

## **Obama's administration's foreign and security policy, and its implications for Australia**

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### Section 1: Change and continuity in US foreign and strategic policy under the Obama administration

We're still only six months into the Obama administration. Congressional hearings of nominees are still underway. The first year of any new administration involves a steep learning curve for the key participants and this one is no different. Indeed, it might even be steeper; Obama himself has talked about his administration confronting six or seven crises simultaneously, rather than the usual three. Certainly, he has a great deal on his plate:

- the Iraq wind-down (withdrawal of US combat forces from Iraqi cities by 30 June is only the first test of Iraq's ability to manage its own future)
- the Afghanistan-Pakistan wind-up (and finding a viable strategy to counter the insurgency)
- the broader War on Terror (whatever it's called these days)
- Iran (a fractured elite, an ongoing nuclear program, and a Middle East location)
- North Korea (especially after the second nuclear test)
- and the Global Financial Crisis (GFC).

Of course, that list covers only his foreign and strategic policy crises, and doesn't even get to his domestic priorities—though we can expect a president who has styled his presidency upon Abraham Lincoln's to have some 'civil wars' to fight at home. Moreover, all the challenges I have listed above are specific ones; yet President Obama's key strategic objective is actually a larger and grander one: the restoration of

US power and influence in a complex world. That larger objective contains its own 'flow-on' problems, including uncertainties over:

- what instruments, or blend of instruments, offer the US greatest influence in which situations?
- what sort of war should shape US strategic thinking and guide force development?
- how can the US defence budget be controlled, without bringing on strategic insolvency?
- and how should he 'reset' relations with the great powers, starting—but certainly not ending—with the US-Russia relationship?

What we can tell already is that this is clearly an administration with a nuanced, and carefully-shaded, view of the world. The Prague speech, for example, was an odd mixture of idealism and realism on nuclear weapons; an admission that nuclear disarmament was still a distant goal, but a reaffirmation of US commitment to the goal. The initial outlines of the future US-Russian arms control agreement that will replace START, also suggest a moderated caution on the delicate area of nuclear arms control. We're still waiting to see whether idealism or realism is the stronger vector shaping administration policy on this issue.

In his Cairo speech, Obama stretched out his hand to the Muslim world. The speech was a key part of the Obama philosophy that attempts to put a kinder face on the US role in the world. And reaction to the speech was generally positive. But how much change does that speech actually signal? Even the Bush administration did not see the Muslim world as a monolithic adversary. The key dynamics of the Middle East remain difficult. And US behaviour post-Iranian elections shows that even the Obama administration has few good options on some issues. US policy, in short, continues to hit difficulties when the outstretched hand doesn't evoke the proper response. This is also true beyond the Muslim world, where the relationship between Washington and North Korea seems to have gone from bad to worse.

Overall, I would say we see more continuity than change in US foreign and strategic policy under the Obama administration.

## Section 2: The Obama administration's approach to the Asia-Pacific region

Asian countries are starting to see a greater US focus on Asia. So far this has been primarily driven by events. While the administration's priorities still tend to be Central Asian-Middle Eastern, both the GFC and the North Korean crisis have done something to turn that around. The GFC has made the US much more aware of its codependency on China; and it is both attracted to and fearful of a G2 arrangement. After some hiccups in the bilateral relationship, US-China mil-mil talks are now back underway; and I think there are good prospects for an easing of the maritime incidents that have occasionally troubled the relationship (a meeting is scheduled for July). The North Korean crisis has made the administration much more sensitive to the underlying strategic tensions in Northeast Asia. Obama himself has spoken of the DPRK nuclear issue as a 'grave threat' to global and regional security, and his statements about the issue have tended to be hard-headed rather than soft-headed.

In addition, I think we have seen under the Obama administration a greater 'courting' of Asian leaderships than we saw under the Bush administration, and—in contrast—a relative dilution in the US treatment of European leaderships. Applying the rule of precedence would seem to indicate that Prime Minister Aso and President Lee seem to rank especially high in US thinking. Aso was the first head of state to be hosted by Obama at the White House; Lee the first foreign leader to be accorded a press conference in the Rose Garden. In part, perhaps, that courting of Asian leaders suggests both a judgment by Obama that such relationships were neglected during the Bush days, but also a sense that the US needs to 'tend' its Asian partners more visibly in order to cope better with challenges ahead.

