
UNIT 3 DETERMINANTS OF AUSTRALIA'S FOREIGN POLICY

Structure

- 3.1 Introduction
- 3.2 Objectives
- 3.3 Elements of Australia's Foreign Policy
- 3.4 Changing Trends in Foreign Policy
- 3.5 Geo-economics as Core Determinant
- 3.6 Towards Blending Economic and Military Security
- 3.7 Summary
- 3.8 Exercises
- 3.9 Suggested Readings

3.1 INTRODUCTION

In this Unit, an attempt is made to identify and elucidate the major determining factors that influence the initiatives and decisions of Australia in respect of its foreign policy and its relations with the countries of the world. It is not that these determining factors uniformly influence foreign policy decisions at all points of time. Yet, these factors influencing policy decisions are intrinsically related to its national interests as they are defined at different points of time. Keeping these perspectives in view, in this Unit, we will analyse how Australia's foreign policy has evolved ever since the six colonies became a federation in 1901. In delineating the country's foreign policy, an attempt will be made to explain the circumstances under which these changes have occurred in its policy postures and examine the factors that have been responsible for these changes.

3.2 OBJECTIVES

After studying this unit, you should be able to:

- identify the domestic factors which contribute towards making of Australia's Foreign Policy such as political orientation of decision makers; its physical and geographical location; its endowments etc.;
- analyse external determinants of Australia's Foreign Policy such as nature of international system; global power hierarchy; and its regional and global linkages;
- identify changing trends in Australia's Foreign Policy - shifting from reliance on Western World to pursuing of a more independent foreign policy; and
- analyse how and why Australia's Foreign Policy has tended to become 'Asia centric' in the 1990's.

3.3 ELEMENTS OF AUSTRALIA'S FOREIGN POLICY

Generally speaking, among the determining factors central to foreign policy are the nation-state's decision-makers and their political orientations. Yet, there are some enduring influences, which underlie the policy-makers' decisions. Of these, the physical and geographic location of a country and its endowments – both *human and natural* – undoubtedly act as basic determinants of a country's foreign policy. *Less permanent* but no less important determinants of a country's foreign policy is its industrial and military strength.

Besides there are elements such as the people of a country and their history and evolution which to a large extent also exert influence on policy decisions. It is not as though a country can formulate its foreign policy without taking into consideration the constraints – both domestic and international – that it may confront at any point of time. In other words, no policy decision can be taken unilaterally and implemented effectively without taking into consideration the prevailing international system in which a given country has to function.

To these enduring influences may be added the cultural factors especially with regard to a country such as Australia because of its long orientation with Western ways and moorings. The Western orientation is largely on account of Australia's British Commonwealth connection, its predominantly Anglo-Celtic population and the English language that its people speak. However, in recent years the Western orientation of the country is getting gradually diluted because of Australia's attempt at engaging comprehensively with Asia. In turn, this has encouraged acquisition of Asian languages, and a growing entrance of Asian immigrants under educational schemes and normal, humanitarian, reunion and business migration schemes. These changes are beginning to be reflected in Australian demography. Likewise, there has begun to be some cultural impact on Australia: Asian languages are now regularly taught in secondary and primary schools, and have a somewhat greater presence in university curricula. Likewise, a wider range of religions is now active within the country, and Buddhism is one of the country's fastest growing religions. Yet, Australia still retains a dominantly Anglo-Celtic, European, and Christian culture.

The cumulative impact of these developments is already reflected in Australia's foreign policy overtures. Perceptibly, Australia's foreign policy has shifted from its past abject alliance with the West and towards a more co-operative model in recent years, allowing for a regional approach paving the way for regional empowerment. However, Australia's defence policy, had relied on Western alliance for regional stability, and self-reliance for immediate security, and is somewhat circumspect about regional empowerment. While this is beginning to change, yet it reveals a certain tension between the defence strategy and the foreign policy of Australia. The defence strategy factored on unilateral or alliance system is in conflict with the foreign policy approach based broadly on regional engagement seeking to support organisations like the ASEAN Regional Forum.

