, they were also a reflection of an growing struggle between the communist powers for expanded influence within the Asia-Pacific region, particularly in Southeast Asia.

Militarily, the Soviets enjoyed significant advantage in the region. Following the reunification of Vietnam in 1975, the Soviet Union became Vietnam's closest ally.[136] This enabled the Soviets to gain basing rights in Vietnam, primarily at Cam Ranh Bay, which would in time become the Soviet's largest base outside Eastern Europe.[137] Accordingly, not only did China face significant Soviet forces along its northern borders, but also had an exposed southern flank. The Soviet Union consolidated its commanding position in Southeast Asia in 1978 with the signing of the Soviet-Vietnamese Treaty of Friendship and Cooperation, which, Malaysian security studies scholar Mutiah Alagappa contends, "made the USSR an important player in the regional balance of power and in matters of peace and security in Southeast Asia."[138] From this strong position, the Soviets hoped to expand their influence in the region at Chinese expense.

The expansion of Soviet influence in South East Asia was regarded by Moscow "as a natural expression of its superpower status."[139] However, the Soviet approach to achieving this presented a contradiction. The extensive Soviet military penetration of the region raised concerns among the states of Southeast Asia, particularly the ASEAN states. These concerns were heightened by the Soviet support of the Vietnamese invasion of Kampuchea in 1978. In supporting the Vietnamese invasion, the Soviets had in essence

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[134] Buzan and Wæver, *Regions and Powers*, 140.
[135] Central Intelligence Agency, *Central Intelligence Bulletin 7 September 1963*, (Washington, DC: Central Intelligence Agency, 1963) http://www.foia.cia.gov/sites/default/files/document_conversions/5829/CIA-RDP79T00975A007200270001-2.pdf (accessed 6 March 2013), 1. Document is now declassified.
[136] Herring, *From Colony to Superpower*, 840.
[137] Australian Department of Defence, *Defence of Australia*, 15.
[138] Alagappa, "Soviet Policy in Southeast Asia," 323.
[139] Joint Committee on Foreign Affairs and Defence, *Threats to Australia's Security: Their Nature and Probability*, 15.

supported a Vietnamese push for dominance in Indochina. While this may have been simply an extension of the Sino-Soviet rivalry, as it resulted in the toppling of the Chinese-backed Khmer Rouge regime, it was viewed by regional states, including Australia, as an attempt to extend Soviet power further south.[140] Moreover, allegations that the Soviet Union was supporting subversives within some of its member states fed ASEAN's anticommunist predilections further damaging the Soviet image in the region.[141]

Attitudes towards the USSR, both in China and Southeast Asia, began to change when Gorbachev assumed power in 1985. When Gorbachev took office, he inherited a state that was in social and economic decline.[142] He therefore set about demilitarizing the Soviet Union.[143] In his landmark speech to the United Nations (UN) General Assembly on 7 December 1988, he announced the withdrawal of Soviet forces from both the European and Asian fronts.[144] While the reduction in troops numbers along the Sino-Soviet border was a precondition for normalizing the relations between the two countries, a key priority of Gorbachev's policy towards Asia, another requirement was the Vietnamese withdrawal from Kampuchea.[145] This process was well underway in 1988, and Moscow was exerting pressure on Hanoi to withdraw.[146] With the drawdown of Soviet forces in Asia, and its pressure on Vietnam to withdraw from Kampuchea, Soviet relations with the states in the region began to improve. Donald Zagoria, an American political scientist and a former consultant to President Carter's National Security Council, noted in 1988 that "a major reduction of tensions among all four major powers in the region is now taking place. There is no "odd man out."[147]

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[140] Bell, *Dependent Ally*, 161.
[141] Alagappa, "Soviet Policy in Southeast Asia," 335.
[142] Kissinger, *Diplomacy*, 758.
[143] Kaufman, *Concise History of U.S. Foreign Policy*, loc. 2564.
[144] Kissinger, *Diplomacy*, 791-792.
[145] Alagappa, "Soviet Policy in Southeast Asia," 326.
[146] Donald S. Zagoria, "Soviet Policy in East Asia: A New Beginning?" *Foreign Affairs* 68. no. 1 (February 1989) http://www.foreignaffairs.com/articles/44004/donald-s-zagoria/soviet-policy-in-east-asia-a-new-beginning (accessed 6 March 2013).
[147] Zagoria, "Soviet Policy in East Asia."

In the closing years of the Cold War, the Soviet Union shifted its strategy in the Asia-Pacific from antagonism to cooperation.[148] However, although they reduced its military involvement in the region, the Soviets did not give up their efforts to maintain and extend its influence. The problem that it faced was in seeking to revitalize its non-military instruments of power to engage the region, instruments that had atrophied during the preceding few decades.[149] Progress was slow and Soviet influence remained underdeveloped when the USSR collapsed in 1991, whereupon Asia lost its relevance in light of the domestic challenges the crumbling state then faced.

China

Until the late 1960s, Communist China's leaders were focused primarily on the consolidation of their power at home. By 1969, the country had begun to emerge from the domestic excesses of the Cultural Revolution and to escape the orbit of Moscow.[150] By 1972, Mao had adjusted China's view of the outside world. No longer was the United States seen as "China's principal enemy" but as a potential partner in China's struggle against the Soviet Union. Moreover, improved relations with the United States and Japan provided an avenue for the development that would be vital for China's rise into the ranks of the world's great powers.[151] China's security potential as a bulwark against Soviet expansion into Asia, and the economic potential offered by access to its vast and modernizing domestic market, made improved relations with the Communist country a high priority for Western states in the region.[152] However, its own efforts at influence would lead to China being viewed as a threat by some of its ASEAN neighbors.

China's relations with the external world were shaped primarily by its split with the USSR. While the United States saw the split as an opportunity to reduce the burden of Soviet containment in Asia, China viewed it as a matter of national survival. This attitude was reflected in the 1972 Shanghai Communiqué, which included an undertaking that "neither China nor the

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[148] *Australia's Strategic Planning in the 1990s* (Canberra: Commonwealth of Australia, 1989), 1.
[149] Zagoria, "Soviet Policy in East Asia"
[150] Gaddis, *Strategies of Containment*, 272.
[151] Herring, *From Colony to Superpower*, 775.
[152] Solomon, "East Asia and the Great Power Coalitions," 700.

United States would cooperate with the Soviet bloc."[153] As Mao noted, the principal threat to China was the Soviet Union.[154] While the same may have been the case for the United States, for China the threat was clearer and more present, as evidenced by the 38 divisions arrayed across its northern border. Accordingly, with the ensuing thaw in Soviet-America relations following, the Chinese came to regard the United States as "not sufficiently anti-Soviet."[155] This was exacerbated by the poorly considered decision for President Ford to meet Premier Brezhnev in Vladivostok for a summit in 1974. As Kissinger highlighted in retrospect, "we overlooked that Vladivostok was acquired by Russia only a century earlier in one of the 'unequal treaties' regularly castigated in China and that it was located in the Russian Far East, where military clashes between China and the Soviet Union had triggered the reassessment of our China policy just a few years earlier. Technical convenience had been allowed to override common sense."[156] In Mao's eyes, the United States had used its *rapprochement* with China as a means to adjust its relationship with the USSR. With *détente* a success, China had slipped to the bottom of America's international priorities.[157]

China's view of Australian policy during the same period highlights the importance attached to the anti-Soviet credentials of its quasi-allies. When the Fraser government came to power in Australia in 1975, it adopted a strident anti-Soviet position while the Ford administration continued with a policy of *détente*.[158] When Fraser visited Beijing—one of his first overseas destination as Australian Prime Minister—he expressed his concern and distrust of the US-Soviet *détente*. According to Bell, this made Fraser "the very model of an Australian Prime Minister" in the eyes of the leaders in Beijing.[159] However, Australia was a middle power, with little to offer the Chinese in terms of

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[153] Kissinger, *Diplomacy, 728*.
[154] Kissinger, *Diplomacy*, 728.
[155] Herring, *From Colony to Superpower*, 804.
[156] Henry Kissinger, *On China*, Kindle ed. (New York: Penguin, 2011), 305.
[157] Mao is reported to have said to Kissinger in an October 1975 meeting: "We see that what you are doing is leaping to Moscow by way of our shoulders, and these shoulders are now useless. You see, we are the fifth. We are the small finger." Quoted in Kissinger, *On China*, 308.
[158] Smith, Cox, and Burchill, *Australia in the World*, 39. Herring, *From Colony to Superpower*, 810.
[159] Bell, *Dependent Ally*, 144.

security support. Similarly, though Japan's relations with the Soviet Union were stalled on the matter of control of the Northern Territories, Japan remained responsive to American attitudes in the region. "Japan's presence was of no particular import in the international politics of post-war Asia."[160] The key to Chinese security was therefore heavily reliant on the deterioration of US-Soviet relations.

China increasingly came to benefit from the reinvigoration of the Cold War, as Soviet-American relations deteriorated in the late 1970s and into the early 1980s. As mentioned above, following the Soviet invasion of Afghanistan, which sounded the death knell of *détente*, the Carter administration proposed the development of military ties with China, and Reagan's enlistment of China into his ideological battle against the "evil empire" led to increased support of China's military modernization through the sale of "lethal weaponry."[161] However, the most discernible change in Sino-American relations following the death of *détente* was the issue of Taiwan.

Taiwan had been a defining feature of Sino-American relations since the Communist consolidation of power on the mainland in 1949. Recognition of the government in Taipei as *the* Government of China was the cornerstone of US China policy until the late 1970s. When relations were normalized in 1979, the one China policy was endorsed and the Communists in Beijing were acknowledged as the "sole legal government."[162] The United States would retain links with Taiwan, but the relationship had irrevocably changed.

Correlating with the declining Soviet-American relationship was an increase Chinese rhetoric regarding the position of Taiwan and its connection to the Sino-American relationship. The Reagan administration's efforts to balance domestic concerns over support for Taiwan—most powerfully expressed in the Taiwan Relations Act of 1980—with the desire to placate Beijing "violated every ground rule of coherent policy."[163] Though arms sales to Taiwan continued, which was Beijing's major concern, the resulting incoherence of American policy

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[160] Miyagi, *Post-War Asia and Japan*, 26.
[161] Herring, *From Colony to Superpower*, 839. Solomon, "East Asia and the Great Power Coalitions," 687.
[162] Richard H. Solomon, *The China Factor in America's Foreign Relations: Perceptions and Policy Choices* (Santa Monica, CA: RAND Corporation, 1981), 48.
[163] Kissinger, *On China*, 385.

highlighted to the Chinese their growing importance in the eyes of the American administration. This emboldened the leaders in Beijing and reduced the influence of American pronouncements on Chinese decision-making.

This was clearly demonstrated in the handling, both by the Chinese and the Americans, of the Tiananmean Square massacre of 1989. The US response to the Chinese decision to quell the unrest through violent means was muted. Military ties were terminated, but the sanctions that were initially imposed on the regime were eventually removed without a corresponding change in Beijing's attitudes towards democracy protests.[164] By June 1989, China was on the way to becoming an economic power, and its importance to the United States and the region was increasingly seen through an economic, rather than security, lens.

Deng Xiaoping's ascension to power was one of the major turning points in the transformation of China and the region's perception of it. Captured in Deng's slogan of "Reform and Opening Up," from 1978, China embarked on a process of modernization and economic development that would see the state alter its view of the international system and the potential benefits to China that could accrue from increased integration.[165] The reforms instigated by Deng released the potential of China's vast human and economic potential through the introduction of market reforms and the decentralization of decision-making.[166] Economically, this led to a doubling of China's GDP between 1978 and 1988, and laid the foundations for the sustained growth that has enabled China to become the second largest economy in the world in 2010.[167] This demonstration of China's economic potential greatly increased its regional influence.

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[164] Crowe and Romberg, "Rethinking Security in the Pacific," 139. Herring, *From Colony to Superpower*, 902.
[165] Kissinger, *On China*, 335.
[166] Kissinger, *On China*, 398.
[167] World Bank, "World Development Indicators: China GDP (Current US$), 1971-1991," World Bank, http://databank.worldbank.org/ddp/ (accessed 9 March 2013). Bloomberg News, "China Overtakes Japan as World's Second Biggest-Economy," *Bloomberg*, 16 August 2010, http://www.bloomberg.com/news/2010-08-16/china-economy-passes-japan-s-in-second-quarter-capping-three-decade-rise.html (accessed 9 March 2013).

From a diplomatic perspective, Deng embarked on a diplomatic *tour de force*; visiting Southeast Asia in 1978 and the United States in 1979. The aim of these diplomatic efforts were to draw attention to China's reemergence as an increasingly important regional actor, both economically and strategically. For the Southeast Asian audience, Deng' emphasis on the common threat posed by the "polar bear" was seen as a way to disassociate his government's history of supporting ethnic Chinese-centered communist revolutions throughout the region.[168] Though none of the ASEAN states he visited were comfortable with the Soviet-backed Vietnamese domination of the region, neither were they given to welcoming increased Chinese influence.

Accordingly, while China had embarked on a path of modernization, its influence in the broader region remained limited. The region's Western-aligned states—United States, Japan, and Australia—saw opportunity in the economic transformation of the Communist giant; however, the desire of the anticommunist ASEAN states to prevent the growth of external influence in the region led to a more circumspect acceptance of a resurgent Middle Kingdom. Irrespective of foreign views of as to the acceptability of its domestic and international policies, Chinese transformation from 1972 to 1991 was astounding. By the time the Soviet Union imploded in 1991, Deng's reforms had positioned China to assume a leading role as a major regional power in the Asia-Pacific.

Japan

Japan, the final power to be considered in this case study, is an enigma. Considered a great power by some, due to its commanding economic position in the world, others believe that its lack of military potential—relative to its economic capacity—excludes it from consideration as being among the inner circle of dominant powers.[169] Irrespective of how Japan's power status is

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[168] Kissinger, *On China*, 373.

[169] Buzan and Wæver accept that Japan's economic capacity means "they are responded to by others on the basis of system-level calculations," therefore qualifying it as a great power. However, Japan's lack of a corresponding military capability denies it classification as a superpower. Buzan and Wæver, *Regions and Powers*, 35-36. In a 1995 article on Japan's defence issues, Buzan stated that "the longer-term reality of industrial and financial capability makes Japan a great power." Buzan, "Japan's Defence Problematique," 27. Hedley Bull, on the other hand, argued that great power status required a "front rank military." He thereby specifically excluded Japan from the

formally defined, as the second largest economy in the world during the final decades of the Cold War, Japan's influence in the region cannot be discounted.[170] Indeed, the 1971 *Strategic Basis for Australian Defence Policy* highlighted that "a considerable growth in Japanese political influence [was] inevitable."[171]

Japan's decision not to develop a military capability commensurate with its economic capacity can be attributed to three related factors: legal, historical, and practical. From a legal perspective, Japan was constitutionally barred from developing a military force. Article 9 of the American-imposed postwar Constitution provided for the renounced war as "a sovereign right of the nation and the threat or use of force as means of settling international disputes." Moreover, the same article precluded the development and maintenance of land, sea, and air forces, as well as other war potential."[172] Part of the reason for this unique constitutional provision was the concern of Japan's erstwhile enemies and the former subjugated nations of the region regarding a resurgence in Japanese militarism. However, there was also a deep-seated antimilitarist sentiment within Japanese society itself that placed domestic limits on the development of military potential.[173] Finally, the US security commitment to Japan obviated the need for Japan to develop an indigenous military capacity. The US-Japan Security Treaty, which took effect in 1960, commits the United States to defend Japan should it be attacked, and, in exchange, Japan provides basing for the US military.[174] As Buzan points out, the terms of the treaty "are extremely unequal," insofar as it committed the United States to the defense of Japan, without a corresponding commitment from the Japanese to act in the defense of the United States, a marked difference from the mutual obligations

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great power ranks. Hedley Bull, *The Anarchical Society: A Study of Order in World Politics,* 3rd ed. (New York: Columbia University Press, 2002), 195.

[170] United Nations, "National Accounts Main Aggregates Accounts Database: All Countries for All Years," United Nations, http://unstats.un.org/unsd/snaama/dnltransfer.asp?fID=2 (accessed 9 March 2013).

[171] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1972," in *A History of Australian Strategic Policy Since 1945*, 427.

[172] Japanese Constitution, Article 9.

[173] Eugene A. Matthews, "Japan's New Nationalism," *Foreign Affairs* 82, no. 6 (November/December 2003): 74–90, 76.

[174] George R. Packard, "Some Thoughts on the 50th Anniversary of the US-Japan Security Treaty," *Asia-Pacific Review* 17, no. 2 (November 2010): 1–9,1.

embodied in the ANZUS treaty.[175] Protected by the US nuclear and conventional umbrella, Japan has been able to minimize the contribution made to its own defense.

This does not mean that Japan has abjured the development of *any* military capability. In 1957, the Japanese government adopted a Basic Policy on National Defence with the intent of developing a military force able "to prevent direct and indirect aggression, but once invaded, to repel such aggression, thereby preserving the independence and peace of Japan founded upon democratic principles."[176] In accordance with this policy, the Japanese government committed itself to the creation of a Self-Defense Force (SDF). Constitutionally limiting defense spending to 1 percent of GDP, the SDF quickly developed into a highly capable military force, focused on achieving and maintaining a defensive technological edge as a substitute for mass.[177] The defensive focus of the SDF was viewed as a means to ensure it complied with the strictures of Article 9, and to assuage potential concerns of Japan's regional neighbors. To that end, the SDF did not acquire potentially offensive weapons systems such as long-range strike capabilities, amphibious ships, or aircraft carriers.[178] This began to change in the late 1980s.

In the late 1970s and early 1980s Japan reassessed its defense posture. Increasing Soviet involvement in the region, and the realization of its vulnerability to economic shocks following the oil shocks of the 1970s, led the Japanese government to establish defense of their sea lanes out to 1,000 miles as a defense priority.[179] The subsequent acquisition of F-15Js, Airborne Early Warning and Control aircraft, AEGIS destroyers, and advanced antisubmarine warfare capabilities significantly enhanced the Japanese military, but the SDF retained its primarily defensive character.[180]

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[175] Buzan, "Japan's Defense Probelmatique," 29.
[176] G. V. C. Naidu, "Japanese Security at the Crossroads: Challenges and Initiatives," *Strategic Analysis* 28, no. 4 (2004): 487–502, 490.
[177] Naidu, "Japanese Security at the Corssorads," 498.
[178] Buzan, "Japan's Defense Probelmatique," 30.
[179] Mike M. Mochizuki, "Japan's Shifting Strategy Toward the Rise of China," *Journal of Strategic Studies* 30, no. 4 (August 2007): 739–776, 748.
[180] Mochizuki, "Japan's Shifting Strategy Toward the Rise of China," 748. *Australian Strategic Planning in the 1990s*, 15.

Another reason for this subtle shift in Japanese defense policy was the increasing pressure being exerted by the United States. In a bitter twist of irony, the United States was becoming increasingly frustrated with what it believed to be Japanese free-riding on the back of US military power.[181] In essence, the United States was funding the creation of a security environment which was facilitating the rapid growth of the Japanese economy. With only 1 percent of its GDP being directed towards the maintenance of its own defense, Japan was able to focus its resources on the development and growth of its economy. This created tension in the Japanese-American relationship, particularly as the Japanese economy was in 1980s being predicted to surpass that of the United States. These concerns led the United States to adopt a number of measures in the late 1980s, including a Congressional resolution calling upon the Japanese government to increase defense spending to 3 percent of GDP, and a tariff proposal that would require "allies to pay a duty on all products that they export to the US equivalent to the proportion of GNP the US spends on defense minus the share the allies spend on security."[182] The economic-security tension between the Japanese and US governments was the only major issue facing Japanese grand strategy during the last two decades of the Cold War.

Responding to American concerns over this issue, Japan did exceed the self-imposed 1 percent ceiling on defense spending in 1987.[183] However, expenditure quickly returned to below that level and has been maintained at or below 1 percent since 1989.[184] This still represented a significant level of military expenditure, and 1 percent of the GDP of the world's second-largest and most advanced economy could support a highly effective military capability. However, although Japan was the region's third-largest spender on defense—after the United States and the USSR—its focus remained on defensive

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[181] George R. Packard, "Some Thoughts on the 50th Anniversary of the US-Japan Security Treaty," *Asia-Pacific Review* 17, no. 2 (November 2010): 1–9, 3.
[182] Robert Dekle, *The Relationship Between Defense Spending and Economic Performance in Japan*, Working Paper No. 21 (New York: Columbia University Center on Japanese Economy and Business, October 1988), 35.
[183] Matthews, "Japan's New Nationalism," 77.
[184] Stockholm International Peace Research Institute, "The SIPRI Military Expenditure Database," Stockholm International Peace Research Institute, http://milexdata.sipri.org (accessed 9 March 2013).

capabilities. Accordingly, it did not have the capacity to project military power in the region.