For beyond the vagaries of leadership politics and the short-term drivers of GFC and North Korean nuclear test, a set of more durable factors are all pulling US back to Asia: the region's economic weight; the geopolitical significance of China's rise; proliferation worries; and a growing debate about regional security architecture and institutionalisation. Moreover, the US knows that a period of strategic dynamism

looms in Asia, and that its own strategic position in the Asia-Pacific is in flux as part of that process.

None of that is especially new, so all of this makes, as Robert Gates observed at the Shangri-La Dialogue this year, for a high degree of continuity in US policy towards Asia. A comparison of Gates' speech in Jakarta in February 2008 with the speech he delivered to Shangri-La this year shows that similar themes and points run through both speeches. We are witnessing a supplementing of the US 'permanent presence' bases with more 'over the horizon' facilities; a move to complement direct action options by US forces with greater capacity building amongst US partners; and an attempt to overlay the old 'hub-and-spokes model' of regional security with a more diverse set of structural arrangements. As Gates himself observed in Jakarta:

'Moving forward, we would like to see a good deal more cooperation among our allies and security partners – more multilateral ties rather than hubs and spokes. This does not mean any weakening of our bilateral ties, but rather enhancing security by adding to them multilateral cooperation.'<sup>1</sup>

Overall, I believe that Asian issues are slowly starting to set the broader agenda for global issues—albeit constrained in the short-to-medium term by the lasting difficulties of the Middle East. In the field of economics, that growing dominance is easily seen. But what is true of economics is also true of other 'global order' issues. A good example is the nuclear weapons issue: despite the recent focus on the US-Russian nuclear arms accord, the global nuclear order is starting to look less like the old East-West model, and more Asian. But this brings with it a set of challenges; can the old order—the order that the British scholar William Walker once described as consisting of two interlinked systems of abstinence and deterrence—hold in coming years? What does it mean to say that deterrence might be coming to have Asian characteristics? Can abstinence hold, when the nuclear identities of most Asian countries were chosen in an era when Asia was a nuclear footnote to a European nuclear world? And Washington, notwithstanding its classic Eurocentric focus, is aware of Asia's growing global prominence. Obama knows he will be dealing more with Asia because he has no choice.

### Section 3: Specific issues for US alliance relations with Australia/Japan

The Obama administration came to power in Washington with the Australian Labor Party (ALP) already in power in Australia. Labor, which represents the centrist-left of Australian politics (rather than the Coalition's centrist-right), was all too ready to hear Obama's plans for a more engaged, consultative America, but one still committed to US global leadership. For some time, in Opposition, the ALP had made clear its views that Howard's government had become 'too close' to Washington, and that the alliance had come to be the all-consuming narrative of Australian strategic policy. The Rudd government spoke of rebalancing Australian foreign and strategic policy on three pillars: the alliance, closer Australian engagement with Asia, and a UN-centered multilateralism. Australians came naturally to expect a relative dilution in the alliance relationship as the government started to place more weight upon the other two pillars.

In practice, though, rather less has changed than some might have expected. The alliance is probably still the strongest of the three pillars. Asian engagement has been somewhat complicated by a set of initial mis-steps in policy settings: with Japan on the whaling issue, and with the region as a whole over Prime Minister Rudd's sudden proposal last year for an Asian Pacific Community. The UN and other multilateral bodies have afforded some policy traction—especially the G-20 in the wake of the Global Financial crisis. But the alliance still enjoys a prominent place in Australian strategic policy.

The Defence White Paper released in early May reinforced that theme, but is itself a contradictory and ambiguous document. Although I am cautious about reading too much into any White Paper (policy-makers tell me that policy documents are not meant to be subjected to detailed analysis), this one has several messages about the alliance. If I can briefly summarise those messages, the document both endorses the alliance, but simultaneously suggests decreased expectations about the utility of the alliance in relation to Australia's own defence settings, and seems uncertain about the durability of US strategic primacy in Asia.

