



RESEARCH PAPER

Outlining Recent Trends in Australian Strategic Calculus vis a vis US-China Hegemonic Animosity

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ABSTRACT

This study focused on analyzing the Australia's policy vis a vis U.S.-china rivalry. The paper explores the nature of Australian policy vis a vis U.S. and China individually, and extrapolate Australia's likely position in a hypothetical military confrontation between U.S. and China. Trends and shifts in Australia's stated position have been recorded and possible roles of new groupings such as Quad and AUKUS that might impact Australia's future course of action have been analyzed. Australian policy appeared to be going through several periods of stasis and flux where Chinese dominance of the Far East became a dominant factor in shaping Australian orientation. However, over time, Australia appears to have changed course and fallen back into U.S. bloc in this emerging animosity. The overt Australian policy was reviewed through official publications while the opposite underlying currents were analyzed through review of historical events and research publications. Such a study would be informative for policy makers dealing with Australia and for scholars analyzing the ever-changing Far Eastern landscape. It was concluded that indeed Australian position has wavered somewhat in recent decades, nonetheless, it can finally now be safely concluded as a firm member of the U.S. bloc in the U.S.-China strategic competition.

Keywords: Australia, AUKUS, Quad, U.S.-China Rivalry

Introduction

Australia has joined AUKUS and Quad forums, ostensibly deepening military cooperation with U.S. The re-joining of Quad in 2017 marked a clear shift from previous Australian positions, and sent alarm signals to all observers of the State "Down Under". Hence, we will also focus on Australia's shifting position since 2017.

It remains to be seen whether Australia will prove to be a key pawn in the U.S. strategic calculus or it prioritizes its economic interest with China in the brewing U.S.-China confrontation. Impact of Australia's posturing and its likely conduct in the near future need to be explored in detail.

Recent developments, such as AUKUS and Quad group formations, heighten the prominence of Australia as one of the key pawns in the on-going U.S.-China battle for expanding control in the Far East.

Australia has largely continued a balancing act between U.S. and China, keeping former engaged in political sphere while maintaining close economic cooperation with latter. Almost all countries in the Far East have had to play some sort of balancing acts, but Australia's increasing military cooperation indicates to a change in the balance maintained thus far by it. This also raises concerns of whether Australia, due to these changes, will be seen as a target, or worst still, as a threat by China in the coming years.

The competition between U.S. and China has largely remained one in the economic domain post-Cold War (Muzaffar & Khan, 2016; Muzaffar, Yaseen, & Rahim, 2017). While China has asserted itself in South China Sea, the military aspect of this great power

competition has not gained prominence. In this environment, Australia appeared to have engaged China on beneficial economic terms while maintaining its U.S. alliance. However, some recent developments raised questions on shifting position of Australia, especially through military agreements. This paper explores this traditional domain of military posturing that Australia appears to have entered in last couple of years.

It had long been expected that countries in the Far East and South East would retain strategic ambiguity vis a vis big power conflict. Vietnam, Indonesia and Malaysia have all successfully maintained their balancing acts. Australia also sees China as its largest trade partner while maintaining close security alliance with U.S. This structure was threatened by New Zealand opting out of the ANZUS agreement, and it appeared that Australia would also maintain neutrality. However, last two years were increasingly showing a complete declaration of Australian security and military posturing in line with U.S. interests. Whether there had been indeed a visible and declared change in Australia's posturing has been explored in the paper.

Literature Review

Australia increasingly sees China as a major regional player and appeared to be balancing its alliance between China and U.S.

U.S., on the other hand, has now successfully entangled Australia in new understandings (such as AUKUS, Quad) to maintain leverage over Australia. China is attempting to move its engagement with Australia beyond economic cooperation into security and defense fields. In this tug-of-war, Australia's role might be crucial in determining the regional hegemon for Far East Asia.

The U.S. Military Policy with regards to Australia

The basis of the Australian defense policy can be considered the crucial ANZUS (Australia, New Zealand, U.S.) Treaty of 1951. The tri-lateral pact provided a security umbrella to Australia and the latter has constructed its national security policy around its alliance with the United States.