Japan's power and standing in the region instead stemmed from its economy. Its stellar postwar economic recovery served as an exemplar for Asian economic development, most notably in the adoption of policies aligned with the concept of dynamic comparative advantage—the *flying geese paradigm*. According to this model, economic growth can be achieved by capitalizing on the economic linkages between the developed and developing countries.[185] As developed economies grow and focus on less labor-intensive and more technology-centric industries, the superseded industries are, in essence, transferred to less developed economies. This creates both development opportunities and markets for lesser developed economies. In the case of postwar-Asian development, this model is used to explain the development first of Japan, then the Newly Industrialized Economies (NIE) of Northeast and Southeast Asia, and finally the communist states of China and Japan.[186] Critical to this economic model was investment in the developing economies to facilitate the industrialization process. Here is where Japanese political influence was at its greatest.

Japanese investment in regional development began in the late 1950s in the form of a series of bilateral reparation treaties with the newly independent states it had occupied during the Second World War.[187] Reparations soon transitioned into economic aid, with Japan becoming the world's largest aid donor by 1988.[188] Unlike the United States, which viewed aid as a useful political tool, Japan's approach was to depoliticize its international economic involvement. The focus was not on improving Japan's political power but on

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[185] Shigehisa Kasahara, *The Flying Geese Paradigm: a Critical Study of Its Application to East Asian Regional Development* (Geneva: United Nations Conference on Trade and Development, 2004), 1.
[186] Kasahara, *The Flying Geese Paradigm*, 1.
[187] "Japan committed itself to paying $250 million to Indonesia (1958) and $500 million to the Philippines (1956) over the following 20 years, and lesser amounts to Laos (1958), Cambodia (1959) and South Vietnam (1959)." Franziska Seraphim, "Negotiating War Legacies and Postwar Democracy in Japan," *Totalitarian Movements and Political Religions* 9, no. 2 (June 2008): 203–224, 216.
[188] Richard Grant and Jan Nijman. "Historical Changes in US and Japanese Foreign Aid to the Asia–Pacific Region," *Annals of the Association of American Geographers* 87, no. 1 (March 1997): 32–51, 34.

continuing to improve its economic position.[189] By directing a large portion of its aid towards the development of capital infrastructure in the targeted countries—40 percent compared with America's 25 percent—Japan promoted the flying geese development model in the region.[190] The result was the creation of Japan-centric Asian economic interdependence that linked the NIE of Northeast and Southeast Asia during the closing decades of the Cold War.[191]

Despite its economic capacity and potential for political influence, Japan remained largely unengaged in the great power dynamics that developed during the period covered by this case study. Focusing on developing its own economic capacity and promoting the flying geese model of economic development in the broader Asian region, Japan abjured employing its economic power to exert influence in the region. Its contribution to the dynamics of the Asia-Pacific was therefore its central role as the economic engine of the Asian economic miracle.

Australia: 1971-1991

The period 1971 to 1991 saw the greatest upheaval in Australian grand strategy since the Japanese seizure of Singapore in 1941. Since the end of the Second World War, Australia had maintained a policy of *Forward Defence*,[192] a strategy designed to fight the "Red Menace" as far from Australian shores as practical.[193] It was the question of practicality that would be the driving force behind Australia's strategic re-evaluation that followed the British plan to withdraw from east of the Suez and the American implementation of the Guam Doctrine. Australia, could not afford nor did it have the capability, to assume a forward defense posture in the absence of support from the Western powers. Accordingly, as its allies withdrew from their military commitments to Asia, so too did the Australian government. Forward Defence would eventually give way

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[189] Miyagi, "Post-War Asian and Japan," 41. Grant and Nijman, "Historical Changes in US and Japanese Foreign Aid to the Asia-Pacific Region," 35.
[190] Grant and Nijman, "Historical Changes in US and Japanese Foreign Aid to the Asia-Pacific Region," 36.
[191] Buzan and Wæver, *Regions and Powers*, 161.
[192] To ensure clarity, when referring to the policy *Forward Defence*, the words will be capitalized and Australian spelling used. When referring to the broad concept, the words will not be capitalized and the American will be spelling used.
[193] Bell, *Dependent Ally*, 94.

to a policy of *Defence of Australia* (DoA) that would be enshrined in the 1987 Defence White Paper of the same name.

It would be a misrepresentation of the DoA concept to equate it to a return to an isolationist Fortress Australia concept similar to that which had guided defense policy during the interwar period. DoA was a more nuanced concept that resulted from a considered reevaluation of Australia's strategic position, its security, and its national interests. Accordingly, DoA cannot be seen in isolation from the events that were taking place domestically and internationally. Between 1971 and 1991, Australia changed its view of the world and Australia's position within it. The result was a unique grand strategic approach of a middle power forced to pursue self-reliance and, in so doing, achieving grand strategic liberation.

Australian Prosperity

Trade was one of the principal factors that shaped Australia's strategic revaluation. Prime Minister Malcolm Fraser observed in 1976 that "one of Australia's most prominent roles in the world is that of an important trading state."[194] Fraser's statement reflected the impact that shifting trade patterns would have on Australia's view of the world and its security as a state.

During the immediate postwar period, Australian trade remained largely geared towards Europe and North America. As Northeast Asia struggled to rebuild in the aftermath of the Second World War and Southeast Asia grappled with the challenges of decolonization, there was an insufficient market for Australia's commodity exports. A number of factors began to alter this situation in the 1960s. To the extent that, by 1968, the Australian Defence Committee had acknowledged that growing Asian—in particular Japanese—interest in Australia's *strategic minerals* was leading to a shift in Australia's trade patterns, and by extension a change in "Australia's geo-strategic situation."[195] Coincident with the growth of this potential Asian market was the declining importance of the traditional British market as a result of the United

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[194] *Hansard Parliamentary Debates*, Australian House of Representatives, 1 June 1976.
[195] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1968" in *A History of Australian Strategic Policy Since 1945*, 358.

Kingdom's efforts to gain entry into the European Economic Community (EEC), a process it began in 1961 but which it did not complete until 1973.[196]

The trade shift, when it occurred, was dramatic, as is clearly evident in Figure 4. By 1965-66, Australian exports to Japan had equalled that to the United Kingdom, increasing from only half in 1959-60. From 1966 onwards, the differential skyrocketed: exports to Japan nearly quadrupled during the 1960s. US-bound exports also underwent a similar expansion during this timeframe, increasing more than three-fold during the 1960s and overtaking British-bound exports by 1968. The transition to an Asian-centric Australian economy was completed by 1974. It was during this year that Australia's gradually increasing trade with ASEAN finally surpassed the stagnating British export market. 1974 was also significant for Australia's economic relationship with Asia, as it saw Australia become ASEAN's first "dialogue partner … the first country ASEAN agreed to meet on a regular basis to discuss political, economic and functional cooperation."[197]

The growing demand for Australian exports in the Asia-Pacific region not only improved Australian prosperity, but also led to the diversification of Australian trade. Trade diversification took on increasing importance in the aftermath of the British withdrawal from east of the Suez. The power vacuum that this withdrawal created increased the vulnerability of Australia's principal trade route to the United Kingdom and Europe. By the early 1970s the value of that commerce represented less than half of Australia's trade.[198] By 1976, although over 50 percent of total tonnage of Australian trade passed through the Indian Ocean, this only comprised 13.5 percent of the total value of trade.[199] The Australian government remained alert to the potential effects of instability in the Indian Ocean and its littorals; however, this reflected concern for the

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[196] Benvenuti, "The British Military Withdrawal From Southeast Asia and Its Impact on Australia's Cold War Strategic Interests," 192. David Goldsworthy, "Australian External Policy and the End of Britain's Empire," *Australian Journal of Politics and History* 51, no. 1 (2005): 17–29, 27.
[197] Australian Department of Foreign Affairs and Trade, *ASEAN and Australia Celebrating 30 Years* (Canberra: Commonwealth of Australia, 2004), 1.
[198] Joint Committee on Foreign Affairs, *Report on the Indian Ocean Region*, Parliamentary Paper 258/1971 (Canberra: Commonwealth of Australia, 1971), 108.
[199] Senate Standing Committee on Foreign Affairs and Trade, *Australia and the Indian Ocean Region*, 171.

indirect effects on the economy caused by the disruption of the Indian Ocean SLOCs.

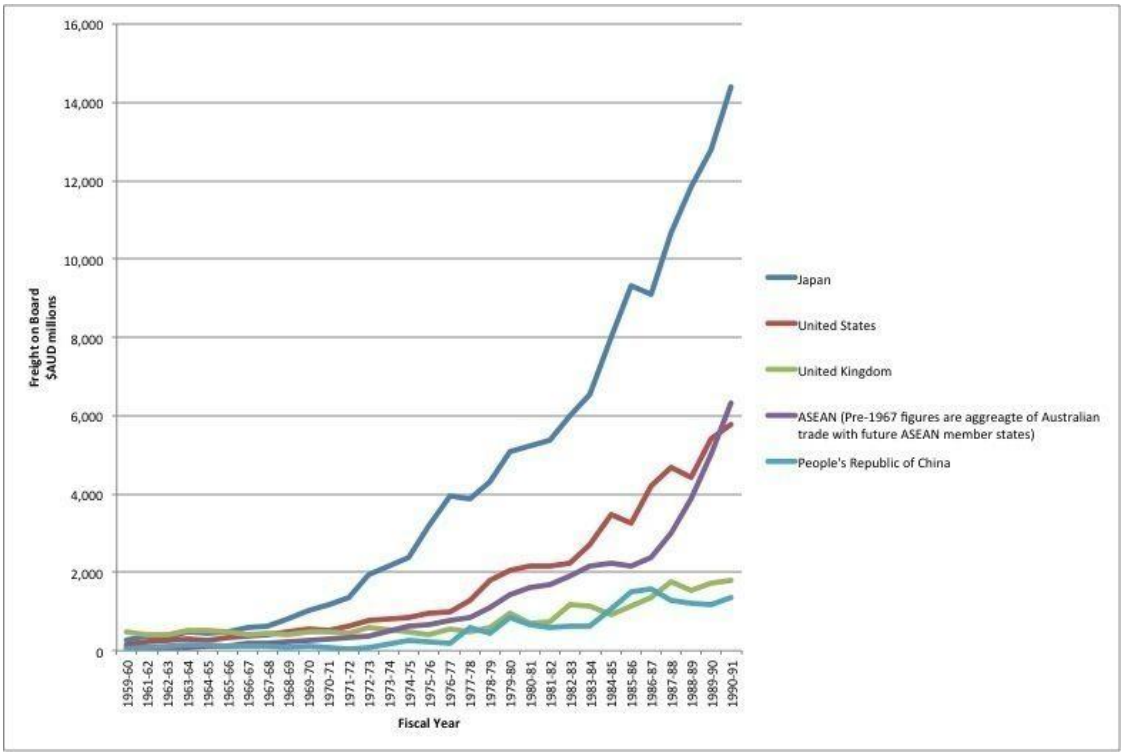

Figure 4: Australian Exports Trade With Selected Countries, 1959-91

Source: Adapted from Australian Bureau of Statistics, Year Book of Australia 1967-1993.

In stating his government's view on the strategic significance of the Indian Ocean to Australia, Prime Minister Malcolm Fraser stated in June 1976: "The Indian Ocean is of considerable political and strategic importance to Australia. It is crossed by sea and air communication routes vital to Australia. *Much of the vital flow of oil to our neighbours, friends, and trading partners passes through it.*"[200] This focus on the importance of the Indian Ocean SLOCs to its trading partners and the omission of any reference of their significance for Australia's trade, supports the conclusion that Australia's prosperity was increasingly seen as being linked primarily to the industrialization and economic growth of states in the Asia-Pacific.

[200] Emphasis added. *Hansard Parliamentary Debates*, Australian House of Representatives, 1 June 1976.

Trade security for the Australian government was more closely linked to the protection of SLOCs that ran through the archipelagic regions of Asia and across the Pacific to the United States. Here the substantial US regional naval presence, the limited naval capabilities of its regional neighbors, and improving bilateral relations—trade and diplomatic—between Australia and the countries that straddled critical SLOC gave the Australian government a sense of security with respect to its burgeoning regional trade.[201] The 1986 Dibb Review, while acknowledging that the potential threat to shipping needed further examination, went so far as to discount the threat to Australian trade arguing that "no country has ever blockaded a continent surrounded by seas such as Australia."[202] Moreover, even if a hostile power was able to close key regional choke points, these could easily be bypassed by the re-routing of maritime traffic.[203] In the eyes of the Australian government, the strategic situation in the Asia-Pacific region was advantageous to the continued growth of Australian trade and was, by extension, the source of increasing national prosperity.

It was the economic benefits of trade, not the implications of trade disruption on national survival, that were the focus of Australian security concerns during the latter half of the Cold War. The small size of the Australian population, 12.5 million in 1971 growing to 17.3 million in 1991, together with the abundance of energy resources and food supplies, meant that Australia's national survival would not be imperiled by trade disruption stemming from a global war.[204] This growing sense of autarky fueled the growing confidence of the government that "Australia was one of the most secure countries in the world."[205]

Australian Securitization: 1971-1991

This belief in Australia's security reflected the culmination of a shift in Australia's world view during the late 1960s and early 1970s. The British and American withdrawals from the region commencing in 1970s had undermined Australia's Forward Defence strategy, which was predicated on the continued

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[201] Australian Defence Comittee, "Strategic Basis for Australian Defence Policy," *1973* in *A History of Australian Strategic Policy Since 1945*, 475.
[202] Dibb, *Review of Australia's Defence Capabilities*, 39.
[203] Dibb, *Review of Australia's Defence Capabilities*, 39.
[204] Australian Department of Defence, *Defence of Australia*, 28.
[205] Dibb, *Review of Australia's Defence Capabilities*, 1.

commitment of British and American land forces in Southeast Asia.[206] As these forces left the region, the Australian government was forced to pursue greater self-reliance. This in turn led to a period of national self-reflection; a process that saw the reconceptualization of Australia's position in the world and the region. The outcome of this process was a shift in national perspective from Australia being *indefensible* to being *uninvadible*; from being the bastion of Britishness in Asia to being a multicultural society seeking integration with Asia; and from being a stalwart in the fight against in all its forms to embracing the rise of the People's Republic of China. Viewed in isolation, these shifts are significant. Viewed in totality, they reflect the complete desecuritization of the threats to Australia.

The next section examines how the Australian government led the re-envisioning of Australia's strategic position and how they shaped the perception of threats to Australia as a state, Australia as a Western nation, and Australia as a liberal-democracy. These changes provided the focus for the growing independence of Australian grand strategy during the latter half of the Cold War.

Australia as a state

How to defend the Australian mainland and its outlying territories had had perplexed Australian strategists and policy makers since before Federation. During the interwar period, the omnipotence of the Royal Navy in the Pacific was viewed as the key to Australia's territorial integrity. After the war, the Australian commitment of forces to British and American containment efforts in Asia was seen as a way to fight the communist threat as far from Australian shores as possible, as well as a means to ensure continued Western power engagement in the region.[207] British and American engagement was the cornerstone of Australian defense policy. A byproduct of this dependent strategy was a reduced emphasis on the developing capabilities required to defend Australian territory independently, instead the focus was on creating the

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[206] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1964" in *A History of Australian Strategic Policy Since 1945*, 326.
[207] Hugh White, "Four Decades of the Defence of Australia: Reflections on Australian Defence Policy Over the Past 40 years", in *History as Policy: Framing the Debate on the Future of Australia's Defence Policy*, eds. Ron Huisken and Meredith Thatcher. (Canberra: Australian National University E Press, 2007), 164.

forces needed to operate with allies in Southeast Asia.[208] Moreover, the understanding of the threats posed to Australian territorial integrity was underdeveloped during the initial decades of the postwar period. This would change with Nixon's announcement of the Guam Doctrine.

In its last strategic appreciation prior to the promulgation of the Guam Doctrine, the Defence Committee stated that the aim of Australian defense policy was "to ensure the security of Australia and her territories" through pursuit of a strategy of Forward Defence.[209] Given the inherent difficulty associated with launching a full-scale invasion of Australia by or through Indonesia, it was assessed that the extent of any direct aggression against Australian territory would be limited to "sporadic attacks and raids" against the mainland.[210] The requirement placed on Australian forces to defeat such threats was limited to dealing independently with "minor situations"—what constituted "minor" was unclear—or be able to maintain a defensive position until such time as US forces could come to Australia's aid under the auspices of the ANZUS treaty.

Faced with the demands for greater self-reliance following the British withdrawal, the implementation of the Nixon Doctrine, and the passage of the War Powers Resolution, the Australian government became increasingly aware of the need to quantify the threats that self-reliant defense and foreign policies must be designed to confront. As early as 1971, the government modified Australia's primary strategic concern from the broad definition used in 1968 to the more nuanced: "security of our metropolitan territory, and our dependent territories, from attack and threat of attack, and from political or economic duress."[211] In assessing the possibility of such an attack, consideration was given to capacity, capability, and motive of potential adversaries. Based upon

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[208] "Notwithstanding the emphasis necessary on greater self-reliance, Australian Forces are likely in most circumstances to operate with Allies and should therefore be prepared to make full use of their logistic facilities." Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1968," in *A History of Australian Strategic Policy Since 1945*, 386.

[209] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1968," 341.

[210] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1968," 385.

[211] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1971," 397.

these factors, the conclusion was reached in 1971, a conclusion that would remain extant until the end of the Cold War, that "no direct threat to the security of Australian territory is foreseen … outside the unlikely contingency of a general war."[212] The basis for this analysis was the changing geostrategic situation in the Asia-Pacific region.

Geography was seen as providing Australia with an effective natural defense against direct aggression for two reasons. First, Australia was remote from the major focal points of strategic competition and military confrontation.[213] As the states within the broader Asia-Pacific region were more focused on immediate and proximate security concerns, they did not focus on developing the long-range force projection capabilities that would be needed to threaten the Australian mainland.[214] Second, those states that did possess the necessary military capabilities would need to gain control of the Indonesian and/or Melanesian archipelagos, which lay as a protective shield across the sea air gap that separated Australia from Asia and the Pacific, before they could be considered as posing a threat to the Australian mainland.[215] As long as these islands were not under the control of powers with the motivation *and* capability to project the considerable power necessary to invade or inflict significant damage to Australian metropolitan areas, Australian territory would remain safe. Based upon this assessment, the Australian government was able to discount all potential threats to Australia's territorial integrity.

One of the key features differentiating pre- and post-Guam Doctrine strategic appreciations was the increasing focus on the potential motives for acts of aggression against Australia. Here Australia benefited from the patterns of securitization that were developing in the Southeast and Northeast Asian RSCs during the late 1960s and early 1970s.

From an Australian perspective, the most important of these developing patterns was the changing nature of Indonesia's engagement with the region.

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[212] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1971," 427.
[213] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1973," in *A History of Australian Strategic Policy Since 1945*, 435. Dibb, *Review of Australia's Defence Capabilities*, 174.
[214] Dibb, *Review of Australia's Defence Capabilities*, 33.
[215] Dibb, *Review of Australia's Defence Capabilities*, 4, 33. Joint Committee on Foreign Affairs and Defence, *Threats to Australia's Security,* 52.

Having undergone a political transformation following the counter-coup of 1965, Indonesia shifted from the communist-leaning, anti-Western, and pro-Chinese policies of Sukarno, to become an anticommunist bulwark under Suharto. With this changing policy, the focus of Indonesia's strategic concerns pivoted away from Australia and Malaysia, towards meeting the threat of expanding communist influence—Chinese and Soviet—in the region. As Indonesia's focus shifted north, Australian policy makers assessed there would be a corresponding decrease in Indonesia's motivation to threaten Australia's territorial integrity. This assessment was based on the belief that "Indonesia [wanted] a stable eastern and southern flank, so that it [could] devote full attention to the latent threat to its security it sees coming from communist countries to its north."[216] Indeed, in 1973, the Defence Committee concluded that "for the foreseeable future, Indonesia will see Australia as an ally rather than an enemy."[217]

Suharto's political transformation of Indonesia had profound strategic implications for Australia. Straddling Australia's open and sparsely populated northern approaches, the Indonesian archipelago was the gateway to the Australian mainland. So long as Indonesia remained free from the influence of a power hostile to Australia, attacks against the Australian territorial integrity coming from Southeast Asia were highly improbable. "Indonesia [formed] a protective barrier across Australia's northern approaches."[218]

The South Pacific was similarly discounted as representing a threat to Australian territorial integrity. The states in the region were small, and even if they evinced animosity towards their much larger Australian neighbor, their extremely limited military capabilities precluded a threat against Australian territory originating in the islands. However, Australia's concern in the South Pacific was not threats from the islands, but through them. The newly

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[216] Joint Committee on Foreign Affairs and Defence, *Threats to Australia's Security,* 63. Foreign Minister Gareth Evans echoed this assessment in 1989 when he stated: "Australia's possession of significant but nonaggressive military power contributes to the strategic stability of our neighbouring regions by providing a 'secure south' for South East Asian countries, and a 'secure west' for South Pacific nations." Senator Gareth Evans, Foreign Minister, Australia, "Australia's Regional Security." (statement, Australian Senate, Canberra, ACT, 6 December 1989)

[217] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1973," 460.