In a subsequent glossy booklet published by the Department of Defence to help clarify the White Paper (a publication entitled 'Your guide to the 2009 Defence White

Paper'), considerable space was devoted to a reaffirmation of the alliance's importance for Australian strategic policy, so perhaps some of the contradictory messages within the paper itself were the product of poor editing. Not all of them though. The contradictions about ANZUS in the White Paper are also a product of two other things:

- The inherent tension between the alliance and self-reliance in Australian strategic policy that has endured for some decades now, and was probably bound to re-surface under an ALP government, the ALP being more attracted to the concept of self-reliance than the Coalition government;
- The changing strategic power relativities in Asia, which has meant that Australian defence planners are starting to anticipate the end of the era of weak Asian powers, and to reconsider what that means for Australian strategy.

Both of those factors are what we might call 'doctrinal' rather than 'military' or 'technical' in nature. The first points to a long-standing debate about abandonment and entrapment in alliance relationships that also flows through Australia, and both informs and underpins the notion of self-reliance in Australian strategic policy. But the second is a newer and growing point: a point about the 'longevity of the American age', if I can put it like that, and a growing concern for great-power 'transition points' in Asia.

So far those debates have had little impact on the 'new closeness' that the ANZUS alliance has achieved during the last decade. Prime Minister Rudd, for example, has made clear that the alliance was an important factor in his decision to increase Australian troop numbers in Afghanistan, suggesting that the 'global alliance' that started to emerge under the Howard-Bush partnership, especially in the wake of the 9/11 attacks, might not yet have run its course. And even the latest Defence White Paper leaves open a range of options for Australia to act as a security partner to its friends and allies a long way from home. But, after looking at the White Paper, I do think there's some danger of a more schizophrenic approach to alliance relations currently in the works.

What of the other side of the relationship? What are the new administration's expectations of Australia? US expectations of Australia are probably modest. Not because we aren't a good friend, close confidant, and loyal ally. We are. But we don't offer special leverage in solving any of Obama's priority problems. And we're rather limited in our power assets. As a former US official, Richard Armitage, once observed, his preference would be for there to be 100 million instead of just 20 million Australians. But there aren't.

What are our expectations? Australia's usual approach in its relationship with Washington is to concentrate on interests and not personalities. I say that even though president is central figure in policy-making in US, and even though the Rudd-Obama connection gives us a particular opportunity for a close leadership relationship. The idea that we can carve out a special place with the administration on an 'intellectual meeting of minds' places too much emphasis on a thin veneer of compatible personalities. That's not to say intellectual ideas don't matter; indeed, the middle-power theory of international relations (which the ALP seems to like) encourages middle powers to be especially 'creative' if they want to exercise influence. But Obama sees lots of ideas every day. This vision places too much emphasis on the belief that a political leadership dialogue can be a meeting of intelligent minds. It isn't; indeed I'm not expecting any 'new' special warmth in the relationship.

So, we should concentrate on interests. Which interests? Those that suit our long-term agenda. At the global level, we want a world where the US leads. For Australians, that's more important than the secondary question of how it chooses to exercise leadership. Engagement trumps style; a 'cocooning' US would be seriously bad for us. That's also true at the regional level, but here we're more interested in how US leads, where it focuses its effort (NEA v SEA?), and what the direct consequences are for Australia. I'm less convinced that we should be trying to draw US into greater South Pacific engagement. Sandy Berger, President Clinton's national security adviser, is reputed to have told Australian diplomats when the East Timor crisis arose that he doesn't clean his daughter's bedroom, and that the US doesn't solve small problems (like the ones that were occurring in East Timor). Of course, at the national, bilateral level, there are a host of on-going alliance issues—military-to-military

cooperation, the joint facilities, technology transfer, intelligence exchange, and the like—and we will work those on a daily basis.

Australia has no certain recipe for influencing the US administrations. But, at the same time, building influence is not a green-field construction site. We already have good access, a reputation as a strategic extrovert, and the advantage of ‘like calling to like’. We’re frank speakers, with similar values, and a congruent world-view. But note two things this doesn’t mean: first, it doesn’t mean that all our interests overlap, and second, it doesn’t mean that we can easily overcome the asymmetry that is inherent within the relationship. The US is a superpower and we aren’t: if it moves first on an issue, giving itself both a power advantage and a first-mover advantage, it’s always going to be hard for Australia to do more than follow. Creativity doesn’t overcome those limits. Washington will always have more influence in Canberra than Canberra will have in Washington.