On 10 March 2022, the Australian government announced that permanent Australian Defense Force (ADF) will expand by 30% to almost 80,000 personnel by 2040. (Nicole, 2022). Only six months ago, in September 2021, Australia had joined a trilateral security partnership with UK and US (termed AUKUS). These developments hinted at an increasing role of Australia in the emerging U.S.-China confrontation in the Far East.

A quick glance at Australian Defense Ministry website also shows that formation of AUKUS has marked a change in the security paradigm of Australia, with advanced research capacity and plans emerging for Australian military, under the 'AUKUS Advanced Capabilities Division'. "The AUKUS Advanced Capabilities Division is responsible for leading and coordinating Australia's contribution to the trilateral development of advanced capabilities and technologies, commonly referred to as Pillar 2" (Australian MoD, 2023)

These developments do not come as a surprise to keen observers of the Far East Asian region. Australia had already joined the Quad forum in 2007 as a founding member of the security and diplomatic partnership. The four members of Quad are: US, Japan, India and Australia. The bloc was so clearly formed in response to China's emergence, that fearing to be part of the U.S.-china confrontation, Australia left Quad, but again rejoined with much fan-fare in 2017. (Felix, 2023) Tracking down the clear emergence of this 'Asian NATO' (a term used by Chinese Government to refer to Quad), shows that the Australian role in U.S.-China tug of war in Far East Asia will be crucial, and needs to be explored in greater detail.

Only to put in perspective the U.S. posturing in Far East, it may be noted here that Japan has the highest number of US bases in the world followed by Germany with 119 and South Korea with 73. Like the number of US bases, the countries with the highest number of US troops include Japan with 53,700, Germany with 33,900 and South Korea with 26,400. It is clear that U.S. military has a significant foot-print in this region and Australia is emerging as a new crucial player in this mix. (Hope, 2023)

China's Military policy with respect to Australia

As the above section shows, Australia has special defense and security relations with U.S., and remains well integrated in the 'Western Bloc'. But Australia appears to somewhat acknowledge the growing importance of China for its regional stability. Some analysts posit that Australia is closest to China out of all the U.S. major allies with regards to intelligence sharing. "The relationship remains one characterised both by cooperation and by misgivings. Some observers posit that Beijing-Canberra defense exchange is essentially perfunctory — a 'necessary supplement' to the broader economic relationship — and 'on closer examination ... there is hardly any substantial military dimension in the bilateral ties.'" (Editors, Aus-China Story, 2022)

However, at the same time it is widely held that Australia sees China as a major strategic threat in the region. (Mercer, 2023) As noted in previous section, Australia is undertaking its biggest revamp and increase in military arsenal since its creation. This includes introduction of long-range missiles and increase in personnel. Australian defense documents reveal that this is in preparation for an expected U.S.-China military showdown.

The closeness of Australia-China defense and intelligence relation is revealed by observing the frequency of their high-level interactions. (Needham, 2023) China hosted foreign defense officials for China Defense Forum on 29-31 October this year and the event was attended by a high-level official of Australian Defense Ministry, while most U.S. allies did not participate.

It is important to note that there are two major strategic issue between the two countries: keeping the trade routes open along the South China Sea routes and China's territorial claims in the same region. On 28 November 2023, China issued special warning to Australia to notify of all its naval movements in the South China Sea. (Kirsty, 2023)

Since the 2000 Defense White Paper published by Australia, strategic policy has recognized that the strategic relationship between China and the United States is the single most important element of the regional security architecture. (Sergeant, 2019) This understanding laid the foundations for the recognition that Australia had to develop a strategic relationship with China that included a defense relationship.

So, the above analyses reveals following important observations:

- Australia increasingly sees China as a major regional player and appears to be balancing its alliance between China and U.S.
- U.S., on the other hand, has increasingly entangled Australia in new understandings (AUKUS, Quad) to maintain leverage over Australia
- Chinese engagement with Australia is moving beyond economic cooperation into security and defense fields.
- In this tug-of-war, Australia's role might be crucial in determining the regional hegemon for Far East Asia.