[218] Australian Department of Defence, *Defence of Australia*, 15.

independent and impoverished Pacific island states provided an opportunity for external powers, in particular the Soviet Union, to extend its influence deeper into the Pacific. Accordingly, any Soviet activities within the region, such as the signing of fisheries agreements with Kiribati and Vanuatu, were viewed with concern from Canberra.[219]

However, the Soviet Union's strategic focus was on its more immediate neighborhood. Guarding against Chinese incursions along its long Asian border and seeking to extend its influence through Vietnam into Southeast Asia were the main interests for Moscow in the Asia-Pacific. As a result, the South Pacific was low on Moscow's list of strategic priorities.[220] A Soviet attack flowing through the Pacific Islands was therefore discounted as a serious threat by defense planners.[221]

The government was aware, however, that motivations can change along with shifts in the global power dynamics. Accordingly, to dismiss a threat purely based on assessments of current intent would be foolhardy. Therefore, government planners turned to the question of capability to assess the extent of latent threats. Although other states in the region possessed large standing armies, they lacked the amphibious capabilities and logistic support networks that would be required to maintain an operation to seize and hold key areas of the Australian mainland.[222] Only two states were assessed as having sufficient power projection capabilities to launch and sustain a major conventional assault against the Australian mainland: the United States, and the USSR.[223] The Soviet Union's involvement in the Angolan civil war in 1975 impressed upon Australian officials the Soviet's force projection capabilities; however, the geostrategic differences between Africa and the Pacific were not overlooked. A 1981 Joint Parliamentary committee investigating threats to Australian security concluded that to pose a credible threat to Australia, Soviet forces would still require access to bases in Southeast Asia.[224] Given the anticommunist ASEAN

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[219] Australian Department of Defence, *Defence of Australia*, 17.
[220] Joint Committee on Foreign Affairs and Defence, *Threats to Australia's Security,* 20.
[221] Australian Department of Defence, *Defence of Australia*, 30.
[222] Joint Committee on Foreign Affairs and Defence, *Threats to Australia's Security,* 58. Australian Department of Defence, *Defence of Australia*, 30.
[223] Joint Committee on Foreign Affairs and Defence, *Threats to Australia's Security,* 53.
[224] Joint Committee on Foreign Affairs and Defence, *Threats to Australia's Security,* 53.

arc that stretched from Aceh in the east to Luzon in the west, the probability of basing rights being granted was low. This, in essence, negated the latent threat posed by the Soviet's military capabilities.

The geostrategic and political shifts that occurred across the Asia-Pacific region in the late 1960s and early 1970s created a beneficial strategic situation for Australia. The British and American withdrawals necessitated a reevaluation of threats posed to Australian territorial integrity, and a revision of what the "security of Australia" meant in the light of the requirement for self-reliance. Australia's geographic isolation, both in terms of its remoteness from the major focal points of strategic competition and its relative inaccessibility providing a natural defensive barrier, led the Australian government to conclude that a large-scale attack against the territorial integrity of Australia would be unlikely. Moreover, due to the regional patterns of securitization across the Asia-Pacific, Australia's regional neighbors did not evince the motivation to launch even small scale attacks. "Australia was," as Dibb pointed out, "one of the most secure countries in the world."[225] Accordingly, the governments during this period did not securitize threats to Australia as a state.

Australia as a nation

Australian defense planners' reassessment of threats to Australian territorial integrity represented a shift in the defense mindset from concern over the tyranny of distance, to embracing the possibilities of splendid isolation. Australian society also experienced a perceptual shift in its national identity. Beginning with gradual easing of the exclusionary White Australia Policy in the late 1960s, by the early 1970s successive Australian governments had begun promoting greater integration with Asia. Though the composition of Australian society remained, and continues to be, predominantly European, the government had transformed Australia's understanding of its geographic reality from one of seeking security *from* Asia, to finding security *in* Asia.[226]

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[225] Dibb, *Review of Australia's Defence Capabilities*, 4, 33.

[226] In 1989, only 4.3 percent of Australia's population was born in Asia compared with the 14.1 percent born in Europe. Australian Bureau of Statistics, *Year Book: Australia, 1991*, No. 74 (Canberra: Australian Bureau of Statistics, 1991), 126-127.

Part of the reason for this change was a growing disillusionment with Australia's relationship with the British Empire and, more specifically, the United Kingdom. The importance of the Imperial connection began to decline in the aftermath of the perceived Great Betrayal, in which the Mother Country had abandoned Australia to the Japanese onslaught during the interwar years.[227] When the United Kingdom returned to the region after the war, however, the Empire was in decline. During the interwar period Australia's view of its position in the world derived from it membership of the Empire, which had enabled Australia to "approach the region with a mixture of ignorance, indifference, and apprehension."[228] The demise of the Empire, therefore, necessitated a reevaluation of how Australia viewed itself and its role in the region

This impetus for change gained momentum in the late 1950s and early 1960s. The British humiliation during the Suez Crisis of 1956 confirmed that the Empire no longer held sway over the international system, even in its own neighborhood. Five years later, Britain's shift in focus towards integration with Europe, commencing with its application for EEC membership 1961, was interpreted as a "symbolic turning of Britain's back on the Commonwealth."[229] The announcement of the plan to withdraw forces from east of the Suez was the culminating event in a growing gulf in Anglo-Australian relations. British power and engagement in the region were the sinews of Australia's links to the Mother Country. Their weakening invariably affected Australia's national identification with Britishness.[230]

Australians' view of themselves as a nation has its roots in the pre-Federation era and was tied to Australia's colonial heritage. From the 1970s onwards, successive Australian government would seek to steer this national identity away from the unbreakable bonds of Empire towards a paradoxical view of Australia as a multicultural Western nation at the base of Asia. The

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[227] Deborah Gare, "Britishness in Recent Australian Historiography," *Historical Journal* 43, no. 4 (December 2000): 1145–1155, 1151.
[228] Smith, Cox, and Burchill, *Australia in the World*, 81.
[229] Goldsworthy, "Australian External Policy and the End of Britain's Empire," 27.
[230] James Jupp, "'White Australia' to 'Part of Asia': Recent Shifts in Australian Immigration Policy Towards the Region," *International Migration Review* 29, no. 1 (Spring 1995): 207–228, 210.

policies adopted by successive governments, starting in 1966, indicated their view that Australia's national identity was no longer being threatened by its proximity to Asia.

The first step in this process was the relaxation of the controversial White Australia Policy, which had been in force since Federation. Established in 1901, the policy included a range of discretionary measures designed to severely restrict non-European migration to Australia.[231] Relaxation of some of the policy's more restrictive measures began in the late 1950s, most notably with the abolition of the controversial dictation test.[232] However, it was the retirement of Prime Minister Menzies in 1966, and the Opposition Leader Arthur Calwell in 1967, both staunch advocates of the policy, that laid the foundation for the abolition of the policy.[233]

The year of 1966 was, therefore, seen as a watershed year in Australia's evolving national identity.[234] Menzies' replacement as Prime Minister, Harold Holt, announced the *Migration Act* of 1966, which removed some of the barriers to non-European migration to Australia and saw a more than three-fold increase in the yearly intake of non-European migrants, from less than 800 in 1966 to more than 2,600 in 1971.[235] However, the most dramatic shift would occur in 1973 when the newly installed government of Gough Whitlam officially ended the era of the White Australia Policy and declared Australia to be a multicultural society.[236]

Although Whitlam overstated the diversity of Australian society, his comments reflected a change in the official view of Australia's national identity. During Whitlam's short tenure as Prime Minister, he steered the nation along a

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[231] Australian Department of Immigration and Citizenship, "Fact Sheet 8 - Abolition of the 'White Australia' Policy," http://www.immi.gov.au/media/fact-sheets/08abolition.htm (accessed 19 March 2013)
[232] Australian Department of Immigration and Citizenship, "Fact Sheet 8 - Abolition of the 'White Australia' Policy."
[233] Jupp, "'White Australia' to 'Part of Asia'," 222.
[234] Australian Department of Immigration and Citizenship, "Fact Sheet 8 - Abolition of the 'White Australia' Policy."
[235] Australian Department of Immigration and Citizenship, "Fact Sheet 8 - Abolition of the 'White Australia' Policy." National Archives of Australia, "Australia's Prime Ministers: Harold Holt, In Office," http://primeministers.naa.gov.au/primeministers/holt/in-office.aspx (accessed 19 March 2013).
[236] Jupp, "'White Australia' to 'Part of Asia,'" 222.

new path towards greater qualitative and quantitative integration into the Asia.[237] As successive governments continued to embrace the potential economic and security benefits Asian integration offered, the liberalization of immigration policy and the need for an Asian focus in the education system were acknowledged as vital to securing economic and political advantage in the region.[238] "'Multiculturalism' became a proclaimed national ideal," and, according to Australian scholar Coral Bell, these policies "diluted the cultural dependence [of Australia] on Britain and the USA."[239]

The dilution of cultural dependence, however, did not mean Australia lost its identity as a predominantly Western nation. Australia's approaches towards Asia, and Asia's reception, continued to be colored by the fact that "Australia [was] still a province of the English-speaking world, whose capital was once in Britain and is now in the USA."[240]

Despite the official pronouncements of Australia's embrace of Asia, it was clear that the cultural baggage of Australia's anglocentric past could not be easily discarded. The 1971 *Strategic Basis of Australian Defence Policy*, written prior to the official abolition of the White Australia policy, captured the conundrum facing the Australian government:

> Australian policy faces a continuing need to overcome Asian doubts and suspicions arising from Australia's European associations in general, and misgivings as to the reality of our intellectual commitment to co-operation with South East Asia. Resentments arising out of coloured people's misunderstanding of the motivations of our immigration policy tend to impair Australia's image and this, as well as envy of our resources, tends to limit its influence.[241]

The reticence of its Asian neighbors to view Australia as a part of Asia was evidenced by ASEAN's assertion that any attempt by the Australian government to assume a sizable role within the organization would be "resisted and

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[237] Carl Ungerer, "The 'Middle Power' Concept in Australia Foreign Policy." Australian Journal of Politics and History 53, no. 4 (2007): 538–55, 545.
[238] Jupp, "'White Australia' to 'Part of Asia'," 212. Senator Gareth Evans, Minister for Foreign Affairs and Trade, Australia, "Australia in Asia: The Integration of Foreign and Economic Policies," (address, Seminar on Australia and the Northeast Asia Ascendancy, Sydney, NSW, 22 November 1989).
[239] Bell, *Dependent Ally,* 184.
[240] Bell, *Dependent Ally*, 203.
[241] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1971," 399.

resented."[242] Accordingly, although the expansion of trade tied Australia more closely to Asia, politically it continued to be viewed with a degree of suspicion by its regional neighbors, seen as a "European outpost."[243]

This suspicion reflected the regional assessment of Australia's postwar identity paradox. The weakening bonds with the United Kingdom after the Second World War, coupled with the changing economic and security conditions in the region, led Australia to shift from seeing its geocultural position from being a threat to an opportunity. The abolition of the White Australia Policy, the official promotion of Asian studies in schools, and the increased diplomatic engagement with states in Asia all contributed to a shift away from Australia's anglocentric self-identification. From the government's perspective, the identification of Asian threats to Australia's national identity was seen as counterproductive to efforts to improve the economic and strategic benefits accruing to its unique position in the region. Accordingly, from 1972 onwards the government effectively desecurtized the threats posed to Australia as a Western nation at the foot of Asia.[244]

Australia as a liberal-democracy

The government's pragmatic approach to assessing threats in Australia's geostrategic and geocultural positions was also evident in the management of the Asia-Pacific's political geography during the latter stages of the Cold War. During the postwar decades, Australia was a stalwart in the fight against communism in Asia. Regular and conscripted forces were deployed to fight communism in Korea, Vietnam, and Malaya as part of Australia's contribution to the Western strategy of containment. This was a marked departure from interwar defense policy that limited overseas service to volunteer forces and it demonstrated a deep conviction of the threat posed by communist influence in Asia. The "Yellow Peril" gave way to the "Red Menace."[245] However, as Britain

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[242] Bell, *Dependent Ally*, 157.
[243] Jupp, "'White Australia' to 'Part of Asia,'" 224.
[244] Desecurtization is the opposite process to securitization. It occurs when the political community ceases to regard a previously securitized issue as a threat, and therefore ceases to employ emergency or exceptional measures. Buzan and Wæver, *Regions and Powers*, 489.
[245] Smith, Cox, and Burchill, A*ustralia in the World*, 81.

and the United States withdrew forces from the region, Australia shifted from ideological confrontation to strategic pragmatism.

The Whitlam government began this transition with a flurry: withdrawing Australian forces from Vietnam in December 1972, normalizing relations with the People's Republic of China in the same year (including the commitment to withdraw official representatives from Taiwan), extending *de jure* recognition to Soviet annexation of the Baltic states in 1974, and opening of an embassy in North Korea in 1975.[246] The dramatic nature of these changes was reflected in a 1975 article in the *Australian Journal of Politics and History*, which stated:

> Australian foreign policy since 1972 had undergone an alteration in style and direction probably unprecedented in the experience of any sovereign state which had not been subjected to domestic revolution … changes had taken place in the area of foreign policy which had seemingly shifted Australia's alignment from that of one of the most conspicuously Western-aligned nations to that of one of the least.[247]

The most profound expression of this shift is found in the 1975 *Strategic Basis for Australian Defence Policy*:

> This does not mean that in all circumstances Australia must support the United States or can expect to be supported by it. Nor does it mean that there could not be circumstances modifying or supplementing the US association, when Australia could consider cooperation with the USSR or China or Japan or India and other powers which had common interests at the time with Australia … Conduct of our relationship with the United States should be sensitive to Soviet interests. The USSR could not be expected to be indifferent to any major developments in Australian defence support to the US, e.g. provision of base facilities.[248]

This strategic appreciation was drafted for the Whitlam government but was not approved prior to Whitlam's premature ouster from office. It was

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[246] Bell, *Dependent Ally*, 122. Australian Department of Foreign Affairs and Trade, "Democratic People's Republic of Korea Country Brief," http://www.dfat.gov.au/geo/dprk/dprk_brief.html (accessed 19 March 2013). Whitlam Institute, "Whitlam and China: Joint Communiqué and Recognition," http://www.whitlam.org/gough_whitlam/china/Joint_Communique_and_Recognition (accessed 19 March 2013).
[247] Quoted in Bell, *Dependent Ally*, 122.
[248] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1975," in *A History of Australian Strategic Policy Since 1945*, 521.

subsequently scrapped by the incoming Fraser administration, which was concerned with the document's implication that Australian support for the United States would be responsive to Soviet pressure.[249] This was a step too far. The following year, the Fraser government endorsed a revised appreciation that reclassified the threat not as communism itself, but as Soviet expansionism.[250]

Fraser rejected the idea that Chinese communism posed a threat to Asia.[251] His government's 1976 strategic appreciation acknowledged that "China has legitimate interests in acquiring a position of influence in South East Asia."[252] It proceeded to caveat this legitimization of Chinese regional influence by stating that Australia's interests "would be best served if China's influence were limited," insofar as the "essential independence" of the Southeast Asian states was maintained.[253] What "essential independence" means is unclear; however, by acknowledging *any* legitimacy in the growth of communist influence in the region, the Fraser government acknowledged that communism did not of itself pose a threat to Australia. Rather, it was accepted that Asian communism could benefit Australian interests if it would contribute to the containment of the Soviet Union.

This distinction between Soviet and Asian communism would become a leitmotif of Australia's Cold War foreign policy. The Hawke government, which replaced the Fraser government in 1983, continued to engage Asian communist regimes as a means of containing Soviet influence throughout the region. Soon after assuming office, the Hawke government proposed the renewal of aid and a rapproachement with Vietnam as a means to lessen Soviet influence. Bell describes how the presentation of the Australian plan by Foreign Minister Bill Hayden during a tour of the region met with "a glare of disapproval from the ASEAN capitals and a brisk little row with [George] Shultz [US Secretary of

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[249] Frühling, ed., *A History of Australian Strategic Policy Since 1945*, 30.
[250] The second chapter of the 1976 appreciation is entitled, "Possible Soviet Strategic Expansion." Australian Defence Committee, "Australian Strategic Analysis and Defence Policy Objectives, 1976," in *A History of Australian Strategic Policy Since 1945*, 557.
[251] Smith, Cox, and Burchill, A*ustralia in the World*, 71.
[252] Australian Defence Committee, "Australian Strategic Analysis and Defence Policy Objectives, 1976," 570.
[253] Australian Defence Committee, "Australian Strategic Analysis and Defence Policy Objectives, 1976," 570.

State]."[254] Although the belief that Vietnam could be lured away from Soviet influence reflected a naivety of the historical and strategic reality of Vietnamese relations with its neighbors, the apparent divergence between Australia, ASEAN and American attitudes towards Asian communism was also a reflection of Australia's sense of security, protected as it was by the anticommunist arc formed by ASEAN. Only the Soviet Union had the capacity to extend its influence to Australia's Pacific doorstep. Accordingly, any state that could help contain the Soviets' expansionist tendencies was welcomed by the Australian government, irrespective of its political system.

The identification of the Soviet Union as the principal threat reflects the pragmatism associated with Australian strategy development during the Cold War. Once the fallacy of monolithic global communism had been exposed by the Sino-Soviet split, it became apparent that the only threat to Western civilization would emanate from Moscow. Though distant geographically from the main centers of strategic competition between the United States and the Soviet Union, as a member of the Western society of states, Australia could not, and did not, divorce itself from the struggle against Soviet expansion that lay at the heart of Cold War international system. As Australian scholar Mark Evans points out, Australians will always tie their future to "the global fate of Western civilization."[255] Accordingly, Australia did see the Soviet Union as a threat to its liberal-democratic values. However, its ability to combat this threat was limited by its resources and isolation. The Australian government therefore focused its attention on mitigating the potential for Soviet expansion in the South Pacific, the area in which Australia had the greatest capacity to shape the strategic environment. However, while these islands remained low on the list of Soviet priorities, the threat remained latent, and Australia could achieve its security needs at limited costs. Accordingly, the Australian government was able to desecurtize the threat posed by the Soviet Union.

This attitude was not unique to Australia. In many respects it reflects the *realpolitik* that came to characterize US Cold War foreign policy starting

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[254] Bell, *Dependent Ally*, 175.
[255] Quoted in Graeme Dobbell, "The 'Arc of Instability': The History of an Idea," in *History as Policy: Framing the Debate on the Future of Australia's Defence Policy*, ed. Ron Huisken and Meredith Thatcher. (Canberra, ACT: Australian National University E Press, 2007), 97.

with Nixon. From Whitlam's election in 1972 through the end of the Cold War in 1991, the Australian government adapted its view on the threat posed by communist influence in the region. Communism did not pose an existential threat to Australia's political security. This was a marked difference from the official characterization of communism promoted during the initial decades of the Cold War period. The reasons for this change were myriad. However, it is clear that the desecuritization of communism was predicated on three key factors. First, was the establishment and consolidation of ASEAN as a bulwark against the southward expansion of Asian Communism. Second, the Sino-Soviet split provided the Australian government with an opportunity to contain the Soviet Union, the only state capable of threatening its territorial integrity and influence in the South Pacific. And finally, the partial liberalization of the Asian communist regimes provided trade opportunities for the Australian economy. For these reasons, the Australian government did not engage in the anticommunist rhetoric necessary to establish communism as an existential political threat to Australia.

Despite the effective withdrawal of its allies from the region, Australia enjoyed an enviable strategic situation during the latter stages of the Cold War. The challenge that faced the various governments during this period was how to maintain this idyllic status quo. What successive governments found was that the demise of the strategy of Forward Defence and the pursuit of a policy of self-reliance had, in the words of Gareth Evans, "liberated Australian foreign policy."[256] As a result, Australian governments were able to develop a more independent grand strategy. Though still bound by the limitations inherent in its middle-power status, Australia pursued a grand strategy intended to perpetuate and improve its security and prosperity in the complex and dynamic Asia-Pacific region.

Australian Grand Strategy: 1971-1991

The dependent nature of Australia's postwar strategy of Forward Defence was highlighted by the Defence Committee in the 1968 *Strategic Basis*

[256] Senator Gareth Evans, Minister for Foreign Affairs and Trade, Australia, "Australia's Regional Security." (statement, Australian Senate, Canberra, ACT, 6 December 1989)

of Australian Defence Policy. In critiquing the strategy the Committee concluded that they "could hardly assert that this Forward Defence concept represents an independent strategy of our own. Rather has it been a case that we have deliberately, doubtless in our own interests and perhaps inescapably, tied Australia to the strategy of others."[257] Having been reliant for so long on the strategic decision-making occurring in London and Washington, it is not surprising that the decision by their principal allies to withdraw from the region left Australian decision-makers looking like "a group of lost explorers marooned on an ice-floe: the frozen surface ... visibly breaking up all round them while they were insisting loudly that really nothing much was happening."[258] Adjusting to this new reality took time. By 1976, the foundations of a new, more independent, grand strategy had taken form. This strategy comprised a self-reliant military policy supported by an independent foreign policy. Over the next decade, this grand strategy would evolve under successive Australian governments, reaching maturity in 1989 as the Cold War was coming to a close.