3.4 CHANGING TRENDS IN FOREIGN POLICY

Admittedly, in recent decades Australia's foreign policy has moved from a reliance on Britain and then America to a more independent foreign policy. In large measure, the earlier policy of dependence was based on a realistic conception of the insufficiency of Australian economic and military power in the face of the 'hot' and 'cold' wars of the 20th century. In this section an attempt is made to explore in detail the impact of great powers (China and Japan) and the remaining superpower (the US) on the Indo-Pacific region in recent decades.

Australia has no doubt moved far from its early framework within the British Empire and the Commonwealth, though Australia still co-operates with this grouping in areas of human rights and development. From 1991, the Harare Commonwealth Declaration set the association firmly on a new course for a new century—that of promoting democracy and good government, human rights and the rule of law, and sustainable economic and social development. This Commonwealth Head of Government Meeting (CHOGM) has been critical of various forms of discrimination and human rights abuses in South Africa, Nigeria and Fiji, and retains some level of international leverage through its regular meetings which take place every two years.

Alongside, a number of externalities and domestic imperatives in the context of the geo-physical region in which Australia is placed have impacted on the culture of the country's foreign policy. Of these, some merit mention. First, is the changing Australian perception towards countries/region such as China, Japan, Russia and Southeast Asia. Second is the increasing Australian recognition of the priority of economics over purely military concerns. Third is a shift away from European and American concerns to a more Asia-centred approach. Fourth is a shift from bilateralism towards a more multilateral approach. This is evidenced in Australia's initiatives seeking relations with Asia-Pacific Economic Community (APEC) and Association of South East Asian Nations (ASEAN), as well as to the ASEAN Regional Forum (ARF) and Asia-Europe Meetings (ASEM). However, in the past years there has been a return to bilateral approach. The fifth and

final is a quest for greater self-reliance in defence, while recognising the strong role of US in the Asia-Pacific region as a whole.

These imperatives have introduced a set of new priorities in Australia's foreign policy in recent decades. These in turn have also allowed a softening of foreign policy to include a large number of issues from the area of 'low politics'. For example, environmental issues have taken on a stronger role in international affairs, a fact marked for example by the United Nations 1987 Brundtland Commission on Environment and Development. In this setting, the Australian government has pursued policies to stop the prospect of mining in Antarctica, is concerned over the holes in the ozone layer, and has stressed the need to have environmentally sustainable resource development in the South Pacific.

On the other hand Australia, with its large mining interests of such resources as coal, has found it difficult to accept internationally proposed targets for greenhouse gas emissions, and has found even keeping to 5 per cent increase over 1990 emission in the year 2010 difficult to accept. Tense negotiations in Japan resulted in Australia negotiating to allow an 8 per cent increase in 2008-2012 over 1990 levels, and Australia was one of the few countries that were allowed an increase rather than a decrease in emissions. Australia's stand in the 1998 Kyoto Environmental Conference was a triumph in the short term, since it imposed less strain on its economy, but has brought into question Australia's reputation as an environmentally aware nation.

Other areas of concern have been over international health issues (e.g. the spread of new diseases globally), the international drug trade, roles in peacekeeping activities, a strong commitment to arms control and arms reduction protocols. This has led to a strong concern, as often articulated by the government that Australia should be a 'good international citizen'. This is not just an ethical issue, but also a way for a middle power to gain influence and extra international standing.

3.5 GEO -ECONOMICS AS CORE DETERMINANT

Since 1990s the 'Ascent of Asia' thesis has provided the main impetus for the reorientation of Australia's foreign policy. This correlates with real shifts in economic power of the Asia-Pacific region which as of 1995 generated two-fifth's of the world's trade, and over half of its economic output. This reality is emphasised by sustained economic growth rates in the region. Today, some 45 per cent of global trade runs through the wider Asia-Pacific region. Japan, and in the future China, may emerge as economic superpowers. Estimates suggest that by the year 2010 this region could account for as much as 34 per cent of global GDP (more than either Western Europe or the North American Free Trade Area), and this transformation has without doubt become a core determining factor in Australia's foreign policy. However, this rapid growth has also led to massive impact on the environment, including considerable deforestation, water and air pollution, and depletion of marine resources. The bush-fire and air-pollution crisis of late 1997, due to uncontrollable fires in Borneo and Sumatra, is only a symptom of a much wider environmental problem. Economic growth, though beneficial in some ways, has led also to major ecological issues, which have international implications.