Material and Methods

Theory Applied

The over-arching framework of this research is the Neo-Realist/Structural Realist paradigm. It underscores the primary concerns of the work as:

- Australia's distrust of Chinese ambitions
- This prompts fears of insecurity and need for engagement in power politics
- Leading to the need of an alliance structure in this uncertain environment
- The structure that Australia has adopted to ensure the long-term securing of its interests is to taking on U.S. security umbrella

Hence in one way it can also be characterized as Offensive Realism.

Post-Positivist (qualitative) approach was used in the analyses of military and economic relations and also in analyzing statements made by Australian government and officials.

It best fit my research needs as the Methodology used was of first reviewing scholarly articles, and then drawing own analyses based on news and recent events. The official Government Documents from Australia issued in last few years were also analyzed.

In this study, we explore the factors that influence specific foreign policy and Australia's general behavior towards U.S.-China rivalry. In doing so, the discrepancy in Australia's position would be analyzed by applying the different indicators of neutrality defined by international law. The impact of different domestic, ideological, economic, geopolitical, and situational factors on Australia's foreign policy allows the researcher to integrate different perspectives of IR.

Furthermore, we would not scrutinize all aspects of the selected issue but focus on the relevant aspects where Australia has directly presented a clear position vis a vis China-U.S. rivalry.

Results and Discussion

Emergence of "Chinese Threat" in Australian mindset post-2017

It had been reported in the Australian media for quite a few years, since mid-'00s, that China was exerting covert influence over policy matters through embedded civil society actors. Nonetheless, it was never heeded to by the policy making circles as a major threat. This policy stasis was overcome due to stark revelations of deep-rooted connections that startled the Australian lawmakers and raised political security concerns. Reportedly, as claimed by several media sources, there was measurable increase in China's espionage activity, un-accountably large political donations indirectly, but verifiably, from Chinese Community Party (CCP) aligned business figures, and reports of efforts to hire local influential personalities for public-opinion re-direction. All of these reports were clubbed together into one large slogan of 'Chinese influence,' and caused serious concerns by the time Malcolm Turnbull took office as Prime Minister.

Between 2009 and 2015, Australian media reported against several political activities by China on Australian soil. These included the then-Defense Minister accepting paid travel to China; donations to both political parties from pro-CCP real estate and media tycoons; efforts by PRC diplomats and pro-PRC nationalists to disrupt the Melbourne Film Festival for including Uighur activist Rebiya Kadeer; and revelations of informants at

Australian universities passing information on staff and students' political activities to PRC authorities. Similarly, diverse controversies were reported about PRC's activities in 2016: content-sharing deals between Australian media and PRC propaganda organs; activities of Australian-based pro-PRC students and community organizations; donations to political parties by PRC businessman Huang Xiangmo; and the first wave of scandals surrounding Labor Senator Sam Dastyari, who was forced to step down from the shadow ministry in September 2016 over undeclared payments from several PRC businessmen.

All of this led to then Australian Prime Minister, Malcolm Turnbull, announcing during an election campaign, a series of laws that changed the nature of Australia's national security architecture fundamentally. Crucially, the rationale he presented for these changes in a speech on 5 December, 2017, was most startling. He highlighted the need for these changes in order to protect 'our way of life' and 'our democracy.' 'Foreign powers are making unprecedented and increasingly sophisticated attempts to influence the political process,' Turnbull said. (Speech, 2017) He underscored to the press that he was undertaking these measures due to 'disturbing reports about Chinese influence.' He mentioned China, Russia, Iran and North Korea in his speech as foreign powers that actively work to undermine the modern democratic State.