Defense policy

The release of the Fraser government's Defence White Paper in November 1976 was a seminal event in the evolution of Australian defense policy. Previously, the decisions that guided the development of defense policy and military capabilities had largely been the result of the highly classified *Strategic Basis for Australian Defence Policy* documents: strategic appreciations prepared by the Defence Committee that were then endorsed, modified, or rejected by the Prime Minister and Cabinet. Due to the classification of the *Strategic Basis* documents, they were not accessible by the Australian public nor by foreign governments. They did, however, provide the basis for internal planning within the Department of Defence.[259] So it was not until the publication of the 1976 White Paper, *Australia Defence*, that the government brought Australian defense policy into the public domain. This was represented the first time that the government sought to articulate the basis of its military policy.

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[257] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1968," 376.
[258] Bell, *Dependent Ally*, 103.
[259] Frühling, ed., *A History of Australian Strategic Policy Since 1945*, 6.

This does not mean that aspects of policy did not remain hidden from public scrutiny at higher classification levels; however, by adopting a declaratory defense policy, the Australian government signaled to its allies and neighbors the basis upon which it would develop and employ its military capabilities.[260] Unfortunately, during the period being examined, only two White Papers were released. This may seem surprising given the dramatic changes that occurred internationally during the intervening years—the Iranian Revolution and the Soviet invasion of Afghanistan to name but two—but instead it reflects the relative stability of Australia's appraisal of the strategic situation and a corresponding consistency in the approach to defense policy adopted by successive governments. Indeed, the 1987 *Defence of Australia* White Paper, the document to which Gareth Evans attributes the liberation of Australian foreign policy, represents an evolution of a concept of self-reliance that began to gather momentum in Australia in the late 1960s. This concept of military self-reliance was built upon three main tenets: (1) an end to Forward Defence, (2) self-reliance vice self-sufficiency, and (3) capability-based defense planning. Complimenting these core tenets were considerations of nuclear deterrence, and expeditionary operations.

The most fundamental shift in Australian military policy was the move away from a policy of Forward Defence towards the concept of DoA. Forward Defense, the cornerstone of postwar Australian defense policy, had two main aims: to fight communism as far from Australian shores as possible and to encourage Australia's allies to remain engaged in the region.[261] It was a strategy that was predicated on the allies contributing a major portion of the required forces. So critical was allied support, that, following the announcement of the impending British withdrawal, the Defence Committee asked in the 1968 *Strategic Basis*: "Even were we confident of ultimate support by our major allies, have we, without their close support, the resources and skills, political, economic and military, to continue our present type of effort, or

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[260] Frühling highlights that the classified *Australian Strategic Analysis and Defence Policy Objectives,* the last of the Strategic Basis documents, which was completed in 1976, provides greater clarity regarding the linkages between Australian concerns over reliability of American support than was indicated in the 1976 White Paper. Frühling, ed., *A History of Australian Strategic Policy Since 1945*, 31.

[261] Bell, *Dependent Ally,* 94. White, "Four Decades of the Defence of Australia," 164.

some other more appropriate type of effort, and would it be effective enough to be worthwhile? And assuming this confidence proved to be misplaced, what then?"[262] This searching question, the only such rhetorical question asked of the Cabinet in the 30 years of the *Strategic Basis* series of documents, represented the first step in the move away from the policy of Forward Defence.

Two years later, the Defence Committee had begun the conceptual transition away from Forward Defence. Assuming that, in the light of the Allied withdrawals, the overseas deployment of Australian forces was unlikely, the Defence Committee argued that the "consideration of capabilities for such involvement *should not dominate force development*, although our forces must retain the capability to operate in such environments and make an adequate Australian contribution to possible allied operations."[263] Despite the endorsement of the Committee's argument by the Minister of Defence John Gorton, the Cabinet did not approve of this apparent retreat from extant policy.[264] Their response to the recommendation was to assert that "Australia should sustain a forward defence element for as long as she can."[265] However, the death knell for Forward Defence would soon be sounded with the election in 1973 of the Whitlam government.

Committed to internationalist ideals and the development of an independent foreign policy, Whitlam sought to improve Australia's image and standing among its Asian neighbors. Part of the process for achieving this would be to adopt "a more independent Australian stance in international affairs which will be less militarily oriented."[266] The Australian defense establishment appeared to follow the government's lead, and, in the 1973 *Strategic Basis,* the first strategic appreciation developed for the new government, the Defence Committee "set the course followed, by and large, up

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[262] Emphasis added Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1968," 344..
[263] *Strategic Basis for Australian Defence Policy, 1971* in Stephan Frühling, ed., *A History of Australian Strategic Policy Since 1945*, 433.
[264] Of particular interest is that John Gorton had been Prime Minister been Prime Minister only two months previously.
[265] P.H. Bailey to Prime Minister, letter, 7 June 1971, para 2, NAA: A5882, CO1191, quoted in Frühling, ed., *A History of Australian Strategic Policy Since 1945*, 27.
[266] Prime Minister Gough Whitlam quoted in Smith, Cox, and Burchill. A*ustralia in the World*, 139.

to the late 1980s."[267] Dibb highlights that the 1973 *Strategic Basis* was the first clear assertion of Australia's responsibility for the security of its immediate region.[268] Referring to the withdrawal of British and American forces from the region, the Defence Committee concluded:

> A fundamental change in our position is that while Australia may still look to its major allies, particularly the US, for strategic support in circumstances going beyond those they will expect us to handle ourselves, *it must now assume the primary responsibility for its own defence against any neighbourhood or regional threats.* This need for greater self-reliance and the ability to act independently call for the maintenance at all times of defence strength which is adequate for immediate purposes and may be expanded if necessary.[269]

Three years later, the 1976 Defence White Paper formally relegated the policy of Forward Defence to the dustbin of history and hinted at the emergence of a new approach to Australian defense policy. The opening chapter, after outlining the changing global and regional dynamics that had defined the preceding decade, advised in a telling phrase that "change does not necessarily mean insecurity."[270] Australia remained free from the threat of invasion, and regional conflicts had been successfully localized.[271] But uncertainties remained that necessitated prudence in defense planning. In preparing for these uncertainties, however, Australia could not rely on the support of its allies. The classified 1976 *Australian Strategic Analysis and Defence Policy Objectives,* points out that the divergence in interests between the United States and Australia in relation to Indonesia "suggest that the general proposition about Australia's security from major military threat, and the assurance of US combat support, need qualification in respect of Indonesia."[272] Accordingly, "greater self-reliance" became the primary requirement of Australian defense policy, not the development of a force that "will be sent abroad to fight as part of

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[267] Paul Dibb, "The Self-Reliant Defence of Australia: The History of an Idea," in *History as Policy*, 14.
[268] Paul Dibb, "The Self-Reliant Defence of Australia: The History of an Idea," in *History as Policy*, 14.
[269] Australian Defence Committee, "Strategic Basis for Australian Defence Policy, 1973," in *A History of Australian Strategic Policy Since 1945*, 481. Emphasis added.
[270] Australian Department of Defence, *Australian Defence*, 2.
[271] Australian Department of Defence, *Australian Defence*, 2, 5.
[272] Australian Defence Committee, "Australia Strategic Analysis and Defence Policy, 1976," in, *A History of Australian Strategic Policy Since 1945*, 564.

some other nation's force, supported by it."[273] Self-reliance, not Forward Defence, was now the guiding principle of Australian defense policy.

One of the primary requirements of this new approach was the need to narrow Australia's strategic focus. The government acknowledged the limits of Australian geography and resources and concluded that it could not "contribute military forces that would be significant to the strategic balance in Europe or North East Asia, nor to the western nuclear deterrent."[274] Moreover, conflicts in these distant regions did not directly affect Australian security. Accordingly, there was no requirement to prepare forces to contribute to allied efforts outside Australia's immediate area. Instead, Australia's defense policy would focus on the areas of "primary strategic concern," which the 1976 White Paper defined for first time. These were "areas in which the deployment of military capabilities by a power potentially unfriendly to Australia could permit that power to attack or harass Australia and its territories, maritime resources zone and near lines of communication. These were Australia's "adjacent maritime areas; the South West Pacific countries and territories; Papua New Guinea; Indonesia; and the South East Asian region."[275] By acknowledging the limits of Australia's middle power status, and reducing the area in which it sought to exert influence through its defense policy, the 1976 White Paper laid the foundations for the creation of a military capability able to act independently in pursuit of Australia's national interests.

But in 1976, the self-reliance concept remained unrefined and lacked "substance and direction."[276] This direction would be provided a decade later in Paul Dibb's 1986 *Review of Australian Defence Capabilities* and the subsequent 1987 Defence White Paper. Together, these documents transformed the goal of self-reliance into the strategy of DoA.

The Dibb Review emerged from a request from the Hawke government to provide a considered basis for an investment in future defense capabilities. The review took the foundations of the self-reliance concept and expanded upon

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[273] Australian Department of Defence, *Australian Defence*, 10.
[274] Australian Department of Defence, *Australian Defence*, 6.
[275] Australian Department of Defence, *Australian Defence*, 6.
[276] Australian Department of Defence, *Defence of Australia*, x.

them to determine what the amorphous concept would entail in practical terms. According to Dibb:

> Australia must have the military capacity to prevent any enemy from attacking us in our sea and air approaches, gaining a foothold on our soil, or extracting political concessions from us through the use of military force. To do this, we must develop our own solutions to our unique strategic circumstances. Strategic concepts based on the experience of other nations have little relevance to Australia.[277]

This required the creation of a force able to project power rapidly across an area covering approximately 10 percent of the Earth's surface.[278] For a country of 16 million people, this represented an ambitious undertaking. However, by focusing policy on the achievement of specific strategic goals, a force structure emerged that would enable the independent defense of Australian interests: an expansion of the Navy's surface and submarine fleet to be split for the first time between permanent bases in the Pacific and Indian Oceans; an air force capable of long range strike and intelligence collection, supported by new bases across northern Australia; and the creation of a mobile land force capable of rapid deployment to counter incursions when they occur.[279] These were to provide the foundations of an independent Australian grand strategy.

What is most interesting about the DoA strategy was that it was developed to counter a threat that did not exist. The Australian government had over the past two decades effectively desecuritized the threats to its territory. How then could the government justify the expenditure of the resources required to create the force envisioned in the 1987 White Paper?[280] In answering this question, the Australian government appears to have learned from the folly of the British interwar Ten-Year Rule. Noting the inherent uncertainties of the international system, the government endorsed the maintenance of the capabilities necessary to respond should latent threats

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[277] Dibb, *Review of Australia's Defence Capabilities*, 57.
[278] Australian Department of Defence, *Defence of Australia*, 2.
[279] Australian Department of Defence, *Defence of Australia*, viii-ix.
[280] The 1986 saw Australian defence spending reach postwar highs. Mark Thomson, "The Challenge of Coherence: Strategic Guidance, Capability, and Budgets," in *History as Policy*, 135.

become manifest, most likely due to changes in the attitude of regional neighbors towards Australia.[281] Ensuring that Australian maintained the capability to counter these latent threats would be achieved through the use of capability- vice threat-based planning.[282]

The aim of this approach to planning was to ensure that Australia maintained a capability edge over its regional neighbors. This edge would act both as a deterrent against attack, as well as provide Australia with an initial advantage in the event that changing regional dynamics sparked a regional arms race.

Technology was the key to ensuring Australia retained its capability-edge.[283] Given the vast population disparities between Australia and its regional neighbors, it was unrealistic to assume that the Australian military could match the size of forces a potential regional adversary could field. Australian forces were therefore to be built around the discriminating use of technology.[284] While self-reliance in the field of defense science was also promoted, there was a realization that Australia lacked the human and physical infrastructure necessary to maintain itself at the cutting edge of technology. It was in this area of technology transfer and development that Kim Beazley, Australian Defence Minister between 1984 and 1990, asserted that Australia gained "one of the most important benefits of our alliance with the United States."[285]

In making this claim, Beazley drew a distinction between self-reliance and self-sufficiency. This is a distinction that can be lost upon those examining Australian defense policy during this period.[286] The 1987 White Paper was explicit in stating that the policy of self-reliance that lay at the heart of the DoA strategy had to be understood within the context of Australia's alliance structure, most importantly the ANZUS alliance. As Beazley pointed out,

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[281] Australian Department of Defence, *Defence of Australia*, 25-27.
[282] Thomas-Durell Young, "Capabilitites-Based Defense Planning: the Australian Experience," *Armed Forces & Society* 21, no. 3 (Spring 1995): 349–369, 349.
[283] Australian Department of Defence, *Defence of Australia*, 31, 69.
[284] Australian Department of Defence, *Defence of Australia*, 69.
[285] Australian Department of Defence, *Defence of Australia*, x.
[286] Paul Dibb makes a point of clearly establishing this distinction in the introduction to his overview of the history of self-reliance. Paul Dibb, "The Self-Reliant Defence of Australia," 12.

technology transfer was a key benefit of the alliance; however, DoA also acknowledged that the ANZUS alliance also provided security against threats that Australia had neither the capacity nor capability to counter. Though there were divergences between Australian and American foreign policies in some areas, there was an understanding that "in the event of fundamental threat to Australia's security, US military support would be forthcoming."[287] What constituted a *fundamental* threat was unclear, and the threshold for American involvement could be high. However, the strength of the alliance provided the means for the government to discount the need to prepare for, what was accepted as being, a highly improbable large scale assault against Australian territory.[288]

The ANZUS alliance also brought Australia within the framework of America's nuclear deterrence. Australia contributed to this deterrent capability by allowing the United States to develop and staff submarine communications facilities and satellite ground stations within Australian territory.[289] Nuclear attacks on *Australia as a state*, however, were largely discounted as remote, even in the event of global nuclear war. This did not mean that Australian territory would not be targeted as part of a nuclear exchange, but, it was argued, it would be the US bases that were targets, not Australian infrastructure or population centers.[290] At first glance this may appear to be a fine distinction, with little relevance, should a nuclear confrontation between the superpowers occur; but there were significant implications for this distinction in terms of the nature of US deterrence in relation to Australia. Australian security studies scholar Stephan Frühling points out that an attack against these bases would not be an attack on Australia *per se* but upon the parts of US global warning system that just happened to be located on

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[287] Australian Department of Defence, *Defence of Australia: Defence White Paper 1987*, 4-5.
[288] Joint Committee on Foreign Affairs and Defence, *Threats to Australia's Security,* 94-95
[289] Smith, Cox, and Burchill. A*ustralia in the World*, 5. Australian Department of Defence, *Defence of Australia: Defence White Paper 1987*, 11.
[290] Joint Committee on Foreign Affairs and Defence, *Threats to Australia's Security,* 97.

Australian territory.[291] Accordingly, the nuclear umbrella that extended across the Pacific was seen as an essential component of the United States' own nuclear deterrence, and was not a necessary component in the defense of Australia. Australia was therefore, in theory vicariously benefiting from America's general nuclear deterrence capabilities, rather than being brought under the extended deterrence umbrella as a dependent ally.[292]

That Australia should choose to make its territory a potential nuclear target by allowing the placement of US bases on its soil may at first glance seem strategically questionable. However, the decision reflected Australia's contribution to maintaining the "central balance" between the West and the Soviet Union.[293] As the facilities were not developed under the auspices of ANZUS, Australia's willingness to provide real estate for the US deterrent demonstrated its commitment to supporting the United States in the defense of Western civilization and liberal-democratic values.

This leads to the final aspect of Australian defense policy relevant to this period: expeditionary operations. With the death of Forward Defence, the deployment of forces beyond Australia's areas of primary strategic concern was discounted as a basis for force development. Accordingly, expeditionary operations cannot be considered one of the main tenets of the self-reliance strategy. Indeed, the 1976 White Paper asserted that "events in distant areas such as Africa, the Middle East and North East Asia ... are beyond the reach of effective defence activity by Australia," with the notable exception of limited contributions to UN activities.[294] However, as the concept of self-reliance matured the deployment of Australian forces beyond the immediate region, either independently as a part of a coalition in support of the government's

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[291] Stephan Frühling, "The Fuzzy Limits of Self-Reliance: US Extended Deterrence and Australian Strategic Policy," *Australian Journal of International Affairs* 67, no. 1 (February 2013): 18–34, 26.
[292] Frühling defines extended deterrence as the "deterrence of threats against vital interests, especially against close allies, but short of a direct attack against the USA." Frühling, "The Fuzzy Limits of Self-Reliance," 20.
[293] Joint Committee on Foreign Affairs and Defence, *Threats to Australia's Security,* 97.
[294] Australian Department of Defence, *Australian Defence*, 6.

broader political and diplomatic objectives, became a consideration in defense policy.[295]

Throughout the 1970s and 1980s, small numbers of Australian forces were deployed in support of UN operations in the Sinai, Iraq-Iran, Zimbabwe, and Namibia.[296] These deployments provided the Australian government with a limited degree of prestige in the international system. However, towards the end of the 1980s Australian support to American and American-led efforts outside of the immediate region began to increase. The dispatch in 1987 of a Clearance Diving Team (CDT) to support US operations during the Persian Gulf Tanker Wars was followed three years later by the provision of a naval task force, medical teams, and photographic interpreters in support of the US-led coalition against Iraq.[297] These deployments had the desired strategic effect, demonstrating to the United States that Australia was willing and able to contribute to efforts in support of maintaining a stable international order. In a 2008 article reflecting on the relationship between force structure and the ANZUS alliance, Kim Beazley recalled a 1987 conversation with Richard Armitage—then an Assistant Secretary in the US Department of Defense—regarding the potential for an Australian contribution to the Tanker Wars, in which he was asked: "You remember that conversation we had last year when you said that even though your forces were structured to defend Australia, you would still work elsewhere if your ally needed you? … Well, this is the call."[298] The resulting Australian contribution, small as it was, not only contributed to the strength of the ANZUS alliance, but also validated Australia's ability to conduct expeditionary operations when it was assessed to be in Australia's interest.

And this is the key point relating to Australian military policy from 1971 to 1991. Commencing with the 1973 *Strategic Basis,* Australian officials set

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[295] Australian Department of Defence, *Defence of Australia*, 8, 110. White, "Four Decades of the Defence of Australia," 168.
[296] Australian War Memorial, "Australians and Peacekeeping: Operations," https://www.awm.gov.au/atwar/peacekeeping.asp#operations (accessed 21 March 2013)
[297] Kim Beazley, "Operation Sandglass: Old History, Contemporary Lessons." *Security Challenges* 4, no. 3 (Spring 2008): 23–43, 27. Australian War Memorial, "Iraq: The First Gulf War, 1990-1991," http://www.awm.gov.au/atwar/gulf/ (accessed 21 March 2013).
[298] Beazley, "Operation Sandglass," 29.

about to develop the capability and capacity for Australia to defend itself from a range of credible, though unlikely, threats to its security. It would take another 14 years before this concept would reach maturity. However, as the process unfolded, there developed a nuanced and realistic appreciation of how Australia's military capability contributed to Australia's grand strategy. By the end of the Cold War, Australia had demonstrated the viability and utility of the DoA strategy. With defense expenditure hovering at around 2 percent of GDP, the Australian government was able to develop a military capability that gave it an edge in the region.[299] This capability-edge over *potential* adversaries, provided it with the defense self-reliance that the government had identified as necessary in 1973. Self-reliance in turn reduced Australia's dependence on the United States and thereby improved its ability to engage with the region independently of American interests. This freedom of diplomatic action was where the success of the DoA concept in facilitating Australian grand strategic independence was most apparent.

Foreign Policy

Australian foreign policy between 1971 and 1991 pursued two concurrent and related aims: (1) to ensure that threats against which Australian defense policy was developed remained latent, and (2) to promote Australian economic and political interests in the region. Generally, the furtherance of these aims saw a convergence between Australian and US foreign policy initiatives: both countries were united in their efforts to check Soviet expansion and promote regional stability in the Asia-Pacific. However, throughout this period, the Australian government demonstrated a willingness to deviate from the diplomatic line established by the United States. These episodes of diplomatic recalcitrance were critical to defining the increasingly independent nature of Australian grand strategy.

The foundation of an independent Australian policy was laid in 1971, long before Australia achieved self-reliance in its defense policy, when then Opposition Leader Gough Whitlam travelled to Beijing. The visit came in response to the perceived unsatisfactory response by the Australian government

[299] Thomson, "The Challenge of Coherence," 134, 141. Stockholm International Peace Research Institute, "The SIPRI Military Expenditure Database."

to China's cancellation of its contract for Australian wheat. Seeking to improve Australian wheat sales, Whitlam's visit to Beijing on 4 July 1971—five days before Kissinger's secret visit—and his discussions with the Premier Zhou En Lai laid the foundations for close Sino-Australian relations that would become an important feature of Australia's Cold War security policy.[300] Whitlam's visit, however, created a firestorm of controversy in Australia. The harsh condemnation of the visit from the Australian government to not only provided an insight into the dependent mentality of the government at the time, but also directly contributed to the government's defeat at the 1972 election and the installation of a Whitlam government.

