

Australia's Foreign Policy White Paper: Navigating Uncertainty in the Indo- Pacific

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The prevalence of peril in the world of 2018 vindicates the sober, direct and hedging tenor of Australia's recent foreign affairs White Paper. This major policy document, released in November 2017, takes both a more cautious and a more creative approach to protecting and advancing Australia's interests than previous such efforts. In the age of Donald Trump, any policy document reflecting continued investment in an alliance with the United States is vulnerable to certain obvious observations. Washington may never again be quite the kind of stable and predictable ally we have known. Assuming a linear future of Chinese growth and American stagnation, Australia will struggle to come to terms with a rich and powerful China with different values and different and potentially opposing interests too.

It is true that the White Paper does not even pretend to offer some diplomatic magic bullet to solve that problem. If it did, it would be a less credible document. However, that does not mean, as critics like Hugh White suggest, that it therefore entirely lacks "ideas".⁶¹ Rather than a tract of latter-day alliance dogma, it is better studied as a guide for Australian policy in navigating uncertainty in an era where greater diversification and independence of foreign policy must be cultivated within an alliance context.

Two foreign affairs White Papers were produced under the Howard Liberal-National Coalition government, in 1997 and 2003. Despite their avowed focus on the national interest, in retrospect those blueprints reflected considerable hope that current policy settings—and the seemingly benign trends in global affairs at the time—would fairly readily enable Australia to remain prosperous, influential and safe. In 2012, the Gillard Labor government produced an 'Asian Century' White Paper, a document intended to define policy towards engagement with Asia, thus to some extent a de facto foreign policy White Paper. This focused heavily on the opportunities from regional economic growth, and treated the accompanying security risks with a lighter touch. For instance, from the vantage point of 2018—or even 2016, when the first rumblings of Chinese influence controversies were

⁶¹ 'AFA Update: Hugh White on the 2017 White Paper', Australian Foreign Affairs, <www.australianforeignaffairs.com/content/afa-update-hugh-white-on-the-2017-white-paper> [Accessed 22 June 2018].

echoing in the Australian public debate—it is notable that this 312-page document had so little to say about the risks to Australian institutions and sovereignty from potential foreign political interference as a side-effect of economic and societal connectedness with the People’s Republic of China.

If those three papers are the benchmark, then the Turnbull Liberal-National government’s 2017 White Paper surpasses them by balancing diplomatic confidence and strategic starkness. Certainly, it projects a high degree of faith in Australia’s values and conveys a sense that Australia knows what it is doing in the world. It emphasises, however, that these are times of unprecedented change, and that Australia must do things differently.

This White Paper is characterised by an intriguing duality. On the one hand, it reflects pride and confidence in what Australia is and what it stands for. More so than previous official statements, it offers a concise and quite compelling definition of Australia’s values: not marked by race or religion, but by “political, economic and religious freedom, liberal democracy, the rule of law, racial and gender equality and mutual respect” (p. 11). It then connects those values with the resilience and stability of Australian society and implies how they inform the country’s international interests and behaviour. Thus, the “resilience and quality of our democracy, institutions and economy sit at the core of our national strength ... our ability to help shape events and outcomes internationally to our advantage through persuasion and ideas rather than coercion” (p. 16). It is unusual to see an official document make such progress in reconciling values and interests, factors that can often be in tension when it comes to security and foreign policy.

On the other hand, the authors of the Foreign Policy White Paper do not edit away the realities of a present and future strategic environment of uncertainty and profound change. The document emphasises the need for Australia to adapt. To be sure, its tone is generally diplomatic: this is a public document, a signal to many audiences, so it is hardly the right place, for instance, to name Donald Trump a liability or China a threat. (That has not stopped Beijing taking offence.) However, the White Paper’s delicacy of wordsmithing should not be mistaken for a failure to acknowledge the problems Australia faces in navigating a worsening horizon of risk. Thus American dominance is being challenged and the post-Cold War “lull in major power rivalry has ended” (p. 21). The subheadings in Chapter Two tell the story: anti-globalisation intensifies; global governance is becoming harder; rules are being contested; power shifts are underway in Asia; there is much at stake.