This in turn has led to a direct restructuring of Australia's diplomatic capabilities. Asian embassies have since been upgraded and expanded, and given high status. In 1991, the East Asia Analytical Unit was created within the Department of Foreign Affairs and Trade in Canberra to produce reports, and brief key government and business groups. Various Parliamentary subcommittees have also reviewed Australia's economic, trade and security relationships with Asia.

These developments have encouraged a certain de-coupling of Australian foreign policy from the policy of the West, especially the United States. It was during the Labor government led by Prime Minister Gough Whitlam way back in 1972-75 Australia took certain initiatives on the basis that Australia's interests did not always correlate with that of the US. In other words, it was argued that being a military ally to the US did not form the entire direction and focus for Australia's foreign policy. This was signalled first by the withdrawal of Australia from involvement in the Vietnam War (in 1973). At the same time, an intense debate ensued over US bases on Australian soil (some of which were made more accessible to Australian oversight). Also, Australia openly expressed a willingness to begin the process of recognising the communist governments of North Vietnam and China.

Australia took several other initiatives in respect of its foreign policy. Before very long, Australia recognised China, North Vietnam, East Germany and North Korea; withdrew its military from South Vietnam and its aid to Cambodia. Besides it stopped wheat sales to Southern Rhodesia; provided some indirect aid to South African liberation movements; and arraigned France in the International Court of Justice for its nuclear tests in the South Pacific. Australia also took steps during this period in contracting cultural agreements with the countries of Asia and the Pacific; removing racial discrimination from immigration procedures (non-European immigration had begun in 1966). Among others, Australia attended as an observer, the Non-aligned Movement Conference in 1974.

These changes in the foreign policy architecture did not come by easily. Certain elements of this shift in policy were slow and hard to establish. In the early 1990s, for example, Australia still had import tariffs averaging approximately 20 per cent, making it a still rather protectionist economy, though the government aimed to reduce this to an overall level of 5 per cent by the year 2000. Yet throughout this period the United States remained Australia's dominant defence ally, and efforts were made by Australia to sustain the Australia New Zealand United States (ANZUS) treaty arrangement in spite of New Zealand's objection to nuclear-armed vessels visiting its ports. In this sense, the fundamental determinant remained anchored in Australia's traditional defence policy.

By the late 1980s with the White Paper tabled by the then Minister of Defence, Kim Beazley in March 1987, Australia gradually moved towards evolving a policy largely determined by the "Asia factor". Still relying on the regional presence of the US, and on US communications and intelligence networks, Australia's policy moved to a much stronger self-reliance, focusing on the ability to fight a short war in the region, and to use long range air and sea strike abilities. The policy advanced four major objectives: independent defence of Australian territory; promotion of regional security and stability; capacity to meet alliance obligations; and contributions to global strategic security. The 1987 White Paper also established a region of primary national defence interests. This included an area of immediate and direct military interest (Australasia, i.e. Australia, New Zealand, New Guinea and nearby South-West Pacific), and a more extended 'area of primary strategic interest', including parts of the Indian Ocean, Southeast Asia and more of the South West Pacific. Australian involvement in the South Pacific was seen as particularly important since the decline of US interest in this area after the end of Soviet projections of naval power into the Pacific and Indian oceans.

This trend was further reinforced in later defence policies with an even stronger emphasis on regional affairs and regional involvement. There was also a distinct move towards perceiving security in a broader way, including economic and trade issues, and linking these factors to multilateral understandings with Southeast Asia. There was also an attempt during this period to correlate more closely the country's foreign policy and defence policy.

Through the early 1990s, these general trends were even more strongly developed. Paul Keating as Prime Minister was able to build upon this foundation when, in April 1992, he publicly articulated his strong personal commitment to linking Australia's destiny even more comprehensively with that of the Asia Pacific region. He set about developing and articulating a vision of an economically integrated region of which Australia was unequivocally a part.

The change of government after the 1996 election of the Coalition (Liberal and National Parties) government has not led to any serious change to the general approach of an active role in the Asian region. At best, there has been some greater emphasis on bilateral (country-to-country) relations with countries such as China, Japan and India over multilateral systems. However, Southeast Asia, Indonesia, China and Japan (and lately India) have been given priority treatment, as indicated by regular visits by high-level Australian government leaders.