Two days before Nixon announced that Kissinger had visited China and that he intended a similar visit in the near future, the Australian Prime Minister, Sir William McMahon, claimed that Whitlam's embrace of the People's Republic of China would isolate "Australia from our friends and allies not only in South-East Asia and the Pacific but in other parts of the Western world as well."[301] Between the time that McMahon made this statement and the Federal election of 2 December 1972, the UN recognized the Communists as the official government of China, and numerous Western states had established relations with the People's Republic of China (PRC).[302] This was a major foreign policy embarrassment for a sitting Australian government, caught toeing what it believed to be the Western party line, unaware that actions of its principal ally were simultaneously undermining its position. Smith, Cox, and Burchill assert that the "United States actions paralysed the coalition, and foreign policy worked against it in the 1972 election that brought the [Australian Labor Party] to office after twenty-three years in Opposition."[303]

When Whitlam took office in December 1972, he implemented a policy agenda that committed to a more independent Australian foreign policy and to improving Australia's image within the region.[304] Acting as his own foreign minister, he took personal stewardship of a range of diplomatic initiatives that

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[300] Gough Whitlam, "Sino-Australian Diplomatic Relations 1972-2002," *Australian Journal of International Affairs* 56, no. 3 (2002): 323–336, 328-329.
[301] Quoted in Bell, *Dependent Ally*, 110.
[302] Whitlam, "Sino-Australian Diplomatic Relations 1972-2002," 330.
[303] Smith, Cox, and Burchill, A*ustralia in the World*, 38.
[304] Smith, Cox, and Burchill, A*ustralia in the World*, 69.

placed Australian foreign policy immediately at odds with that of the United States. Extending *de jure* recognition to the Soviet annexation of the Baltic states, and opening embassies across the Communist world demonstrated the strength of Whitlam commitment to pursuing an independent diplomatic line. However, it was his government's willingness to openly criticize the actions of its principal ally that signified a shift in the relationship between Australia and the United States.

Soon after Whitlam assumed office, Nixon ordered the commencement of the Linebacker II bombing campaign against North Vietnam. In response, senior ministers of the newly installed Labor government accused the United States of "mass murder."[305] Whitlam himself wrote Nixon an "undiplomatically vigorous letter of protest and criticism."[306] In concluding the letter, Whitlam advised that Australia would take the initiative of inviting Asian leaders to issue a joint public appeal for both the United States and North Vietnam to return to the peace table.[307] This letter placed Australian-American relations under considerable strain. Nixon even considered withdrawing from the ANZUS treaty, the cornerstone of Australian foreign policy since 1951.[308] The US President was riled by Whitlam's audacity in implying that the ANZUS alliance did not require Australia to support American policies in Asia.[309] In Nixon's words: "[Australians] will need us one hell of a lot more than we need them."[310]

And to an extent he was correct. Whitlam acknowledged and accepted the central role the ANZUS alliance played in Australian security considerations.[311] However, where he differed from his predecessors, and apparently the Nixon administration, was in his belief that the alliance did not preclude Australia's independent engagement with the region. Whitlam's approach to independent diplomatic engagement in Asia to promote Australian

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[305] Smith, Cox, and Burchill, A*ustralia in the World*, 69.
[306] Bell, *Dependent Ally*, 120.
[307] James Curran, "Whitlam v Nixon," *Australian*, 1 August 2012, http://www.theaustralian.com.au/news/features/whitlam-v-nixon/story-e6frg6z6-1226439818865 (accessed 22 March 2013).
[308] Curran, "Whitlam v Nixon." Smith, Cox, and Burchill. A*ustralia in the World*, 82.
[309] Curran, "Whitlam v Nixon."
[310] Curran, "Whitlam v Nixon."
[311] T. B. Millar, "From Whitlam to Fraser," *Foreign Affairs* 55, no. 4 (July 1977) http://www.foreignaffairs.com/articles/27902/tb-millar/from-whitlam-to-fraser (accessed 22 Mar 2013).

interests, running parallel with the ongoing security arrangements with the United States, would become a feature of successive governments from both sides of Australian politics.[312] Indeed, when Whitlam was unceremoniously removed from office in 1975, his conservative replacement, Malcolm Fraser, did little to change the direction of the foreign policy path laid down by his predecessor.[313]

Fraser did, however, make some adjustments. Some were immediate, such as reversing Australia's recognition of the Soviet annexation of the Baltic states. But some were longer-term initiatives, the most important of these being reconceptualizing the nature of the Australian-American relationship. The first step in this process was in reaffirming the central role the ANZUS alliance played in Australia's security considerations. For Fraser, who held a pessimistic view of the Soviet Union's intentions, the United States was the only state sufficiently powerful to contain Soviet expansion.[314] Throughout the tenure of his government, Fraser accordingly demonstrated a willingness to support the United States across a range issues, from the civil war in El Salvador to uranium mining and exports.[315] This reflected Fraser's belief in, what he later described as, "the idealism and purpose of the United States."[316]

Fraser's successor, Labor Prime Minister Bob Hawke, who served as Prime Minister for the remainder of the Cold War, was less swayed by American idealism. He did, however, share Fraser's concern over the Soviet Union: the manifest threat it posed to the Western world, generally, and the latent threat it posed for Australia, specifically. Responding to calls from within his party to pursue non-alignment and the dismantling of the ANZUS alliance, Hawke advised Washington that "Australia is not and cannot be a non-aligned nation. We are neutral neither in thought nor action."[317] After the turbulence of the Whitlam-era, by 1976 the importance of the Australia-US relationship to

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[312] Curran, "Whitlam v Nixon." Evans, "Australia's Regional Security."
[313] Ungerer, "The 'Middle Power' Concept in Australian Foreign Policy," 545. Millar, "From Whitlam to Fraser."
[314] *Hansard Parliamentary Debates*, Australian House of Representatives, 1 June 1976.
[315] Phillips, *Cold War 2 & Australia*, 80. Bell, *Dependent Ally*, 152.
[316] Malcolm Fraser, "The World We Live In" (speech, University of Tasmania, Hobart, 12 July 1984 http://www.unimelb.edu.au/malcolmfraser/speeches/nonparliamentary/worldwelivein.html (accessed 22 March 2013).
[317] Bell, *Dependent Ally*, 173.

Australian grand strategy had been firmly re-established. This revitalization of the ANZUS alliance did not occur at the expense of the government's desire to retain its independent actions in the realm of Australian foreign policy. This would remain a consistent thread of Australian foreign policy from 1972 until the end of the Cold War.

The second step in the reconceptualization of the ANZUS alliance was to reinforce that the alliance did not equate to subordination. Fraser emphasized the need for Australia to pursue its own national interests, even if these were not in accord with those of the United States. In his first Prime Ministerial speech to Parliament on foreign policy, Fraser outlined a policy of balance:

> This Government, while maintaining to the full its own independent national perspectives and sovereignty, will ensure that the ANZUS alliance with the US and New Zealand does not fall into disrepair and disrepute. The interests of the United States and the interests of Australia are not necessarily identical. *In our relations with the United States, as in our relations with other great powers, our first responsibility is independently to assess our own interests.* The United States will unquestionably do the same.[318]

The causes of this divergence in interests were not ideologically based, nor were they nationalistic *per se*, but rather reflected a shift towards a regional focus in the diplomatic sphere along similar lines as that which was occurring in the realm of defense policy. Fraser went on to state that "although relations between the superpowers are a fundamental determinant of the world environment, Australia has the most vital interest in relations between countries in areas of critical concern to us. We are and must be intimately involved in our own region"[319] By visiting Tokyo and Beijing before paying homage to Washington, Fraser's actions confirmed the intent of his words: Australia was taking control of its own diplomacy towards Asia.[320]

China was to be the focus of these efforts. Although Australia was not the first Western country to establish relations with the Communist government in Beijing, its willingness to press ahead on a range of issues without waiting for the American lead hinted at a growing individualism in Australian

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[318] Emphasis added. *Hansard Parliamentary Debates*, Australian House of Representatives, 1 June 1976.
[319] *Hansard Parliamentary Debates*, Australian House of Representatives, 1 June 1976.
[320] Bell, *Dependent Ally*, 143.

diplomacy. Australia, for example, revoked its official recognition of Taiwan in 1972, while the United States would wait until 1979.

One of the key factors that guided Australian foreign policy towards China and the broader region was concern with growing Soviet influence. Fraser, in particular, expressed concern over Soviet expansion in the Indian Ocean and the Pacific, which made him critical of the US-Soviet *détente*. He viewed *détente* as a failure in its attempt to stabilize the great power tensions.[321] In this, China and Australia shared a common perspective. The extent of Australia's willingness to support the Chinese against the common Soviet threat was evident following the 1979 Soviet-backed Vietnamese invasion of Kampuchea. The Australian government, like that of the United States, joined China in opposing the invasion. However, as Robert Sutter points out, "The Americans had far more reservations than Fraser regarding China's invasion [of Vietnam] in order to 'teach a lesson' to Hanoi."[322] The Australian government's positive spin on the Chinese invasion of Vietnam was clearly evident in the Foreign Minister's statement to Parliament on the issue: "To the extent that China, if left alone and unprovoked, would prefer peace and stability at this stage of its development in order to concentrate on internal modernization, and only to that extent, there is a convergence between its present interest and ours."[323] For the Fraser government, there was no "China threat," rather, he viewed China as a potential ally in the quest to stop Soviet domination of the region.[324]

Fraser's engagement with the region, however, was skewed by his preoccupation with the Soviet threat. This was particularly true following the Soviet invasion of Afghanistan.[325] Accordingly, Australia's interactions with its

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[321] *Hansard Parliamentary Debates*, Australian House of Representatives, 1 June 1976.
[322] Robert Sutter, "Thirty Years of Australia-China Relations: an American Perspective," *Australian Journal of International Affairs* 56, no. 3 (2002): 347–360, 350.
[323] *Hansard Parliamentary Debates*, 27 February 1979.
[324] Smith, Cox, and Burchill, A*ustralia in the World*, 71. Fraser's view of China as an ally against the Soviet Union was made public after a journalist traveling with the Prime Minister in China gained access to the transcript of a meeting between Fraser and senior Chinese official in which it appeared that Fraser to entertain the possibility of a American, Japanese, Chinese, and Australian alliance to contain the USSR. Bell, *Dependent Ally*, 144.
[325] Ian McAllister and John Ravenhill. "Australian Attitudes Towards Closer Engagement with Asia." *The Pacific Review* 11, no. 1 (January 1998): 119–141, 122.

Southeast Asian neighbors were focused on security and aid to ensure stability and freedom from Soviet influence, not on the development of trade links.[326] The government overlooked the valuable economic and political opportunities offered by the growth the Asia-Pacific region was starting to experience in the late 1970s. This was despite the efforts of the regional states to promote increasing access to Australian markets. Accordingly, while trade with Japan continued its accelerating growth that began in the late 1960s, export growth with the immediate region remained relatively steady. This neglect of this aspect of regional engagement can be, in large part, attributed to the Fraser government's preoccupation with Soviet expansionism.[327]

This neglect of the economic potential of the immediate region during the late 1970s and early 1980s represented a failure of the Fraser government to optimize the grand strategic advantage offered by Australia's geography. This failing was addressed following the election of the Hawke Labor government in 1983. Although Hawke remained concerned about Soviet influence in the region, he lacked the "anti-Soviet passion" that had effectively blinded Fraser to the benefits of greater integration with Southeast Asia.[328] Accordingly, his government pursued a pragmatic foreign policy that ensured the continued vitality of the ANZUS alliance, while increasing Australia's engagement with China.[329] More importantly, Hawke also sought economically, diplomatically, and militarily to *relocate* Australia away from the Euro-American community into Asia.[330] This shift represented the final turning point in Australia's increasingly independent grand strategy.

During the 1980s, the economy became a key driver of Australia's relocation to Asia under the Hawke government.[331] His government's belief in the inherent linkages between foreign policy and the economy was clearly

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[326] Committee on Australia's Relations with the Third World, 1979: 125 quoted in John Ravenhill, "Adjusting to the ASEAN Way: Thirty Years of Australia's Relations with ASEAN," *The Pacific Review* 11, no. 2 (January 1998): 267–289, 268.
[327] Ravenhill, "Adjusting to the ASEAN Way," 277.
[328] Sutter, "Thirty Years of Australia-China Relations," 352.
[329] Sutter, "Thirty Years of Australia-China Relations," 352.
[330] Richard A. Higgott and Kim Richard Nossal, "The International Politics of Liminality: Relocating Australian in the Asia-Pacific," *Australian Journal of Political Science* 31, no.2 (July 1997): 169. Academic Search Premier, EBSCOhost (accessed 22 March 2013).
[331] Ann Capling, "Twenty Years of Australia's Engagement with Asia," *Pacific Review* 21, no. 5 (December 15, 2008): 601–622, 604.

evidenced by the decision in 1987 to merge the Department of Foreign Affairs with the Department of Trade.[332] The impetus behind the shift was the global recession of the early 1980s, which saw the collapse in the prices of commodities, the key component of Australian economy at the time.[333] In response, the Hawke government set about restructuring the Australian economy and liberalizing its trade policies, seeking to capitalize on the potential complementarity between the Australian economy and those of its growing regional neighbors.[334] The economic success of these policies can be seen in the sharp upturn in the value of export trade to ASEAN commencing in 1986. Despite these improvements in the trading relationships between Australia and its ASEAN neighbors, Australia remained the "odd man out" in the region.[335] Accordingly, towards the end of the decade, Australia set about creating a regional organization that would provide a forum for it, and other non-Asian states, to promote regional trade. This would lead to the creation of the Asia-Pacific Economic Cooperation (APEC) forum in 1989.

APEC began as an Australian initiative that was initially opposed by the ASEAN states.[336] ASEAN was concerned that Australia was usurping its regional leadership role and argued that an expansion of existing ASEAN-centric forums provided a sufficient basis for enhanced regional engagement.[337] For Australia, however, the creation of a regional forum focused on economic matters, provided the means to demonstrate and exercise its growing confidence "as a middle power … uniquely placed in a rapidly changing international environment to play the role of policy entrepreneur and coalition broker."[338] APEC's enduring success highlights that this confidence was not misplaced.

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[332] Evans, "Australia in Asia."
[333] Ravenhill, "Adjusting to the ASEAN Way," 278.
[334] Capling, "Twenty Years of Australia's Engagement with Asia," 605.
[335] Gareth Evans quoted in McAllister and Ravenhill, "Australian Attitudes Towards Closer Engagement with Asia," 122.
[336] Interestingly, the proposal for APEC came not from the Department of Foreign Affairs and Trade, but from the Prime Minister. Martin Rudner, "APEC: the Challenges of Asia Pacific Economic Cooperation." *Modern Asian Studies* 29, no. 2 (May 1995): 403–437, 410. Ravenhill, "Adjusting to the ASEAN Way," 280.
[337] Ravenhill, "Adjusting to the ASEAN Way," 280.
[338] Ravenhill, "Adjusting to the ASEAN Way," 280.

To focus only on the success of Australian economic diplomacy, however, is to underplay the important role foreign policy played in promoting Australian security during the last decade of the Cold War. Although Australia was enjoying an increased sense of security during the 1980s, it was acknowledged that an active and well-constructed foreign policy was necessary to maintain Australia's favorable strategic environment. "Military capability," Foreign Minister Gareth Evans pointed out in 1989, "is just one among many instruments of an effective security policy."[339] What was needed was a comprehensive approach.

The security aspects of Australian foreign policy during the final decade of the Cold War fall into two main areas: continued defense against Soviet influence in the region, and management of regional concerns over Australian military capabilities.

The first represents a clear continuation of the policies of previous governments. The Soviet desire to pursue a cooperative vice antagonistic approach towards expanding its influence in the region created a unique challenge for Australia's position in the South Pacific.[340] The island states remained relatively poor, underdeveloped, and, as the 1987 *coup d'tat* in Fiji (the first in the region) highlighted, were prone to instability. In Australian eyes, this made them increasingly susceptible to Soviet economic and political influence. Accordingly, Australia increased its aid flowing to the Pacific islands to enhance its standing and, by extension, its influence, in the region, but also to *compensate* the islands for foregoing Soviet offers of assistance.[341] Through this non-military strategy Australia was able to ensure the South Pacific remained largely free of external influence, thereby securing its northeastern flank from potentially hostile influence.

The second aspect presented more of a challenge and required greater creativity in policy development. As the Australian government sought to realize the goal of defense self-reliance through the development of a highly capable military force, it created a potential regional security dilemma.

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[339] Evans, "Australia's Regional Security."
[340] *Australia's Strategic Planning in the 1990s* (Canberra; Commonwealth of Australia, 1989), 1.
[341] Smith, Cox, and Burchill, A*ustralia in the World*, 150.

Although the 1976 and 1987 Defence White Papers acknowledged that Australia did not perceive a present threat in the region, the push to achieve self-reliance by ensuring a capability-edge over its neighbors gave rise to calls of a "new militarism" taking hold in Australia.[342]

The solution was the revision of the assumptions upon which Australia's regional security policy was founded and the creation of a "multidimensional" security policy, described by the then newly appointed Foreign Minister, Gareth Evans, in 1989 as a policy "in which all the components of Australia's network of relations in the region military and politico-military capability; diplomacy; economic links; assistance with development and so-called "non-military threats"; and the exchange of people and ideas work together to help shape a security environment which is favourable to Australia's interests."[343] This multidimensional policy was an effort to reconceptualize the *cliché* that Australia was "in" the region, but not "of" the region.[344]

Central to the policy was the assertion that Australia's security and that of the broader region were intimately connected. Accordingly, the development of a capable but "non-aggressive" Australian military, which provided a "secure south" and "secure west" for its neighbors, enhanced regional security rather than detracted from it. Moreover, by building upon the diplomatic and political linkages that were growing in the region, Australia intended to work towards the development of "a regional community security community based on a sense of shared security interests."[345] However, in a comment that speaks volumes of the growing confidence of Australia's belief in its middle power role in the region, Evans stated that Australia "should not be embarrassed about using the military capability we possess, with prudence and sensitivity, to advance both Australia's and the common security of the region."[346] Building upon these revised assumptions, Evans announced that the new Australian approach to Southeast Asia should be one of "comprehensive engagement":

> 'comprehensive' in that there should be many elements in the relationship, and one of 'engagement' because it implies a mutual

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[342] Smith, Cox, and Burchill, A*ustralia in the World*, 142.
[343] Evans, “Australia’s Regional Security.”
[344] Millar, “From Fraser to Whitlam.”
[345] Evans, “Australia’s Regional Security.”
[346] Evans, “Australia’s Regional Security.”

> commitment among equals. Security threats requiring a military response arise when there is a motivation, an intention to do something about it, and the capability to do it. If we develop a substantial and mutually beneficial range of linkages with our regional neighbours, then the motivation and intention to threaten us will simply not arise. Moreover, the linkages will do more than save us from threats: they will become networks of connective tissue, binding together us and our neighbours in a strong regional partnership, with a sense of regional commonality of interest.[347]

Complimenting the comprehensive engagement was the pursuit of "constructive commitment" to the South Pacific, which meant "essentially that, notwithstanding [its] greater size and economic capacity, [Australia wanted] to approach the region within a framework of regional partnership, not dominance not regarding the South Pacific as [its] sphere of influence, but a region of mutually reinforcing opportunity."[348]

Evan's pronouncement of this new multidimensional approach, built upon comprehensive engagement and constructive commitment, represented the coming of age of Australian grand strategy. It tied together strands of defense and foreign policy that had coexisted within the government previously, but were now seen as common elements of a broader policy framework. The new policy demonstrated a nuanced appreciation of how to employ the two components of grand strategy.

This new approach, which guided Australian foreign policy during the transition period following the end of the Cold War, was evolutionary, not revolutionary. Australian foreign policy had remained surprisingly consistent during the 1970s and 1980s, a fact Prime Minister Hawke captured well in a speech to the Washington Press Club in 1983:

> The essential elements of Australia's foreign and defence policy have taken on a quality of bipartisanship inconceivable before [1972]...The great questions of Australia's relationship with the United States, the People's Republic of China, the Soviet Union, the European Economic Community, Indonesia, our special relationship with the Commonwealth of Nations, Papua New Guinea, New Zealand and Japan, and our conduct on Southern

[347] Evans, "Australia's Regional Security."
[348] Evans, "Australia's Regional Security."