By not pretending to have all the answers or promising that everything will turn out fine, a document like this should help prepare the nation for challenging times ahead. In fact, in many places this supposed foreign policy White Paper reads more like a strategic intelligence assessment or even a national security strategy. Its subtitle is ‘Opportunity, Security,

Strength'. This is not a cynical securitisation of foreign policy but rather a recognition that in such a connected and contested world, national security policy is inextricable from international factors and touches many aspects of societal and economic well-being. It is a reflection of the tough and complicated times we are entering, and the need for a middle power to more effectively harness all its limited capabilities, that this paper has an inclusive sense of national security at its core. More than any other foreign or indeed defence white paper Australia has produced, this is a whole-of-government, indeed, whole-of-nation document. It drew on an unprecedented level of public consultation, although less effort or sustained political attention seems to have gone towards using its conclusions to build a truly national and inclusive new narrative for engagement and security in an uncertain world.

Both in its meaning and choice of words, the White Paper is pleasingly nonpartisan, which should lend it some enduring value. It has been broadly supported by the Labor Opposition. This suggests that a change of government would see broad continuity in the policy contours, perhaps even in the rhetoric, and no wasted effort in reinventing what is largely a sturdy wheel. This document should thus avoid the fate of the Gillard government's 2012 Asian Century White Paper which, for all its bulk and substance, included enough traces of partisanship to give the Abbott government a rationale to rather churlishly cast it aside as soon as reaching office.

This is a leaner document, which strikes a greater balance between opportunity (of which the Asian Century paper identified a cornucopia) and risk (of which it did not greatly warn). One of the hallmarks of the new paper is the way it focuses on priorities. Unlike previous foreign policy White Papers, or indeed most big pronouncements on the nation's engagement with the world, it does not attempt to list everything we do or everything that somewhat matters: a tour of lip-service to every bilateral relationship, every multilateral acronym, every issue and every job description in the Department of Foreign Affairs and Trade. Instead, it succeeds in being comprehensive while concise.

In that vein, there are a few themes worth highlighting in explaining what sets this White Paper apart, and why it can be a useful guide to policy rather than simply a political decoration. One such theme is the Indo-Pacific. This document affirms and consolidates what had been an evolving orthodoxy within Australia's foreign policy and defence community: that our region has fundamentally changed. The idea of the Asia-Pacific—largely excluding India and the Indian Ocean—was a convenient construct for our interests and regional dynamics in the late twentieth century. But the Indo-Pacific suits Australia even better, and is here for the indefinite future. It is a two-ocean strategic system with economic origins—including the energy dependence of East Asian economies on Indian Ocean sea lanes—but strategic consequences.

All the powers that matter to Australia are either resident or deeply enmeshed in the Indo-Pacific: in a sense it is the global region and is defined by its fundamental quality of multipolarity (which also makes it the natural setting for balancing a rising power). And those countries—China, the United States, Japan, India and more—are now striving to shape the region and to define their Indo-Pacific strategies for doing so. Chinese rejection of the rhetoric of the Indo-Pacific is, well, rhetorical: through the so-called Belt and Road geo-economic initiative and its growing naval footprint in the Indian Ocean, Beijing is already executing its own Indo-Pacific strategy with Chinese characteristics.

Indeed, one of Hugh White's more baffling criticisms of the White Paper and its expounding of the Indo-Pacific idea is his suggestion that Australia will not find much convergence with India (or presumably others) in balancing Chinese power, because China is likely to limit its sphere of interest in East Asia while allowing India to do much the same in South Asia and the Indian Ocean. Already, through the Belt and Road and an expanding security footprint, China has proven the falsehood of this comforting notion, and guaranteed itself a mistrustful India. New Delhi will not be anyone's ally, and it does not need to; it will complicate China's calculations anyway.