3.6 TOWARDS BLENDING ECONOMIC AND MILITARY SECURITY

Generally speaking, it may be noted that Australia's engagement with Asia was not risk-free. Areas of tension existed, both under the Keating and Howard governments. Of these the notable issues are political

upheaval in East Timor, human rights, continued public perception of security threats in the 1990s. (These issues are dealt with at length in subsequent units). Besides, the problem of illegal refugees continues to complicate Australia's role in the region (also dealt in units elsewhere in the book). There are more specific areas of difficult entanglement, e.g. complications in Australia's relationship with Malaysia over different visions for the membership of regional organisations, and Australia's strong defence commitment to the US, which China often perceives as an effort at containing its legitimate influence in the larger region.

Concomitant to or as fall out of these developments, Australia under the present government led by John Howard has retracted from its earlier stance of distancing from the US. While committed to promoting confidence building measures through regional dialogues such as the ASEAN Regional Forum, the government has reiterated that the US is its senior ally and therefore it would let US forces preposition equipment in Australia in the case of armed conflict within Asia.

At least two paramount factors account for Australia's renewed shift towards the US. As has been mentioned earlier, the ascendancy of Asia especially of the two most populous countries of the region—China and India—as two great economic giants has made Australia's geo-political location of being a bi-maritime power more salient in the ensuing China-India-US triangular polarity in Asia. Despite having emerged as the only remaining world power with a global reach, US cannot any more act alone in any regional setting. So, it is presently disposed toward multilateral diplomacy—a classic balancing strategy premised on partnering with regional allies against its perceived or potential adversaries across the world.

Second is the sporadic mushrooming of ethnic separatist movements in countries proximate to Australia such as Indonesia, Thailand and the Philippines. These movements, in turn, are providing a window of opportunity for terrorist networks—such as Jemaah Islamiyah (JI) or even al-Qaeda—that seek to establish sanctuaries in the Southeast Asian region. Under these circumstances, Australia's role in stabilising the region is becoming no less problematic as it is vital to its own border security. Already regional instability has put Australia's immigration policy at peril and in the long run is likely to ruin its advantageous trade and economic relationships. What is more, Canberra's recent efforts at upgrading its power and influence in the region is being lambasted by Indonesia and Malaysia, which refer to it as neo-colonialism aimed at securing energy resources.

Here, Australia's own security premise and interests characteristically run parallel to that of the US. Given Australia's own economic agenda for the region, it is quite keen to evolve a benign security environment devoid of any regional disturbances. With that in view, Australia is willing to adapt its Cold War alliance with the US. Yet, it is certainly not disposed either to dismantle comprehensively the security architecture of the Cold War era or to the complete disengagement of the US in the region. No wonder, defence affinities between Australia and the US are exceptionally close. Combined exercises, intelligence sharing, technology transfers and collaborative task-sharing undertakings in defence science are the elements of such affinities. Besides, these arrangements provide for US access to move its fleet, including nuclear-powered vessels into Australian ports. Of the several hundred defence-related arrangements between the two countries, United States access to the Delamere bomb training range in the Northern territory is importantly one. Over and above, Australia has signed in 2004 a memorandum of understanding with the US that sets Australia's participation in a future US-led anti-ballistic missile programme.

Admittedly, US perception of China's rise as a possible threat to global security affects Australia's place in the new US-China power relationship, encompassing Southeast Asia and Oceania. At least for the time being, it is true China's increasing power and influence does not automatically transform into Chinese expansionism, making such a threat latent. Therefore, Australia is currently siding with Washington in building alliances to contain possible future Chinese expansionism. However, the main issue is that the United States perceives that enhanced defence co-operation with Australia is not merely a tool to reinforce Canberra's regional stabilising and peacekeeping efforts. Instead, it is a functional strategic partnership that could ultimately serve Washington's military ends in the event of escalation of hostilities over Taiwan between China and the United States.

Towards this objective, Australia has been engaged in joint military exercises with the US to demonstrate the closeness of its military-to-military relationship with the US to pursue common regional and international security objectives.