> African questions now possess a *continuity, consistency and consensus.*[349]

What did differ is the developing understanding of how Australia could most effectively adjust to the geographic reality in which it found itself. In many respects, the evolution of Australian foreign policy can be seen to be broken into four distinct stages: establishing independence, ensuring security, promoting prosperity, and finding its place. Though these stages can be associated with differing priorities of successive governments, they were also a response to the changing international and regional strategic and economic situations. This, in itself, highlights the growing maturity and independence of Australian foreign policy. Unlike the Nixon shocks of 1969 and 1972, which sent the government reeling, by the end of the 1980s, the Australian government was seeking to shape its regional security environment proactively. Its capacity to do so was limited by its small size. However, in seeking to establish itself as a credible and reliable middle power, it did enjoy success in promoting its security and prosperity within a dynamic and changing region.

Towards Independence

For a middle power, the question as to the independence of its grand strategy is one of degree not kind. Lacking the resources to impose their will on the international system, states such as Australia must seek to maintain and promote their national interests within an international system created primarily by the interactions of the world's great powers. Through the development and implementation of defense and foreign policies that were responsive to shifting global and regional dynamics, successive Australian governments during the period of 1971 to 1991 were able to forge a more independent grand strategy. Though the alliance with the United States remained the cornerstone of Australia's security framework, the evolution of its policy of self-reliance during this period demonstrated that Australia could pursue a grand strategic pathway independent of the great powers.

What makes this period of Australian history so useful in the examination of grand strategy development is the seismic shift that occurred within a short duration of time that acted as the catalyst to fundamental

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[349] Quoted in Smith, Cox, and Burchill, A*ustralia in the World*, 39.

revision of Australian grand strategy. Prior to the withdrawal of British and American forces from the Asia-Pacific region in the early in 1970s, Australian strategy had, in essence, been determined in London and Washington. The principal aim of Australian strategy was to ensure that the allies remained engaged in the region in order to provide protection from the communist dominos that lay posed to fall from Hanoi to Jakarta. However, with the decision for the allies to withdraw from the region for domestic reasons, Australian decision makers were forced not to reconsider a strategy, but to actually develop one. This set in motion a considered reevaluation of the threats that Australia faced, as well as the requirements to mitigate these threats. The result was a narrowing of strategic scope to ensure that Australian efforts were focused upon that which it could effect.

The effect of this reevaluation was most easily discernible in Australia's defense policy. The explicit repudiation of the policy of Forward Defence that had been the basis of Australian security since Federation and the development of the DoA strategy was revolutionary. DoA sought to capitialize on Australia's key strategic advantages: its geographic isolation and its alliance with the United States. Through the development of capabilities able to contest control of the sea-air gap, which separated Australian territory from Southeast Asia and the South Pacific, Australian policy makers were able to achieve the self-reliance that was made necessary by the withdrawal of their great power patrons. This sense of security in turn reduced Australian dependency on the United States. Able to defend itself against *credible threats* to its security, Australia became increasingly confident in pursuing its own national interests within the region.

However, it would be a mistake to believe that it was the achievement of self-reliance in defense matters that was a necessary condition for the independence of Australian grand strategy. The first steps were instead made in the arena of foreign policy. Whitlam's efforts to establish an independent Australian foreign policy, one able to administer "public kicks in the shins" to the United States when Australian interests required, laid the foundations for Australia to pursue its own strategic objectives within the region.[350] Though

[350] Millar, “From Whitlam to Fraser.”

successive Australian governments demonstrated greater diplomatic tact towards the United States, they vigorously defended and exercised their diplomatic freedom of action.

As the Cold War drew to a close, Australian grand strategy would reach maturity. Leading the initiatives behind the development of a regional economic forum, the Hawke government demonstrated that Australia had the capacity and capability to shape the region with which it increasingly came to identify itself. As the Cold War came to an end, the strategies of comprehensive engagement and constructive commitment were positioning Australia to take an increased leadership role in the post-Cold War region. A role that would be tested through the economic and political crises that rocked the region during the 1990s. Australia's emergence from the turbulence of the 1990s bears testament to the success of the successive governments in the closing decades of the Cold War in enabling Australia to develop, maintain and execute and effective and independent grand strategy.

CHAPTER 4

Relapsing into Dependency: Australian Grand Strategy, 2013-2030

> *Armed tensions in the South China Sea, China and Japan edging to the brink of war, and now a North Korean nuclear test—welcome to the Asian century.*
>
> Rory Medcalf

The twenty-first century will be the Asian Century.[1] The dawn of this Asian Century is bringing new challenges and raising old questions for Australian policy makers. As the global rise of Asia increases regional complexities and uncertainties, and the United States undertakes its *rebalance* to the region, the Australian government is faced with a choice: does it continue to build on the grand strategic independence started in the 1970s, does it revert to a state of dependency similar to that of the interwar period, or does it find a path between the two.

The central thesis of this paper posits that Australian grand strategic dependency will increase when a friendly great power expands its engagement in the region. If the thesis holds true, it would be expected that America's Pacific rebalance will result in a shift in Australian grand strategy towards greater reliance upon the United States. This final chapter will assess how the potential changes in the strategic situation in the Asia-Pacific region over the next two decades will likely affect Australian grand strategy. In particular, it will examine recently released policy documents, and government statements and actions to determine if a shift towards greater strategic dependence on the United States is underway.

The Asia-Pacific to 2030

Asia's rapid economic growth over the past two decades has "changed the world," shifting the "global centre of gravity" from West to East.[2] According to the US National Intelligence Council's (NIC) 2012 assessment of global trends, by 2030 "Asia will have surpassed North America and Europe combined in

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[1] Australian Department of the Prime Minister and Cabinet, *Australia in the Asian Century,* Australian Government White Paper (Canberra: Commonwealth of Australia, 2012), 1.

[2] Australian Department of the Prime Minister and Cabinet, *Australia in the Asian Century*, 1, 40.

terms of global power, based upon GDP, population size, military spending, and technological investment."[3] China's meteoric rise as an economic and strategic power, in particular, has made Asia a focal point of the international system, both economically and strategically. During the first decade of the twenty-first century, China's economy grew from the sixth largest to become the world's second largest economy.[4] China's rapid rise in power has led to a growing strategic rivalry between China and the United States for influence in the region. However, although the strategic focus has largely been on the impact of Chinese growth, it is the collective economic growth of the region's states that has led to the labeling of the twenty-first century as the Asian century. Accordingly, when assessing how the regional strategic environment will evolve in the coming decades, it is necessary to look beyond the rise of China and view the patterns of securitization from a regional perspective.

Sustained economic growth and the rising prosperity of regional states have been the defining characteristics of the first decades of the Asian Century. This growth will continue over the coming decades and will see Asia grow to become the world's largest economic zone and home to more than half of the world's middle class.[5] The rise of the Asian middle class will have profound, if somewhat contradictory, consequences for the region. Asia's burgeoning middle class will act as a catalyst for continued economic growth and prosperity, both regionally and globally.[6] In this context, the Asian economic boom is viewed by many, including the Australian government, as an opportunity. It will transform Australia's "tyranny of distance" into the "prospects of proximity."[7] However, there is another, often overlooked, aspect of

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[3] National Intelligence Council, *Global Trends 2030: Alternative Worlds*, Kindle ed. (Washington, DC: National Intelligence Council, 2012), loc. 50.
[4] CNN, "World's Largest Economies," http://money.cnn.com/news/economy/world_economies_gdp (accessed 31 March 2013).
[5] Australian Department of the Prime Minister and Cabinet, *Australia in the Asian Century,* 49. The US National Intelligence Council identified the individual empowerment of an Asian middle class as one of the *megatrends*—factors that are likely to occur under nay future scenario—that will shape the international system over the next two decades. National Intelligence Council, *Global Trends 2030,* loc. 4, 588.
[6] Homi Kharas, *The Emerging Middle Class in Developing Countries*, Working Paper no. 285 (Paris: OECD Development Centre, 2010), 7.
[7] Australian Department of the Prime Minister and Cabinet, *Australia in the Asian Century,* 1.

economic growth. Historically, a rising middle class has acted as an agent for sociopolitical changes within a state.[8] Asian economic growth, therefore, increases the uncertainty and complexity of the region, increasing the possibility of tensions disrupting the stable regional order that prevailed during the Cold War.

As individual affluence increases, so too will the desire for greater input into the political governance of the state.[9] Rising affluence, typically translates into democratic transitions. States will typically transition to democracy once their GDP at purchasing power parity (PPP) exceeds $USD15,000 per capita, a level China will exceed within the decade.[10] Accordingly, in the 2030 timeframe, China's growing prosperity may give rise to political discontent and domestic instability and, ultimately, sociopolitical upheaval led by its burgeoning middle class. Such instability in a regional power and the world's second largest economy would have global strategic consequences, but its immediate impact would more likely be felt by countries bordering on the resurgent Middle Kingdom. Of greatest regional concern is the potential for domestic instability to translate into increased Chinese nationalism, irrespective of how the internal political turmoil is resolved.

Recent years have seen increasingly visible demonstrations of growing nationalistic tendencies in China, both at the level of the state and the individual. Managed nationalism, such as seen recently following the Japanese purchase of the Senkaku/Diaoyu Islands, has long been a tool used by the Chinese Communist Party (CCP) to reinforce its legitimacy and to divert attention away from domestic political or economic issues.[11] Faced with growing pressure for reform, the CCP may stoke the nationalist fires as a means of defending the regime.[12] Alternatively, should China's growth trigger a

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[8] National Intelligence Council, *Global Trends 2030*, 612.
[9] *Asia 2050: Realizing the Asian Century, Executive Summary* (Asian Development Bank, 2011), 7.
[10] National Intelligence Council, *Global Trends 2030*, loc. 1908.
[11] Rory Medcalf, Raoul Heinrichs, and Justin Jones. *Crisis and Confidence: Major Powers and Maritime Security in Indo-Pacific Asia* (Sydney: Lowy Institute for International Policy, 2011), 21. Jayshree Bajoria. "Nationalism in China," Council on Foreign Relations. http://www.cfr.org/china/nationalism-china/p16079 (accessed 31 March 2013).
[12] National Intelligence Council, *Global Trends 2030*, loc. 317.

democratic revolution, it is likely that this would release the current CCP-managed fetters on Chinese nationalism, thereby increasing nationalist sentiment in the short- to medium-term.[13] Irrespective of the outcome of any domestic upheaval China may experience, the unfolding socioeconomic shift in China will invariably translate into growing Chinese nationalism; the only question is how this nationalism will be expressed.

Here the Sino-Japanese dispute over the Senkaku/Diaoyu Islands provides an insight into future Chinese actions. Following the Japanese government's purchase of the islands, the Chinese population responded with a wave of violent anti-Japanese protests across the country.[14] Externally, China increased its presence in the disputed region and, in early 2013, Chinese vessels engaged in provocative maneuvers against Japanese Maritime Self-Defense Force units in the region.[15] Incidents such as these will likely increase in line with China's rising power and prosperity, especially given the large number of territorial disputes that plague the region.

Growing nationalism, however, is not limited to China. Other developing states in the region will also experience domestic pressures associated with increasing national prosperity. Although the majority of the ASEAN states will remain poorer in terms of GDP at PPP than the powerhouse economies of Northeast Asia, their economic growth will create sociopolitical challenges that their governments must address. These may take the form of demands for greater democracy, such as in Vietnam, or pressure to meet the growing expectations of an increasingly affluent population, such as in Indonesia, Malaysia, and the Philippines.[16] In a region replete with unresolved territorial issues, nationalism can provide a relief valve for these states to manage the domestic political and economic pressure resulting from their evolving socioeconomic conditions.

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[13] National Intelligence Council, *Global Trends 2030*, loc. 1908.
[14] Robert S. Ross, "The Problem with the Pivot: Obama's New Asia Policy is Unnecessary and Counterproductive," *Foreign Affairs* 91, no. 6 (November/December 2012): 70-82, 80.
[15] "Locked On" *Economist*, 9 February 2013, http://www.economist.com/news/asia/21571466-dangerous-dance-around-disputed-islets-becoming-ever-more-worrying-locked (accessed 11 April 2013)
[16] National Intelligence Council, *Global Trends 2030*, loc. 628, 1903.

Nationalism is not, however, only the curse of the developing state. Affluent states, in particular Japan, are also witnessing a surge in domestic nationalist sentiments that will affect their relations within regional neighbors. The 2012 decision by the Japanese government to purchase the Senkaku/Diaoyu Islands was driven in part by anti-Chinese sentiments within the population.[17] In a region yet to recover from the psychological wounds inflicted by the Japanese during the Second World War, any resurgence of Japanese nationalism has the potential to rip apart the increasingly fragile fabric of the postwar order. This order, built upon American regional primacy, has provided the foundation for the region's emergence as the global strategic center of gravity in the twenty-first century.

Exerting further pressure on regional stability is the potential for resource competition to exacerbate pre-existing tensions. As states' economies grow, so too will demand for water, food, and energy resources.[18] Securing resources will therefore become a priority for Asia's developing, as well as its developed, economies. When this can be achieved through trade, relative scarcity exerts a positive influence on regional relations. Australia, in particular is reaping the benefits of the regional boom in the demand for commodities. However, as absolute scarcity grows, competition for available resources will lead to state and regional instability. Food and water scarcity in particular, have the potential to spark resources wars and/or generate mass migrations within the region.[19] Both pose serious threats to national security and regional stability.

Overlaying the increased friction arising from these issues are enhancements in regional military capabilities enabled by economic growth.[20] Military modernization provides regional states with a greater capacity to pursue and protect their national interests aggressively. In recent testimony to the House Armed Services Committee, Admiral Samuel J. Locklear, Commander

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[17] Ross, "The Problem with the Pivot," 80.
[18] NIC quantifies these increases globally to 2030 as 40, 35, and 50 percent respectively. National Intelligence Council, *Global Trends 2030*, loc. 70.
[19] Albert Palazzo, "China's Had a Good Run – Now for the Real Threat." *The Strategist* (blog), 9 January 9, 2013, http://www.aspistrategist.org.au/chinas-had-a-good-run-now-for-the-real-threat/ (accessed 31 March 2013).
[20] Australian Department of the Prime Minister and Cabinet, *Australia in the Asian Century,* 226

of US Pacific Command (PACOM), asserted that "by any meaningful measure, the Indo-Asia-Pacific is … the world's most militarized region, with seven of the ten largest standing militaries, the world's largest and most sophisticated navies, and five of the world's declared nuclear armed nations."[21] China in particular has been a focus of attention in this regard. In line with its growing economic and political power, the Chinese People's Liberation Army (PLA) is expanding its ability to project power into the region. A 2012 Lowy Institute study found that the PLA's naval arm (PLA-N) is acquiring modern surface and sub-surface combatants in order to "advance China's interests … in territorial disputes," as well as protect its increasingly important sea lines of communication.[22] This, according to Admiral Locklear, has sparked efforts by the smaller regional states, such as Korea, Vietnam, and Indonesia, to enhance their own naval capabilities to counter the growing strength of the PLA-N.[23] However, despite their efforts to modernize, smaller states, including Australia, continue to rely upon American naval primacy in the region as the basis for the maintenance of a stable regional order. The longevity of American primacy, and the stability it has provided, however, is increasingly in doubt, particularly in light of the qualitative and quantitative expansion of the PLA.

Although the PLA-N is now the largest navy in Asia, the United States retains naval superiority in the region.[24] This situation is subject to change in response to geographic, strategic, and economic realities. Geographically, the Chinese are well-positioned to challenge American primacy. Whereas, the maintenance of American primacy is reliant on expensive power projection capabilities, China's close proximity to the region reduces the costs associated with disrupting American operations. By focusing on developing relatively low cost Anti-Access/Area Denial (A2AD) capabilities, the Chinese have increased the costs for the United States to operate in the vicinity of the Chinese mainland, in particular, the first island chain.[25]

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[21] Adm Samuel J. Locklear, commander, US Pacific Command, "U.S. Pacific Command Posture." (statement, House Armed Services Committee, Washington, DC, 5 March 2013), 3.
[22] Medcalf, Heinrichs, and Jones, *Crisis and Confidence*, 17.
[23] Locklear, "U.S. Pacific Command Posture," 9.
[24] Medcalf, Heinrichs, and Jones, *Crisis and Confidence*, 17, 19.
[25] Medcalf, Heinrichs, and Jones, *Crisis and Confidence*, 17.

As these capabilities continue to expand, the Chinese will be able to challenge American sea control in China's second island chain, and subsequently into the Indian Ocean.[26] As A2AD capabilities are inherently defensive, however, they will not provide China with the ability to gain primacy. Rather, the strategic situation would likely become one of contestation. Even if China does not gain naval primacy in the region, the loss of American naval hegemony in the region will have significant implications for the regional patterns of securitization described above. US naval preeminence has provided the foundation for the stable order that has underpinned regional economic, political, and military growth. As its ability to challenge American primacy grows, the potential for China to challenge the entire postwar regional order established by the United States increases.[27]

Faced with a threat to stability in a region which is critical to its national prosperity, the United States is unlikely to disengage completely from the region. In 2011, President Obama advised a joint sitting of both Houses of the Australian Parliament that the United States was responding to the evolving regional dynamics by *rebalancing* its diplomatic, military, and economic power, "turning [its] attention to the vast potential of the Asia Pacific region."[28] However, in light of America's ongoing struggle with its national debt and the associated sequestration process, it is unlikely that the United States will have either the capacity or desire to endure a sustained military rivalry with China for regional primacy.

Sequestration is affecting American's Pacific rebalance. Admiral Locklear asserts that any "funding cuts will challenge [America's] ability to execute both discreet operations and the broader Indo-Asia-Pacific rebalance strategy."[29] Reductions in training, readiness, and regional deployments will limit the ability of the United States to respond to Chinese challenges to its previous primacy in

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[26] Malcolm Cook, Raoul Heinrichs, Rory Medcalf, and Andrew Shearer, *Power and Choice: Asian Security Futures* (Sydney: Lowy Institute for International Policy, 2010), 32.
[27] Hugh White, *The China Choice: Why America Should Share Power,* (Collingwood: Black Inc., 2012), 3.
[28] Barack Obama, President, United States of America (address, Australian Parliament, Canberra, 17 November 2011) http://www.whitehouse.gov/the-press-office/2011/11/17/remarks-president-obama-australian-parliament (accessed 31 March 2013)
[29] Locklear, "U.S. Pacific Command Posture," 37.

the region. Accordingly, the most likely future for the region is a situation in which the United States and China share power and influence. This will create order in the region; however, it will be an order markedly different from that which it replaced. It will be an order that is "ripe for rivalry."[30] As a 2010 Lowy Institute study argued: "In the event that US primacy eroded suddenly, we would see rapid and dramatic realignments in Asia."[31] No longer assured of American protection of the status quo, regional states will be forced to seek alternative options to protect their national interests. This would lead to one of two possible futures. First, the regional states, including the United States and China, may direct their efforts towards maintaining a regional balance of power with the aim of preventing the rise of a regional hegemon. Second, the creation of a Concert of Asia in which the perpetuation of common interests, in particular the avoidance of war, plays as an important a role of maintenance of relative power between the regional states. [32]

Irrespective of the form of the final strategic framework, the loss of American primacy in Asia would accentuate regional issues that have long been suppressed by the order that has prevailed since the end of the Second World War. This has significant strategic implications for Australia. Having tied itself to Asia, its prosperity is intimately linked to the economic growth of the Asian states, but with the economic benefits of proximity comes the strategic risks of instability. Increased nationalism, resource scarcity, and improved military capabilities would combine to create a regional tinder box that could ignite at any time. Australia would not be able to escape the flames of any such conflagration of regional tensions. A leading Australian defense commentator captured the paradox that this creates for the Australian government: "Instead

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[30] National Intelligence Council, *Global Trends 2030*, loc. 2627.
[31] Cook, et al. *Power and Choice*, 34.
[32] Cook et al., provide an explanation of this subtle yet important distinction: "At its simplest, a concert can be understood as an arrangement for managing power relations within a strategic system, involving an unusually high degree of voluntary consultation and restraint among the strongest countries. Unlike in a predominantly balance of power system, such self-restraint derives not only from the expectation of balancing behaviour by others, but at least equally from a measure of recognition of interests (and, arguably, values) in common, in addition to – most importantly – a shared sense that the costs of war are simply not worth the possible gains." Cook et al., *Power and Choice*, 25. See also: National Intelligence Council, *Global Trends 2030*, loc. 2624. Sandy Gordon, "The Quest for a Concert of Powers in Asia," *Security Challenges* 8, no. 4 (Autumn 2012): 35-55, 39.

of seeing only oceans of gold, Canberra has to get serious about the possibility that Australia's Indo-Pacific region could transmute into a sea of fire."[33] One of the pillars of the government's current approach to managing the strategic uncertainty of the Asia century is the American rebalance to the Pacific.

The Rebalance

In a highly symbolic move, President Obama outlined America's strategic rebalance to the Pacific in a speech delivered to a joint sitting of the Australian Houses of Parliament in November 2011. Forty-two years after Nixon announced America's effective withdrawal from the region, Obama declared that "in the Asia Pacific in the twenty-first century, the United States of America is all in."[34] The stated aim of the American rebalance is to maintain a "stable security environment and a regional order rooted in economic openness, peaceful resolution of disputes, and respect for universal rights and freedoms."[35] It is a multidimensional strategy built upon four pillars: strengthened alliances, enhanced relations with emerging powers; a constructive relationship with China; and strengthened regional institutions.[36] Each pillar comprises both military and diplomatic initiatives.