The key lesson from the history of the ANZUS alliance is that the relationship is not a fixed quantum: it evolves; it waxes and wanes. It tends to be characterised by our behaviour on different crisis-points: on East Timor, or 9/11 and the WOT; on the NZ anti-nuclear crisis of the mid-1980s if we go back far enough. The ‘closeness’ of the alliance typically reflects how we act when we’re under pressure. The experiences of New Zealand and Canada both show it is possible for close relationships to weaken. The lesson seems to be that once countries ‘slide away’ from alliances, they find it hard to rebuild the position. That doesn’t mean Australia would always have a role alongside the US in any crisis (e.g. we would probably have no role to play in the event of a crisis in Mexico), but we do tend to be conscious of the lesson. Of course, in current circumstances, there’s an important conclusion that follows from that lesson: that Obama’s first ‘new’ crisis will be a character test for his administration, but it might also be a character test for us, telling the Americans how we define our interests and how we interpret our on-going alliance obligations.

#### Section 4: Japan-Australia-US trilateral security cooperation



The trilateral security cooperation that has been underway between Japan, Australia and the US can be expected to grow. We think this is the logical consequence of Japan's continuing to take a large role in Asia-Pacific security at the same time that it remains, like Australia, a close ally of the United States. Part of the answer to this, though, depends on the future of Japanese security policy, and Japanese participants are obviously much better qualified than I am to speak about those matters. But from Australia's point of view, the issues drawing Australia closer to Japan have considerable longevity in Australian strategic thinking:

- A growing emphasis on the Asian region as the natural 'home' for Australian strategy
- A belief that new forms of 'partnership' will underpin the future security arrangements of Asia
- A bipartisan belief that Japan should be encouraged to take on more of the attributes of a 'normal' security power in the changing Asia-Pacific security environment
- The conclusion of a security agreement between Japan and Australia back in Feb 2007 and the continued fleshing out of that agreement in recent years

This has represented what some analysts in Australia call a quiet success. While issues concerning China have been particularly prominent in the spotlight in recent years, the Australia-Japan relationship is enjoying one of its most productive periods for decades. But even in Australia, is this 'activist window' starting to close?

The trilateral security arrangement links the three countries' shared interests: in commercial ties and open markets, in making the long-standing bilateral security partnerships pull in a similar direction, and in pursuit of strengthened multilateral cooperation in pursuit of mutual global outlooks. Trilateralism represents a broader move to nurture new structures as old structures face challenges of historical and institutional relevance. UN structures in particular face that challenge, which is why we have seen such a proliferation of smaller, and extra-UN, structures in recent years: the G-20, the Proliferation Security Initiative, the Six-Party Talks, and the Asia-Pacific Partnership on Clean Development and Climate.

We do not believe the Obama administration is drawing back from the Trilateral Security Dialogue: indeed, it is the sort of structure the new administration favours—multilateral and dialogue-oriented. But nor does the Obama administration think TSD is the answer to its key problems: indeed, I would suspect it sees it as merely the harbinger for other forms of trilateral and multilateral security cooperation in Asia-Pacific. It was the easiest trilateral structure for the US to start off with, given Japan and Australia were both close allies who shared a range of perspectives and interests. So the danger for TSD is not that it will fall out of favour, but that it will be increasingly overtaken by other trilateral arrangements: the US-Japan-India relationship, for example, which offers to build an important vector of great-power cooperation; or the US-Japan-ROK arrangements, now much more relevant for managing the North Korean issue.

Strategic dynamism in Asia is increasing, not decreasing. I think the problem for TSD is simply that none of the three governments actually know what they want to do with it, or where they want it to go. That's not to say they don't have some sound, general ideas about the benefits of TSD; but none of them see it as a first-line mechanism for addressing vital security concerns. Japan's security policy is somewhat adrift, and might remain so even after the lower house elections later this year; Obama's security policy is still primarily globalist in its orientation, despite the fact that the growth of Asia's importance will mean he has to become more engaged there; and Australia's policy is still in a 'settling' period after the change of government in late 2007. If the TSD is to have a future it needs a stronger vision of its own relevance.

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<sup>1</sup> Robert Gates (2008) Speech to the Indonesian Council on World Affairs, Jakarta, 28 February