Of course the Indo-Pacific has been a feature of Australian external policy since 2013, when the Gillard government began using the terminology and stamped it all over its Defence White Paper. The 2017 foreign affairs document underscores that this is now a bipartisan worldview, and begins to define the contours of diplomatic policy settings guided by this geopolitical construct. As uncertainties deepen about America under Trump, the alliance is embedded in a wider set of regional partnerships and "smaller groupings" (p. 40)—the White Paper's code for an emerging minilateralism of self-selecting trilaterals and more. It illuminates the need for a layered approach to a regional strategy. This includes key bilaterals, with continued emphasis on the US alliance but not the alliance alone. A key line is that government will "lift the ambition of our engagement with major Indo-Pacific democracies" (p. 37) including Japan, India and Indonesia. The paper notes that the Australian Government judges the United States will remain anchored in the Indo-Pacific, but this is hardly an uncritical assumption that America will always be all in.

The White Paper is not especially explicit about the reborn quadrilateral dialogue of Australia, India, Japan and the United States, and prudently so; that arrangement is a work in progress, and intended to complement, not replace, all the other diplomatic architecture out there. But it rightly emphasises the role these new arrangements or "smaller groupings" (p. 40) can play in bolstering a "regional balance favourable to our interests" (p. 4). In my book, this passes for an idea:

To support a balance in the Indo-Pacific favourable to our interests and promote an open, inclusive and rules-based region, Australia will also work more closely with the region's major democracies, bilaterally and in small groupings (p. 4)

This definition of small groupings neatly captures Australia's diplomatic activism in building, not only the over-hyped quad, but also three-way arrangements involving variously India, Japan, Indonesia and France. Australia is also strengthening the longstanding trilateral strategic dialogue with Washington and Tokyo as well as the quad and an array of bilaterals with countries, like Singapore and Vietnam, increasingly uncomfortable with Chinese power. Australia's emerging Indo-Pacific pivot—of which the White Paper sketched a beginning, not a fully fledged strategy—will also likely involve greater use of established multilateral bodies centred on ASEAN, like the East Asia Summit, to dilute and moderate Chinese power.

Perhaps all of this, alongside references to Chinese coercion, the South China Sea, and gently-worded assertions of the need to protect democratic institutions from foreign interference, is a reason why this document simply could never have been tactful enough to suit the current perspective of the People's Republic of China.

Fittingly, another core theme of the White Paper is risk and uncertainty. It is a wilful misreading to suggest that the document's strategy is one of blithely hewing to the old order and assuming all will be well:

In the decade ahead, Australia will seek security and prosperity in a region changing in profound ways. We are likely to face higher degrees of uncertainty and risk. We will need to be more active and determined in our efforts to help shape a regional balance favourable to our interests. (p. 27)

Nowhere does the White Paper promise that such efforts will succeed. The sought-after outcomes are "not assured" (p. 38). Nor, however, is the paper shot through with fatalistic assumptions: that a defence of the sovereign equality of nations is not worth attempting; that China's power is as unstoppable as it wants us to think; that America's support for allies or principles is somehow unsalvageable. Within the bounds of what can be said diplomatically—in other words, sometimes by inference rather than insult—the document makes a structured effort to come to terms with multiple plausible futures. Much of the White Paper's wording that on first scan seems to suggest a linear future turns out to be rather more subtle, dynamic and based on contingency. Many key sentences about the future of China and the United States include the word 'if': if the United States continues to lead; if China's reforms succeed. Most tellingly, on pages 38-39, the paper recognises that Australia's objectives of an inclusive, open, rules-based and cooperative Indo-Pacific regional order are achievable "only if the region's major powers—notably the United States and China—believe that their interests are also served by them".