National Security Legislation Amendment (Espionage and Foreign Interference) Bill 2017 introduced following crucial aspects:

- Foreign political donations ban within Australia
- A new "transparency scheme" forcing foreign agents to list who they work for
- Definition of espionage expanded to include "possessing" sensitive information

All of the above shows a heightened sense of security threat emanating from China in the cyber and non-kinetic domain that had been ignored earlier. But as we will see in the following sections, this translated into a sensitivity to direct military threats also. This can be seen in Gabrielle Abondanza's article Analyzing Middle Power policies in *Foreign Affairs* magazine, in 2022, concluding that "Australia has replaced its convenient 'strategic ambiguity' with 'strategic alignment' with Washington, as epitomized by the Quad and AUKUS, in order to shape the region according to a rules-based (and US-led) vision." (Abondanza, 2022)

Assessment of Australia's limitations in economic sphere dominated by China

Since U.S.' normalization of relations with China post-Nixon's visit to China in 1972, Canberra also established mutually beneficial economic relations with Beijing. These are based mainly in trading in major complementarities, notably Australia's abundant reserves of iron ore and China's four-decade construction boom. This led to rapid expansion of bilateral trade ties, and by 2015, Australia's trade with China was worth US\$112 billion annually, more than double the value with its next-largest trade partner, Japan. (Chubb, 2022) 2015 saw the signing of their bilateral Free Trade Agreement, resulting in soaring trade relations. Two-way trade since increased to US\$175 billion in 2020, which was a third of Australia's global trade.

Australian intelligentsia focused on increasing trade and economic links with China, ignoring some of the early signs of security impediments of this policy. Turnbull writes in his memoir: 'An Australian prime minister who ends up in conflict with China cannot expect any support or solidarity from the Australian business community. (Needham, 2020) Polls also showed Australian public viewed PRC as an economic partner rather than a security threat. Hence there was no real 'securitization of China-related' policies.

Discussion

On the one hand, Australia's strategic orientation is unequivocal, by virtue of the earlier-referred 1951 ANZUS Treaty. While this remains at odds with its massive economic links with China, Australia had so far navigated the fine line between alliance and orientation masterfully.

The Quad, comprising of the United States, Japan, India and Australia, appears to be the best manifestation of the US-led Indo-Pacific strategy. It could also serve as the spring-board for U.S. to counter the strategic repercussions of China's 'Belt and Road Initiative' (BRI). Borrowing a term used by Lowy Institute in another context, the Quad is a "minilateral" rather than a truly multilateral initiative, hence its success in comparison to BRI remains doubtful.

Mark Beeson (2020) has also made the case that the election of Donald Trump had a debilitating effect on the "Indo-Pacific" policy. He underscores that President Trump had adopted a different approach than what was previously being implemented. He argues that Trump largely abandoned Obama's "Pivot" to Asia and rejected specific initiatives such as the Trans-Pacific Partnership, and instead focused on a more transactional partnership putting "America's national interest" ahead of all others. (Beeson, 2020) Yet again, despite that glitch of four years, U.S. policy under Biden appears to have returned to its earlier long-term cooperative stream.

It can also be argued that the middle powers in the region could have their own mediating influence on the evolving conflict in the Far East. Far Eastern region is dominated by economically significant emerging States that do not necessarily exercise vast political and military influence. These States have so far ensured, through the ASEAN and other cooperative frameworks, to keep the Far East outside of direct military issues. The implications of this are significant, as the Indo-Pacific is now shaped by a series of interdependent frictions and partnerships, spurring its middle powers to adopt one of three strategies: balancing against China, hedging against both the United States and China, or attempting to create a 'third pole'.

However, it is quite evident that in the face of all of these changing dynamics, Australia has most likely chosen to align itself fully with U.S. in this Sino-U.S. conflict.

Conclusion

Given the above, it can be argued that the optimistic idea that economic interdependence could promote (and reflect) peace, cooperation and stability may have its limits. This can be seen in the China-Japan frictions, despite their deep economic interdependence. Similarly, it is even interesting to observe that China's increasingly symbiotic interdependence with the US has in fact led to growing friction between the two as trade war.

American power is in relative decline (Beeson & Watson, 2019), but in this scenario, U.S.' rash politico-military policies in the coming years is highly likely. And Australia has clearly chosen to align itself with U.S. in this strategic landscape.

It is also important to note that the ANZUS 1951 was split into bilateral NZ-U.S. and Aus-U.S. agreements in 1986 due to New Zealand's anti-nuclear submarine stance. However, Australia not only never took such a position, but is actively working to acquire nuclear submarines under AUKUS. This has clearly indicated, after decades of strategic ambiguity, where Australia stands today.

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