In line with these developments, Australia in recent years has been taking a number of initiatives. The most important of these is the very recently arrived at security alliance with Japan. Negotiations towards this goal began as early as 1997. In the same year, Australia also initiated a move towards deepening defence co-operation through much of Southeast Asia, suggesting a shift in its main strategic interests. These efforts reached a peak in 1999 with Australia becoming the main supplier of forces to a UN operation in East Timor committing Australia to both a larger defence budget, as well as a sustained presence in East Timor.

3.7 SUMMARY

Among the determining factors central to foreign policy are the nation-state's decision-makers and their political orientations. Less permanent but no less important determinants of a country's foreign policy is its economic and military strength. The cumulative impact of these factors, as we discussed in the Unit, is already reflected in Australia's foreign policy as it evolved over the decades. Perceptibly, Australia's foreign policy has shifted from its past abject alliance with the West and towards a more co-operative model in recent years, allowing for a regional approach paving the way for regional empowerment. However, given that Australia's defence policy had relied on Western alliance for regional stability throughout the 20th Century, the shift towards a regional approach is less than complete. While this is beginning to change, yet it reveals a certain tension between the defence strategy and the foreign policy of Australia. Admittedly, the defence strategy factored on unilateral or alliance system is in conflict with the foreign policy approach based broadly on regional engagement seeking to support organisations like the ASEAN Regional Forum.

Alongside, a number of externalities and domestic imperatives in the region in which Australia is placed have impacted on the culture of the country's foreign policy in recent decades. First, is the changing Australian perception towards countries/region such as China, Japan, Russia and Southeast Asia. Since 1990s the 'Ascent of Asia' thesis has provided the main impetus for the reorientation of Australia's foreign policy. Together, it has encouraged a certain de-coupling of Australian foreign policy from the policy of the West, especially that of the United States. Towards this objective, Australia has taken several initiatives in respect of its foreign policy. Australia not only recognised China, North Vietnam, East Germany and North Korea but also withdrew its military from South Vietnam and its aid to Cambodia. Among others, in 1974 Australia also attended as an observer at the Non-aligned Movement Conference.

These changes in the foreign policy architecture did not come by easily. By the late 1980s with the White Paper tabled by the then Minister of Defence, Kim Beazley in March 1987, Australia gradually moved towards evolving a policy largely determined by the "Asia factor". The 1987 White Paper also established a region of primary national defence interests. This trend was further reinforced in later defence policies with an even stronger emphasis on regional affairs and regional involvement. There was also an attempt during this period to correlate more closely the country's foreign policy and defence policy.

Yet as we noted that Australia's engagement with Asia has not been risk-free. It is for this reason Australia has retracted on its foreign policy approach. At least two paramount factors account for Australia's renewed shift towards the US. Already regional instability has put Australia's immigration policy at peril and in the long run is likely to ruin its advantageous trade and economic relationships. Here, Australia's own security premise and interests characteristically run parallel to that of the US. Given Australia's own economic agenda for the region, it is quite keen to evolve a benign security environment devoid of any regional disturbances. No wonder, defence affinities between Australia and the US are exceptionally close. Admittedly, US perception of China's rise as a possible threat to global security affects Australia's place in the new US-China power relationship, encompassing Southeast Asia and Oceania.

To sum up, the key determinants in Australia's foreign policy today are primarily two. One is the perception and posture of the US towards the developments in Asia. The other is the potential that the Asia-Pacific region could offer to Australia in terms of trade and investment.

3.8 EXERCISES

- 1) What, in your view, are the basic determinants of Australia's foreign policy?
- 2) Review briefly the significant changes in Australia's foreign policy.
- 3) To what extent has the emergence of the Asia-Pacific region in recent years become an important external determinant in Australia's foreign policy?
- 4) How far, in your judgement, is the role of the US an important determining factor in Australia's foreign policy and why?

3.9 SUGGESTED READINGS

Evans, Gareth and Bruce Grant, *Australia's Foreign Relations* (Melbourne: Melbourne University Press, 1995)

Mediansky, F.A., *Australian Foreign Policy: Into the New Millennium* (Sydney: Macmillan Publishers Australia Pty. Ltd, 2001)

McDougall, Derek, *Australian Foreign Relations: Contemporary Perspectives* (Melbourne: Longman Australia Pty. Ltd, 1998)

Smith, Gary, Dave Cox and Scott Burchill, *Australia in the World: An Introduction to Australian Foreign Policy* (Oxford: Oxford University Press, 1996)