This section about the United States and China illustrates an interesting and useful quality of the overall document: it sends a message about the way in which Australia and other players in the middle would like them to define their interests. Without making a direct attack on the character of the US President, and the rule-rejecting direction in which he wants to take the United States, the paper's numerous references to international rules, norms, laws and mutual respect among nations are in part about Australia reminding America, China and others where its interests stand and where theirs should lie. This should not be mistaken for a naive assumption that Canberra is imagining things will turn out fine.

This may seem a forlorn hope, but you cannot blame a middle power for trying. Moreover, this advocacy aspect of the White Paper refutes the claim made by Stephen FitzGerald and Linda Jakobson, months after its publication, that Australia continues to lack a narrative "explaining what kind of region we seek, rather than what we don't want".⁶² This was somewhat peculiar, given that the White Paper had recently done precisely that. It had largely met its purpose of providing a clear and comprehensive articulation of the kind of region and the kind of future Australia wants. Perhaps this serves as a reminder of the need for persistent political outreach to get the message through, to translate a government publication, however well-crafted, into a national narrative that will resonate beyond Canberra.

Of course, a public narrative about the future we want should not be mistaken for wishful thinking. In the White Paper, the real possibility of failure to attain this desirable future is repeatedly acknowledged; this helps explain why much of the paper pays an unusual amount of attention for a foreign affairs document to matters of defence and security. The desirability of upholding a (partly, nobody really means wholly) rules-based international order is emphasised, but nowhere does the paper suggest this will automatically succeed. Other pervasive risks, notably to do with technology, the environment, climate change and terrorism, are acknowledged; indeed the prospect of mass casualty terrorism affecting Australia again in Southeast Asia is seen as fairly much certain. There is also a welcome call (on page 18) for government to improve its analytical 'futures capacity' to test policies against possible shifts in the external environment. (This is precisely what the National Security College at the Australian National University is seeking to help achieve through its recent establishment of a whole-of-government 'Futures Hub'.) The Foreign Policy White Paper thus suggests that officials are indeed thinking about a range of plausible futures and policy options, as they should. But there is a careful balance to be struck between prudence and panic. To declare publicly a different policy for each plausible future would suggest a lack of confidence in the option that

⁶² Stephen FitzGerald and Linda Jakobson, 'Is There a Problem with... Australia's China Narrative?', *China Matters*, June 2018, <chinamatters.org.au/wp-content/uploads/2018/05/China-Matters-Explores-June-2018-Australias-China-narrative.pdf> [Accessed 21 June 2018].

has been selected. Instead, the most effective approach—which this White Paper goes some way towards—is to develop foreign and security policy settings adaptable enough for a range of futures. That is why a strategy of increasing Australia’s own strategic weight, combined with deepening and diversifying Indo-Pacific partnerships, makes sense. It will be of benefit whether Chinese power flourishes or founders, and whether Trump is aberration or harbinger.

The White Paper’s chief disappointment is its relative silence on the obvious question: if the demands on our diplomacy are getting greater, are we investing in it enough? A disturbing trend in Australia over the past two decades has been the growing gulf between increased (and generally needed) spending on defence and security and static or falling funding for foreign policy, soft power and development assistance (which of course has its own impacts for security and influence when allocated and delivered strategically). Australia has never recovered from the opportunity lost after 9/11, under then Foreign Minister Alexander Downer, to increase the resources and status of our Department of Foreign Affairs and Trade as an integral part of the new national security effort. Ground lost in cutbacks under Howard and Downer, not only to DFAT but also to soft power capabilities such as Radio Australia, have never been fully regained. More recent reductions to development assistance, under the Abbott and Turnbull governments, seem to have failed to anticipate the role aid now plays in the contest for influence with China, notably in the South Pacific. The main flaw in the 2017 Foreign Policy White Paper was the lost opportunity to fundamentally correct such errors. We find much mention in the document of how Australia is improving its capabilities in security, intelligence, defence, cyber, education, infrastructure and twenty-first-century industries. Yet for a government strategy that emphasises the importance of engagement as a value-for-money force multiplier, it says glaringly little about how to modernise, expand and fund our diplomatic network for the turbulent times ahead.

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