Militarily the rebalance centers on the geographic redistribution of forces, adjustments to force rotations in the region, and expansion of exercise engagement with regional states. The redistribution of forces has resulted in the stationing of three nuclear submarines in Guam, and the permanent assignment of the Army's I Corps and 25th Infantry Division, and the III Marine Expeditionary Force to PACOM.[37] Supporting the increased US regional presence will be the forward rotation of these forces into Australia (a Marine Air-Ground Task Force [MAGTF], and an increased presence of US Air Force aircraft) and Singapore (a Littoral Combat Ship [LCS]). The final military aspect of the rebalance is an expansion of PACOM's bilateral and multilateral exercises

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[33] Rory Medcalf, "Asian Century is Marked by Rising Conflict," *Australian*, 18 February 2013, 9.
[34] Barack Obama, President, United States of America (address, Australian Parliament, Canberra, 17 November 2011).
[35] Tom Donilon, National Security Advisor, United States, "The United States and the Asia Pacific in 2013" (address, Asia Society, New York, 11 March 2013).
[36] Donilon, "The United States and the Asia Pacific in 2013."
[37] Locklear, "U.S. Pacific Command Posture," 31. The deployment of the nuclear submarine occurred in 2004. Thomas Fargo, "The Military Side of Strategic Rebalancing," *Asia Policy* 14 (July 2012): 26-30, 27.

in the region aimed at improving interoperability between the United States and regional militaries. In 2011, Australia joined the Japanese-American *Cope North* series of air defense exercises held in Guam. The year 2013 will also see the first Australia-Indonesia-US trilateral military exercise.[38] This broadening of US engagement reflects a move away from its traditional bilateral approach of alliance management towards multilateralism. An approach that is reflected in the diplomatic aspects of the rebalance.

Diplomatically the rebalance addresses America's security and economic interests in the region. Key diplomatic components of the new strategy include: gaining membership of the East Asian Summit (EAS); the creation of the Trans-Pacific Partnership (TPP), considered as a step towards the creation of an Asia-Pacific Free Trade Area; and improving the level engagement with ASEAN, including the appointment of a US Ambassador to ASEAN.[39] However, it is in the improvement in ASEAN-American relations that the growing American commitment to the region is most evident.

ASEAN had been afforded little significance by previous American administrations. This changed when President Obama's took office. In July 2009, Secretary of State Clinton signed the Treaty of Amity and Cooperation with ASEAN. The United States had resisted signing the treaty since it was enacted by ASEAN in 1976.[40] Also significant was the explicit move away from the unilateralism of the Bush administration, and Obama's attempt to reconcile with the Muslim world. These foreign policy shifts, though not directed specifically towards Southeast Asia, had an effect in the region. American unilateralism was antithetical with ASEAN's non-interventionist ethos. Accordingly, the shift towards constructive engagement and multilateralism, embodied in the Treaty of Amity and Cooperation, opened the door for closer American relations the Southeast Asia states. Similarly, Obama's Cairo speech, and subsequent visits to Indonesia, have strengthened the ties between the world's most populous Muslim nation and ASEAN's leading state. Although it has been claimed that the United States "never left Asia," the rebalance

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[38] Peter Jennings, "The U.S. Rebalance to the Asia-Pacific: An Australian Perspective," *Asia Policy* 15 (January 2013): 38-44, 39.
[39] Donilon, "The United States and the Asia Pacific in 2013."
[40] Mayang A. Rahawestri, "Obama's Foreign Policy in Asia: More Continuity than Change," *Security Challenges* 6, no.1 (Autumn 2010): 109-120, 116.

represents an effort to develop a level of regional engagement beyond that previously attempted by the United States.[41]

Through these diplomatic and military initiatives, the United States is demonstrating an expanding and deepening commitment to maintaining regional stability and prosperity in the Asia-Pacific. Although some commentators have asserted that this reflects a change in style rather than substance from the Bush administration, the rebalance is fundamentally altering the strategic dynamics in the region.[42] In light of such changes, it would be difficult for the United States to reverse the process begun by President Obama without significant damage to its reputation and influence in the region. However, much like the region itself, America's Asia-Pacific policy faces an uncertain future. As the full effects of the domestic debt crisis on US grand strategy remain unclear, a regional military retrenchment similar to that of the 1970s is not beyond the realms of possibility. Such a retrenchment would have a significant detrimental effect on regional stability. For Australia, a state which places its alliance with the United States at the core of its approach national security, any reversal of US policy towards the region would require a fundamental reevaluation of its national security.

Australia's National Interest to 2030

The importance of the United States to Australian security stems from the order and stability its presence has traditionally provided to the region. The ANZUS alliance has, in the words of Prime Minister Julia Gillard, "been the bedrock of stability in the region."[43] This regional stability enabled the Asian economic miracles of the 1990s and, in turn, provided the foundation for the unfolding shift of the global center of gravity to Asia. As Australia continues to integrate itself into the Asian economic powerhouse, its national prosperity is increasingly dependent upon the maintenance of peace and security in the region. Accordingly, the promotion of an international environment conducive

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[41] Admiral Samuel J. Locklear, "We Never Left the Asia-Pacific," *AsiaViews.org*, 18-24 February 2013, http://www.asiaviews.org/features/interviews/42008-we-never-left-the-asia-pacific (accessed 11 April 2013). Locklear, "U.S. Pacific Command Posture," 24-25.

[42] Rahawestri, "Obama's Foreign Policy in Asia," 118.

[43] Julia Gillard, Prime Minister, Australia (remarks in joint press conference, Parliament House, Canberra, 16 November 2011).

to Australian interests is one of the key *ends* of Australia's recently released National Security Strategy (NSS).[44] This represents a further refinement of, rather than a change to, the definition of Australia's national interest that has dominated Australian strategic thinking since the early 1970s.

The following section will examine the Australian national interest in terms of its prosperity, the threats posed to Australia as a state and nation, and the perception of threats to the international order.

Australian prosperity

Economic integration is one of the defining features of the Asian century. However, Australia's focus on regional integration is not a new phenomena; it began more than 50 years ago with the rapid rise of Australia's trade with Japan in the late 1960s. What has changed is the extent of integration. By 2010, two-thirds of Australian trade was with Asia, an increase from one-third in 1980.[45] In 2012, more than 85 percent of Australia's two-way trade was with members of APEC and ASEAN.[46] In terms of exports, over 50 percent of Australian export trade is with China, Japan, and South Korea.[47] These figures highlight Australia's growing dependence on Asia as the basis for its national prosperity.

As the regional states continue to grow, the Australian government is seeking to deepen this level of integration even further. The 2012 White Paper on *Australia in the Asian Century* stressed the need for Australia to capitalize on the shift of global economic power to Asia. Measures to achieve this include focusing on Asia-literacy at schools and the restructuring of the Australian economy to capitalize on the growing consumer demand associated with the rise of the Asian middle class. These are logical steps taken in order to realize the "prospects of proximity" to what is becoming the global economic powerhouse. However, gearing the Australian economy and society towards

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[44] Australian Department of Prime Minister and Cabinet, *Strong and Secure*: *A Strategy for Australia's National Security* (Canberra: Commonwealth of Australia, 2013), 4.
[45] Australian Department of the Prime Minister and Cabinet, *Australia in the Asian Century,* 88.
[46] Australian Department of Foreign Affairs and Trade, "Australia's Trade in Goods and Services," http://www.dfat.gov.au/publications/tgs/index.html (accessed 11 April 2013).
[47] Australian Department of Foreign Affairs and Trade, "Australia's Trade in Goods and Services."

Asia increases the state's dependency on the region for its economic prosperity. Whereas Australia's remoteness from the battlegrounds of the First World War enabled it to emerge from the war years more prosperous than when it entered, its proximity to and integration with Asia will mean that any regional conflict will significantly impact Australia's economic well being. This is acknowledged in the 2012 White Paper, which states: "Australia's future is irrevocably tied to the stability and sustainable security of our diverse region."[48]

Australia as a state

The threat posed to Australian prosperity by the disruption of trade does not, however, translate into a threat to Australia as a state. Despite improvements in regional military capabilities, the Australian government continues to regard Australia as one of the safest countries in the world.[49] This is surprising given the rapid advancement of China's military capabilities that, according to some assessments, could pose a direct challenge to Australian sovereignty by 2030.[50] However, although the regional geopolitical situation is becoming more uncertain, the reality remains that by the 2030 timeframe, no regional state will have the capability to launch a major assault on Australian territory. China's focus on A2AD capabilities means that for the next two decades at least, it will remain unable to support a major assault on Australian territory. There are, however, two major regional capability shifts that must be considered when considering the securitization of Australia as a state: ballistic missiles (both nuclear and conventional), and cyberweaponry. Both capabilities have eroded the protection offered by Australia's geographic isolation.

Recent North Korean nuclear tests have reinvigorated concerns of a regional nuclear threat. North Korea itself, however, poses no direct nuclear or conventional threat, as it currently lacks a missile with sufficient range to reach

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[48] Australian Department of the Prime Minister and Cabinet, *Australia in the Asian Century,* 3.
[49] Australian Department of Prime Minister and Cabinet, *Strong and Secure*, ii. This view is supported by leading academics. Rory Medcalf, "Australia's Security Challenge," *Flashpoints* (blog), 1 February 2013, http://thediplomat.com/flashpoints-blog/2013/02/01/australias-security-challenge/ (accessed 7 April 2013).
[50] Ross Babbage, *Australia's Strategic Edge in 2030* (Canberra: Kokoda Foundation, 2011), vii.

Australian territory.[51] India, similarly lacks a delivery system with sufficient range to affect Australia. China is different. China's ICBM capability provides its strategic nuclear forces with global reach, including the Australian mainland and outlying territories. Capability alone, however, does not create a threat. Limited to 55-65 missiles, China's nuclear missiles are a scarce resource, focused on providing a second strike deterrent capability against the United States and Russia.[52] Moreover, China has consistently espoused a policy of not threatening or using nuclear weapons against non-nuclear states.[53] Though by no means a guarantee of Australian security, this policy does indicate a lack of intent, the second component of the threat calculation. Nuclear weapons can therefore be discounted as a likely threat against Australia as a state over the next two decades.

Cyber threats, however, cannot be so easily ignored. However, the threat posed by cyber is not a threat to Australian territory *per se*. The NSS casts cyber-risk primarily in relation to espionage and crime. However, recent cyber attacks against Japan and South Korea indicate that cyber-operations also present a means by which external actors can seek to exert influence and coerce the Australian public and its decision-makers.[54] Cyber threats therefore pose a threat to the international order, rather than as a threat to Australian territory.

Australia as a nation

Before proceeding to assess the threats to international order, it is necessary to deal with the question of threats to Australia as a nation. The previous two case studies have highlighted the evolving nature of Australian

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[51] Jon Hudson, "Battle of the Maps: North Korea's Actual Missile Capability vs. North Korea's Threatened Missile Capability," *Foreign Policy* (blog), 29 March 2013, http://blog.foreignpolicy.com/posts/2013/03/29/north_koreas_actual_missile_capability_vs_north_koreas_threatened_missile_capability (accessed 3 April 2013).
[52] Department of Defense, *Military and Security Developments Involving the People's Republic of China, 2011*, Annual Report to Congress (Washington, DC: Office of the Secretary of Defense, 2011), 34.
[53] Department of Defense, *Military and Security Developments Involving the People's Republic of China, 2011*, 34.
[54] BBC, "South Korea Hit by Cyber Attacks," *BBC*, 4 March 2013, http://www.bbc.co.uk/news/technology-12646052 (accessed 3 April 2013). Stephanie Mlot, "Amidst Cyber Attacks, Japan Hosts First Hackathon," *PCMag.com*, 4 February 2013, http://www.pcmag.com/article2/0,2817,2415079,00.asp (accessed 13 February 2013).

conceptions of its identity as a nation. The anglocentric definition of nationality that prevailed during the era of the White Australia Policy gave way in the 1970s to a quasi-ethnic characterization of Australia as a Western nation. Although the governments in the post-Cold War period began to embrace geographic reality, as late as 2003, the government continued to define the national identity in cultural terms, defining Australia as "a Western country located in the Asia-Pacific region."[55] Ten years on, the two defining documents on Australia's national interest and security eschewed explicit cultural and geographic descriptors of national identity. Australia's liberal-democratic values, according to the NSS, are what define Australia as a nation.[56] The conspicuous omission of an ethnic or cultural basis of the Australian identity implies that the government has now completely desecuritized threats to the referent object of Australian ethnicity. The principal threat was now not to Australia as a nation, but the international order as defined by Australia's liberal-democratic values

Australia as a liberal-democracy

Secure in both state and nation, the primary security threat faced by the Australian government relates to the maintenance of "an open, rule-based global order."[57] More specifically, the NSS identifies the threats of external pressure and coercion against Australia that may prove detrimental to its broader interests as key national security risks. This risk takes two forms. The first involves acts of overt or covert foreign interference or espionage that negatively affect its exercise of sovereignty, political processes, commerce, and its national reputation. These acts have become a matter of increasing concern with the rise of cyber as a weapon.[58] Second, the use of direct economic, military, or political pressure seeking to exert influence on Australia or other regional states.[59] Both pose risks to Australia's liberal-democratic values, as well as the international order upon which Australian prosperity is based. They have therefore become a key focus of Australian grand strategy.

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[55] Australian Department of Foreign Affairs and Trade, *Advancing the National Interest*, (Canberra, ACT: Commonwealth of Australia, 2003), viii.
[56] Australian Department of Prime Minister and Cabinet, *Strong and Secure*, 7.
[57] Australian Department of Prime Minister and Cabinet, *Strong and Secure*, 20.
[58] Australian Department of Prime Minister and Cabinet, *Strong and Secure*, 10.
[59] Australian Department of Prime Minister and Cabinet, *Strong and Secure*, 11.

Foreign interference and espionage is not a new threat to national security; however, cyber has added a new dimension to an old concern. Indeed, the issue of cyber security was the key focus of Prime Minister Gillard's speech on the release of the new NSS. Although cyber strategy remains relatively immature, cyber's potential strategic utility has been well established in recent years. Stuxnet's success is damaging Iranian nuclear centrifuges in 2010 highlighted the ability for cyber attacks to damage national infrastructure without the need for traditional military force. Moreover, the rise of cyber has led to the "death of distance."[60] Whereas previously Australian infrastructure and institutions remained protected behind a well defended sea-air gap, they now lie exposed in a globally connected cyber domain. While Australia's physical territory may remain secure, its digital landscape remains vulnerable.

The government's roll-out of a National Broadband Network (NBN) will increase the nation's vulnerability to cyber-related influence attempts. In addition to attempts to bolster Australia's cyber security, the government views the promotion of international norms and positive laws on the conduct of operations in cyberspace as a key to the protect Australia from the threat to its digital networks.[61]

While digital attacks pose a novel threat to the international order, the most likely threat to regional stability remains the use of a state's hard power to exert influence. The exercise of such influence in the region by powers within or external to the region has the potential to disrupt Australian trade, and thereby negatively impact on prosperity. While this is undesirable, it is the potential for states to attempt direct influence on the Australian government that poses the greatest threat. In particular, Australia's heavy reliance on its trade with China makes it increasingly vulnerable to economic threats seeking to influence Australian actions or policies. Hugh White points out that "China does not depend on each of its trading partners as much as they depend on China," and this is definitely the case with Australia.[62] With exports to China accounting for a quarter of total exports, any disruption to this trade,

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[60] Frances Cairncross quoted in David J. Betz and Tim Stevens. *Cyberspace and the State: Toward a Strategy for Cyber-Power,* (London: International Institute for Strategic Studies, 2011), 103.
[61] Australian Department of Prime Minister and Cabinet, *Strong and Secure*, 41.
[62] White, *China Choice*, 45.

intentional or otherwise, would have significant effects for the Australian economy and population.

What is significant about this threat is that it is the first time that direct threats to trade relations, vice threats to the pathways along which trade travels, has posed a threat to Australian prosperity. From Federation until the mid-1960s, Australia's principal trading relationship was with Great Britain. When the patterns of trade began to shift in the 1960s, the predominant trading partners became Japan and the United States, western liberal-democracies focused on using trade to promote economic growth and national prosperity. Now Australian trade is heavily reliant on China, a state that has demonstrated a willingness to use trade as a means to further a broader national agenda.[63] The use of economic statecraft to achieve foreign policy objectives is well documented. However, it is generally achieved within a broader international framework associated with the imposition of sanctions against recalcitrant regimes. China's ability to exert influence through manipulation of its trading relationships poses a significant threat to the independence of Australian policy. To be sure, such influence will be unlikely to sway Australian decision making on major issues of policy. However, any threats to Australian sovereignty are correctly viewed as deleterious to Australia's reputation and status within the international community. Accordingly, the maintenance of international economic rules and norms, and the institutions able to enforce them, is seen an important aspect of Australia's national security.

The Australian government has generally cast the advent of the Asian century in a positive light. The Lucky Country is optimally positioned to benefit from the "prospects of proximity." In terms of threats to Australia's territorial integrity and the security of its national identity, little has changed since the late 1970s. Australia remains "one of the safest and most cohesive nations in

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[63] In 2010 the Chinese government blocked exports to Japan of rare earth minerals, a vital component for electronics manufacturing, following the Japanese detention of a Chinese fishing boat captain. Keith Bradsher, "Amid Tension, China Blocks Vital Exports to Japan," *New York Times*, 22 September 2010 http://www.nytimes.com/2010/09/23/business/global/23rare.html (accessed 11 April 2013)

the world."[64] However, as Australian prosperity has become inextricably linked to the economic rise of its regional neighbors, it has become increasingly reliant on the maintenance of a stable, rule-based regional order. The preservation of this order will be one of the major aims of Australian grand strategy over the next two decades. However, the shifting regional dynamics highlighted at the start of this chapter have created a daunting challenge for Australian policy makers: how does a middle power promote a favorable international environment conducive to its interest? The emerging grand strategic response is a paradoxical combination of exercising independent influence which is built upon the foundation of the Australia-US alliance. In effect, it reflects a relapse into great power dependency.

Australia's Grand Strategy: 2013-2030

At the heart of Australia's emerging grand strategy lie two key principles: the growth and exercise of Australian influence in the region, and the central role of the Australia-US alliance. These principles are not new. The complementary nature of Australia's relationship with regional states and its alliance with the United States were identified as key features of Australian security self-reliance during the early 1990s.[65] However, the character of these relationships have evolved with changes in the regional strategic dynamics.

In his 1986 review of Australian defense capabilities, Paul Dibb acknowledged the limits of Australian power. With a small population and industrial base, and being geographically remote from its principal allies and their areas of strategic interest, Australia "could not aspire to match the military power or influence of major powers."[66] Although post-Cold War governments remained aware of the "scope of [Australia's] power and influence and the limits of [its] resources," during the 1990s and into the first decade of the of the twenty-first century, there emerged a growing consensus that

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[64] Australian Department of Prime Minister and Cabinet, *Strong and Secure*, ii.
[65] Australian Department of Defence, *Strategic Review 1993* (Canberra: Defence Centre, 1993), 35.
[66] Paul Dibb, *Review of Australia's Defence Capabilities,* (Canberra: Commonwealth of Australia, 1986), 8.

Australia was "punching above its weight" diplomatically.[67] This belief was reflected in the Howard government's (1996-2007) preference for referring to Australia as a "pivotal power," as opposed to a middle power. According to Foreign Minister Downer:

> To say Australia is a middle power implies we are merely similar to a multitude of other countries, a mediocre power defined only by the size of our population. Worse, it suggests we are helplessly wedged between big and small powers with very little role to play. This sells us short and overlooks the rich potential that Australia has to play a vital role in the world [...] I do not accept Australia as merely a middle power. Rather, I believe Australia is a "pivotal" power.[68]

International acceptance of this pivotal power status was reflected in Australia's involvement in an increasing number of influential regional and global institutions. From the mid-90s, the Australian government began to expand beyond its involvement in the region's economic institutional framework, provided by forums such as the APEC and the ASEAN Dialogue Partnership. In 1995, Australia became a foundation member of the ASEAN Regional Forum (ARF), a key regional security forum that draws ministerial level representation from 27 regional states. Currently focused on confidence building in the region, the ARF is working towards developing a preventative diplomacy role in the region.[69] A decade later the Australian Prime Minister attended the inaugural East Asia Summit (EAS). The EAS, with only 18 participating states, is smaller than the ARF. However, unlike the ARF, it is a Head of State-level forum that addresses the full spectrum of strategic issues facing the Asia-Pacific: issues discussed range from climate change to transnational crime, and from regional development to disaster management and relief. Significantly, gaining membership in the EAS was predicated on Australia signing the ASEAN Treaty of Amity and Cooperation, a treaty it had,

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[67] Bob Carr (Australian Foreign Minister), interview by Miriam Hall, *PM*, ABC News, 29 October 2012. http://www.abc.net.au/pm/content/2012/s3621005.htm (accessed 3 April 2013).
[68] Quoted in Ungerer, "The 'Middle Power' Concept in Australia Foreign Policy," 549.
[69] Australian Department of Foreign Affairs and Trade, "ASEAN Regional Forum (ARF)," http://www.dfat.gov.au/arf (accessed 10 April 2013).

until 2005, refused to sign.[70] The decision by the Howard government to reverse previous policy supports the view that involvement in the emerging regional institutional framework was becoming a major component of Australian grand strategy.

Following on from the expansion of regional multilateralism has been Australia's growing influence in global institutions, most notably, the G20 and the United Nations Security Council (UNSC). Membership in the G20 coupled with its founding role in APEC, provides Australia with a seat at the table of the two peak economic fora.[71] This in turn provides the government with the ability to shape global and regional economic policy agenda and influence the rules that govern the international economic system. Given Australia's vulnerability to economic coercion, the influence and prestige that accrues from membership in these organizations will play a key role in the protection and promotion of Australian prosperity. In the international security arena, non-permanent membership of the UNSC will provide Australia with a voice in the principal decision making organization for international security. Although the tenure on the UNSC is short (2013-2014), the period will be critical given the growing tensions on the Korean Peninsula and the simmering disputes in the South and East China Seas. Involvement in the formulation of the UNSC responses to such destabilizing events will be critical to formulating Australia's own national response to event in the region.

Supporting its involvement in the principal regional and global economic and security institutions is a policy of expanded bilateral engagement with regional states. March 2012 saw the inaugural 2+2 Dialogue between Australia and Indonesia. Similar to the Australia-United States Ministerial Consultations (AUSMIN), the 2+2 Dialogue brings together Australian and Indonesian Foreign and Defence Ministers to discuss defense and security cooperation. The aim of

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[70] The refusal to sign was based on the Australian government's policy of maintaining a right to conduct pre-emptive strikes against states that posed an imminent threat to Australian security. Such strikes were precluded by the treaty. Graeme Dobell, "Australia Gains Access to East Asia Summit by Signing Treaty," *ABC*, 28 July 2005, http://www.abc.net.au/worldtoday/content/2005/s1424916.htm (accessed 9 April 2013).

[71] Kevin Rudd, Foreign Minister, Australia, "Australia's Foreign Policy Priorities and Our Candidature for the UN Security Council" (speech, National Press Club, Canberra, 1 June 2011).

these meetings is to improve the cooperative relationship between Southeast Asia's two leading powers with the view of working together to shape a mutually favorable regional strategic environment.[72] Beyond the immediate region, Australia has also expanded it engagement with Japan beyond traditional trade and economic relations with the 2007 signing of the Joint Declaration on Security Cooperation (JDSC). The JDSC is an undertaking to "deepen and expand" defense and security relationship between the "natural strategic partners" which share common liberal-democratic values and seek stability and the maintenance of the regional status quo.[73] Overlaying this bilateral relationship is the respective alliances between the two countries and the United States, which create a trilateral security cooperation framework spanning the breadth of the Asia-Pacific region.

The creation of this framework has caused concern in China, where it is viewed as a basis for US containment of China's rising power. Recently, however, the Australian government has sought to allay Beijing's fears about perceived Australian attempts to contribute to the containment of China. During a five day visit to China in April 2013, Prime Minister Gillard signed a *strategic partnership* agreement with the Chinese government pledging formal cooperation on climate change, aid, and currency matters, as well as establishing the basis for dialogues between the Australian Defence Force (ADF) and the PLA on regional security matters.[74] This strategic partnership agreement is the capstone of Australia's bilateral engagement framework aimed at promoting its influence in the region. With it, the Australian government has formalized strategic agreements with the three major regional powers, enabling it to seek to influence the actions of the major powers in shaping regional security dynamics in a way that is conducive to Australian interests. However, while these agreements are seen as important, at the core of the Australia's

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[72] Australian Department of Defence, "Minister of Defence and Minister of Foreign Affairs - Joint Statement - Australia Indonesia 2+2 Dialogue Joint Communiqué," http://www.minister.defence.gov.au/2012/03/15/minister-fo-defence-and-minister-for-foreign-affairs-australia-indonesia-22-dialogue-joint-communique (accessed 10 April 2013).

[73] Japanese Ministry of Foreign Affairs, "4th Australia-Japan Foreign and Defence Ministerial Consultations: Australia and Japan - Cooperating for Peace and Stability, Common Vision and Objectives," http://www.mofa.go.jp/region/asia-paci/australia/pdfs/2plus2_1209.pdf (accessed 10 April 2013)

[74] Sid Maher, "China Deal Cornerstone of Asian Century," *Australian*, 9 April 2013.

national security is its bilateral relationship with the United States. While the improving relationship with China provides the capstone of Australian regional engagement, the alliance with the United States provides the cornerstone.

The central role of the Australia-US relationship to Australian grand strategy is well established. However, since 2001, the nature of the relationship has changed. Following the attacks of 9/11, Prime Minister John Howard invoked the ANZUS Alliance and pledged Australian military support to the American response to the attacks.[75] Despite the long history of Australian-American military operations, this was the first time that ANZUS provisions had been activated since the treaty was signed in 1951. The 9/11 attacks, and the Global War on Terror (GWOT) that followed, acted as a catalyst for change in the relationship, changes which have been reinforced by concerns over the rise of China, and the American rebalance to the Asia-Pacific. These changes can be classified as: decreased criticality and increased integration. Both are indicative of a decreased emphasis on self-reliance in Australian grand strategy.

One of the most salient features of the Australian-American relationship that has evolved since 2001 is an apparent decline in the willingness to criticize US foreign and defense policies. The 2000 Defence White Paper, the last prior to the attacks of 9/11, referred to Australia as "a dynamic, independent-thinking and, *on occasion, constructively critical partner* of the United States."[76] Similarly, in 2003, the Department of Foreign Affairs and Trade White Paper explicitly stated:

> We have much in common with the United States, but we each have our own national interests and priorities. We disagree on some security issues, including the need for US commitment to implement the Comprehensive Nuclear-Test Ban Treaty and strengthen the Biological Weapons Convention. US protection of domestic industries and the excessive agricultural production support of the Farm Bill harm Australian industries. The

[75] Joseph M. Sircusa, "John Howard, Australia, and the Coalition of the Willing," *Yale Jounral of International Affairs* 1, no.2 (Winter/Spring 2006): 39-49, 42.
[76] Emphasis added. Australian Department of Defence, O*ur Future Defence Force-Defence White Paper 2000*, Australian Government White Paper (Canberra: Australian Government Publishing Service, 2000), 36.

> Government will continue to stand up for our interests where our views differ from US views.[77]

Clear statements such as these, emphasizing Australia's role as an independent-thinking partner, willing and able to pursue its own interest within the framework of the alliance, are conspicuously absent from the current discourse on the alliance relationship. Most recently, the NSS, which characterizes the alliance as Australia's "most important security relationship" and the "core of [its] national security approach," makes no mention of the potential for a divergence in the interests of Australia and the United States.[78] This is surprising given the differing contexts of Sino-American and Sino-Australian relations, and the likelihood that these will generate conflicting and potentially irreconcilable interests.

This downplaying, if not intentional exclusion, of the need for independent action within the alliance has not gone unnoticed. In 2011, former Prime Minister Malcolm Fraser delivered an address that was scathing of what he considered to be Australia's growing "attitude of subservience" to the United States.[79] Fraser contended that:

> In recent years however successive governments seem to have regarded that they best serve Australia's interests by doing whatever the United States wants. Such attitudes in fact do not strengthen the alliance but weaken it because most Australians believe that we have interests which are Australian which do not always coincide with those of the United States.

Coming as this does from one of the driving forces behind the development of Australia's policy of self-reliance, this critique of the current Australian-American relationship supports the view that Australian grand strategy has begun to shift along the scale towards greater dependence upon the United States. A further indication was provided by Prime Minister Gillard during her speech to a joint session of the US Congress in which she tellingly

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[77] Australian Department of Foreign Affairs and Trade. *Advancing the National Interest*, Australian Government White Paper (Canberra, ACT: Commonwealth of Australia, 2003), 86.
[78] Australian Department of Prime Minister and Cabinet, *Strong and Secure*, 22, 38.
[79] Malcolm Fraser, (speech, Old Parliament House, Canberra, 14 July 2011) http://www.unimelb.edu.au/malcolmfraser/speeches/nonparliamentary/asiapacific.html (accessed 30 March 2013).

stated: “In 1942, John Curtin—my predecessor, my country’s great wartime leader—looked to America. I still do.”[80] It was during Curtin’s tenure as Prime Minister that Australia reached the “high ‘plateaux’ of dependency on the USA.”[81]

Much like her wartime predecessor, Prime Minister Gillard is also witnessing a significant increase in US military presence on Australian territory. This is the second aspect of the changing nature of the alliance relationship. President Obama’s 2011 announcement of the rotation of US Marines into northern Australia was significant, as it was to be the first permanent basing of substantial US forces in Australia since the Second World War. Although, the initial rotations are limited to company level deployments, by 2016, a 2,500 person strong MAGTF will be deployed to Australia on a six-month rotational basis. Additionally, there will be an increase in the number of US aircraft operating into and out of Australian airfields. The deployment of combat forces to Australia represents a marked shift from previous policy, which limited America’s permanent military presence to a designated joint facilities. In addition to the stationing of US forces in Australia, the establishment of two senior defense positions within US PACOM to be filled by ADF officers thereby integrating senior leadership positions for the first time is also redefining the level of Australian-American force integration.

However, at the same time that the United States is increasing its military integration with Australia, Australia is planning to cut its own defense spending significantly. This has led to policy dissonance.[82] In light of the acknowledged uncertainty and risk in the region security situation, a reduction in defense spending to less than 1.6 percent of GDP, a level not seen since the 1930s, has pushed Australia to “the margin of defense-spending viability.”[83] Irrespective of whether there is a causal connection between the shift towards changing nature of the alliance and the reduction in domestic defense

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[80] Julia Gillard, Prime Minister, Australia, (address, Congress of the United States, Washington, DC, 9 March 2011) http://www.pm.gov.au/press-office/address-congress-united-states-washington (accessed 30 March 2013).
[81] Bell, *Dependent Ally*, 193.
[82] Medcalf, “Australia’s Security Challenge.”
[83] Peter Jennings, “The U.S. Rebalance to the Asia-Pacific: an Australian Perspective.” *Asia Policy* 15 (January 2013): 38–44, 43.

spending, the correlation between them provides the strongest evidence that Australian grand strategy is shifting away from self-reliance back towards increased dependency on the United States.

According to Rory Medcalf, Director of the International Security Program at the Lowy Institute for International Policy, this reduction in defense spending makes Australia the "odd man out" in the region where defense spending is on the rise.[84] Defense experts on both sides of the Pacific have expressed concern that at funding levels below 1.6 percent of GDP, the ADF will not remain a credible force in the region.[85] To maintain a self-reliant defense capability, a force capable of acting independently in pursuit of the national interest in a region susceptible to conflict, would require a defense budget of between 3 and 4 percent of GDP.[86] Falling short of this figure, it is difficult to envisage the maintenance of Australia's policy of defense self-reliance in the face of increasingly capable regional military forces.

The implications of reduced defense spending on Australian grand strategy goes beyond the question of self-reliance. Australia's status and influence, upon which its regional engagement policy is built, is dependent upon the maintenance of its status as a true middle power. Reputation is important, but reputation alone does not create influence. This requires the maintenance of a capable and credible military force. Australia developed such a force during the 1970s through to the 1990s. Guided by the principal of self-reliance, the ADF during this period was designed and equipped to maintain a capability edge over potential threats in the region. The development of this self-reliant force was a key enabler of Australia's approach of constructive engagement in the region during the last two decades of the twentieth-century.

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[84] Medcalf, "Australia's Security Challenge." Jim Molan, "Why Our Defence Forces Face Terminal Decline," *Quadrant Online*, March 2013, http://quadrant.org.au/magazine/issue/2013/3/why-our-defence-forces0face-terminal-decline (accessed 10 April 2013)

[85] James Brown, "Australia's Defence Spending a Real Concern," *Australian Financial Review,* 13 November 2012, http://www.afr.com/p/opinion/australia_defence_spending_real_UAkQFTEDwLkq7FzwjCQGUL (accessed 10 April 2013).

[86] Hugh White, "A Middling Power: Why Australia's Defence is All at Sea," *Monthly*, no.82 (September 2012) http://themonthly.com.au/why-australias-defence-all-at-sea-middling-power-hugh-white-6161 (accessed 10 April 2013). Molan, "Why Our Defence Forces Face Terminal Decline."

The success of the constructive engagement laid the foundation for Australia to become the pivotal power described by Foreign Minister Downer. Absent the military aspect of state power, and it is questionable if Australia could retain its status as a middle power of influence.

The rising defense spending of Australia's regional neighbors, in particular, poses a threat to this status. The Asian growth that has fueled regional military modernization makes maintaining a capability edge problematic and expensive. This fact was acknowledged in the NSS as a consideration, but only in relation to threats to Australian territory. However, it would be naive to presume that Australia's influence within the region would remain unaffected by a relative decline in its military capabilities compared to other regional states, a fact implied in the NSS assertion that the maintenance of high-end military capabilities "strengthens [its] regional influence."[87]

Based upon the preceding examination it is clear that there are two aspects of Australia's defense budget reduction that lead to policy dissonance in Australian grand strategy. The first, and most obvious, is the decision to reduce military expenditure in circumstances of acknowledged strategic uncertainty in an increasingly contested region. The strategic uncertainty Australian policymakers will continue to face over the next two decades greatly exceeds that experienced by their twentieth-century forebears. Accordingly, reducing defense spending below that required to maintain a self-reliant force, by definition, increases Australian reliance on other states. The second is the impact a relative decline in Australian military power would have on its status and influence both regionally and globally. This factor is not as easy to quantify; however, without the ability to present a credible military force to support its diplomatic efforts, it is likely that Australian influence in the region will decline in tandem with its relative military power.

In light of the strategic dynamics that are predicted to unfold in the region over the next two decades, it is clear that decreases in Australian defense spending will invariably lead to a shift towards greater dependency upon the United States.

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[87] Australian Department of Prime Minister and Cabinet, *Strong and Secure*, 17.

Relapsing into Dependency?

The changing regional power dynamics in the Asia-Pacific region are driving a change in Australian grand strategy. The rise of China, the relative decline of the United States, and the sociopolitical effects of a burgeoning middle class will create a complex strategic dynamic in the Asia-Pacific region for the foreseeable future. It will be a dynamic defined by "economic integration and strategic competition."[88] The emerging Australian response to the challenges posed by the shift of the global strategic center of gravity to Asia appears, at first sight, paradoxical. Feeling secure both as a state and a nation, the focus of its grand strategy remains the promotion of Australian prosperity and the maintenance of a stable regional order. The key to achieving this is through the use of Australian influence to ensure the perpetuation of the status quo, both globally and regionally, and the continued engagement of the United States in the region. This has been the core of Australian strategy since end of the Second World War. However, the emerging approach differs in two key respects.

Official documents and government statements have moved from explicitly highlighting the importance of Australian independence in its external relations, to emphasizing the centrality of the alliance with the United States as the core of Australian national security. By avoiding acknowledging the potential for a divergence in interests between the United States and Australia, the NSS, the primary document outlining Australia's grand strategy for the decades to come, creates an impression for both the domestic and international audiences, that Australian and United States interests are invariably aligned.

Reinforcing this impression is the increasing US military presence in Australia at the same time that Australia is reducing its defense spending. As the only state in an increasingly complex and uncertain region that is reducing its spending of defense, Australia is the "odd man out." In the face of the prosperity-fueled modernization of regional militaries, Australia's planned defense expenditure of less than 1.6 percent of GDP will see its military power decline relative to its regional neighbors. This will not only reduce the deterrent effect provided by the ADF, but will also cause its global and regional influence

[88] Cook et al., *Power and Choice: Asian Security Futures*, 3.

wane as its status as a pivotal power declines in line with its military capabilities. Both of these factors imply a shift away from Australia's policy of defense self-reliance.

The grand strategy that is emerging to guide Australia conforms with the central thesis of this paper. As the United States begins its rebalance towards the Asia-Pacific, a shift in Australian grand strategy has become apparent; away from self-reliance and back towards great power dependency. Though the government continues to reinforce the need for Australia to remain an influential player in the shaping of the regional and global environment, current policies and actions will inevitably act against this goal. The renewed emphasis placed on the Australian-American alliance as evidence in the new NSS and government pronouncements, together with changes in Australian defense policy and spending, will decrease perceptions of Australian independence within the regional and international community. These changing perceptions will invariably impact on the extent of Australia's influence in the region and beyond. With declining influence comes increased dependence on its relationship with its great power patron to promote and protect Australia's national interest. Though it is unlikely that this will reach the level of dependency witnessed during the interwar period, in such circumstances it is difficult to imagine Australia retaining its status as a pivotal power in the region. If present trends continue, it is clear that Australia will become, to borrow Coral Bell's phrase, a *dependent ally*.

CONCLUSION

> *The habit of dependence died hard, if indeed it can be said to have finally died even now. (It has a phoenix-like capacity to regenerate from its own ashes).*
>
> Coral Bell
> *Dependent Ally*

Australia has grown and changed significantly—both as a state and as a nation—since Federation. This has been reflected in the periods that have been examined in this study. Now Australia is faced with its most daunting grand strategic challenge yet. The rise of Asia as the global economic center and the focus of strategic competition is presenting Australian policymakers with a range of opportunities and threats that must be navigated deftly if Australia is to capitalize on the prospects and minimize the pitfalls of its proximity to Asia. This study is intended to contribute to the body of knowledge that will support this process.

The broad aim of this study was to assess the validity of Song Xiojun's assertion that the development of Australia's grand strategy was a deterministic process guided by filial allegiance to the regional hegemon. More specifically, it sought to answer the question: can Australia pursue a grand strategy path to promote its national interests independent of the great powers? The conclusion that follows from the analysis of the three key periods of Australian strategic history examined in this study is that Australia can pursue an independent grand strategy. However, when a culturally or politically aligned great power is engaged in the region, the Australian government tends to opt for a more dependent grand strategic position. This tendency is becoming apparent in Australia's emerging grand strategy for the Asian century. The reason for this pattern relates to Australia's assessment of its national interest and the threats the government perceives are posed to those interests.

Across the three periods examined, threats to Australia's existence as a state have not been securitized by the government. On the contrary, Australia's relative security from territorial threats has been a consistent theme in the development of Australian grand strategy. Free from the burdens of an existential threat to the state, successive Australian governments have instead

looked to societal and political factors to focus their national security efforts: first Britishness, followed by Western values, and finally the ethnically neutral liberal-democratic values. The evolution of these values has in large part been in response to the changing dynamics within the region.

As patterns of securitization within the broader Asia-Pacific region have shifted, successive governments have responded by reassessing their definition of Australia's national interest and adjusting their grand strategies in response. This has been particularly pronounced in the aftermath of significant changes in the grand strategies of great powers engaged in the region, such as in the early 1970s and, more recently, with China's rise and the American pivot. These great power interactions define the context within which the smaller regional states have pursued their national interests.

In Australia's case, where a culturally or politically aligned great power has engaged in region, that great power is seen to assume *de facto* (or *de jure* in the case of the British during the interwar period) responsibility for promoting the common societal or political values. The commonality of national interests in turn leads to the de-emphasis of the need for grand strategic independence. This is most notable in reduced defense spending and a focus on the integration of Australian forces with those of its great power patron.

However, when friendly powers disengage, as occurred between 1971 and 2011, independence assumes primacy in the development of grand strategy. By having reassessed the nature and scope of its national interests, and having focused on the development of a coherent grand strategy, one that promoted self-reliance in defense and freedom of initiative in foreign policy, Australia was able to demonstrate by the late 1980s that it could play a pivotal role on the international stage.

The challenge facing the today's policy makers is how to reconcile America's reengagement in the region with Australia's commitment to its grand strategic independence. Complicating this conundrum is the deepening link between Australian prosperity and the rise of China, a state with which Australia shares no historical, cultural, or political bonds. Charting Australia's strategic course for the Asian century will not be a simple task. More than any other period in its history, the decisions that are made over the coming two

decades will have long-term consequences for Australia. The strategy that is beginning to emerge highlights the complexities of the decisions that must be made; paradoxically extolling Australian ability to influence the region, while pursuing policies that, *prima facie*, indicate a return to increasing dependency upon the United States. Neither path is preordained.

Though it is inevitable that Australia must sail through the Asian Scylla and Pacific Charybdis, the course it *must* follow is by no means obvious. There is no *correct* choice, but there must be *a* choice. Failure to adopt and pursue a coherent grand strategy to guide Australia through challenges and complexities of the Asian Century will have dire consequences for Australia, its allies, and the region.

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