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Give Australia Reason to Believe in American Leadership

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Secretary of State Hillary Clinton will cap off a seven-nation swing through Asia this weekend with a stop in Australia, where she will join Defense Secretary Robert Gates for annual ministerial consultations. The AUSMIN meetings, as they are known, come amid anxious discussions in Australia over the rise of China and the implications for the U.S.–Australia alliance. Clinton and Gates would do well to reassure them.

There is no better friend of the U.S. in the Pacific than Australia—they have fought by America's side in every major conflict of the last 100 years, including Iraq and Afghanistan. The Australians have brushed off any suspense (or offense for that matter) surrounding American presidential visits. The truth is that contacts between the U.S. and Australia are so routine and so deep that heads-of-state protocol does not hold as much water as it must elsewhere.

But the natural familiarity and trust between these two countries can be deceptive. Sentiment does not buy much in this world—even in Australia. Australia is so pro-American in large part because the alliance is so fundamental to its security.

Pacific "Power Shift." For this reason, the Australians have their fingers on the pulse of America's position in the western Pacific. In 2009, their defense white paper aired serious doubts about balance of power shifting against it. Those doubts are only accentuated by economic realities. Australia's prosperity, particularly in the wake of the global financial crisis, increasingly depends on markets in China. China is Australia's biggest trading partner. And unlike in the U.S., where the public is often oblivious to the connection between everyday low prices and trade with China, in Australia the benefits of trade with China are lost on no one. It is widely credited there with keeping Australia out of recession.

Hugh White, a well-respected Australian defense official turned academic, has offered a way of squaring the changing power balance with Australia's continued interest in the U.S. alliance. His piece in the September issue of Australia's *Quarterly Essay* entitled "Power Shift: Australia's Future between Washington and Beijing," has become the talk of the Australian foreign and defense policy establishments. It argues that China's rise will be the determining feature of Australia's 21st century and that the sooner its principle security partner understands this, the better.

White believes Australia's needs to "persuade America that it would be in everyone's best interest for it to relinquish primacy in Asia, but remain engaged as a member of collective leadership—staying in Asia to balance, not to dominate." He acknowledges that American engagement in Asia is good for Australia—but only, he maintains, if it is

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accepted by the other major powers, by which he means China. White's solution is establishment of a "concert of Asia" modeled on the bargain that Europe's great powers struck in the 19th century.

There is much to disagree with in White's assessment—from what is an overly optimistic projection of China's economic rise and its translation into political influence to his appeal to great power condominium. But there is no margin in an American taking on White. His interest is—as it should be—Australia's national interests. And as the man most responsible for Australia's 2000 defense white paper, he is a serious voice in this debate.

It is not so much White's argument as the debate itself that presents a problem for American leadership.

The 2009 white paper struck a compromise on Australia's response to what it sees as the emerging power dynamic. It asserted that American primacy would last for another 20 years. Beyond that, research and development and procurement timelines being as long as they are, the Australian Department of Defence hedged on America's staying power. For their trouble, the Australian defense and foreign policy establishment got hit from both sides: Chinese officials accused them of anti-China bias, and American commentators fretted that they were losing faith. Eighteen months later, the Australians are still conflicted—their uncertainty only exacerbated by China's strong economic performance amid global crisis as well as Beijing's muscle flexing.

Making the Case for American Leadership. Despite the best efforts of the last two Administrations, America has still not made the sale: The Asia-Pacific region is not convinced about the long-term viability of American predominance. Many in the region, including America's closest allies, see great value in the role the U.S. is playing to confront China's current aggressive posture. But policymakers should not pin America's relevance to this state of affairs continuing. It is entirely conceivable that, in a couple of years, after probably getting much worse, the tensions will abate. And China—with all its long-term projections of influence—will remain.

How does the U.S. change this calculation and convince the region it is American predominance—not Chinese power—that will serve as the most prominent feature of Asia's power dynamic long into the future?

First, the U.S. should continue to cultivate its diplomatic presence. The Obama Administration is right to dig deeper into the diplomatic life of the region: Joining the East Asian Summit last month, attending the ASEAN+8 Defense Ministers meeting, holding back-to-back (albeit still a bit too driven by travel convenience) U.S.–ASEAN summits.

Second, the U.S. should make the sort of investments in America's military that are indicative of a long-term presence in the Pacific. The Navy running with at least 30 fewer ships than it says it needs sends American allies a bad signal about power projection trend lines. In addition to fixing this shortfall, working with the Australians to expand access to military bases there—including finding a new permanent base on Australia's northern shore at Darwin—would send a powerful positive signal about the trend lines of America's commitment to the Pacific.

Third, if the Obama Administration's love–hate relationship with trade is perplexing for Americans, imagine the confusion abroad. What America's allies do know is that out of dozens of bilateral and regional free trade agreements, the U.S. is party to two and that the most lucrative agreement, the Korea–U.S. Free Trade Agreement (KORUS), is stuck in the ratification process. The Transpacific Partnership negotiations, now involving nine countries (including Australia and the U.S.) is encouraging, but it is difficult to know whether its final provisions on labor, environment, and investment will be acceptable to real advocates of free trade. Instead of wasting time building consensus with big labor and protectionists on Capitol Hill, the Administration should submit the KORUS as promised and request trade promotion authority on a timeline that gets it to completion of the Transpacific Partnership on its promised November 2011 schedule.

Fourth, the Administration appears to have made a turn on human rights in Asia. Just last week in Hawaii, Secretary Clinton gave a speech in which she said emphasized "the persuasive power of our values—in particular, our steadfast belief in democracy and human rights." She may have been slow off

the mark, but she has it absolutely right now. The U.S. should not only advance human liberty as a good in and of itself but should recognize that standing with likes of Nobel laureate Liu Xiaobo is in America's strategic interests. The U.S. should work with its allies to understand the utility, as well as the principle, in such support.

China the One with a Decision to Make. Ensuring American predominance far into the future does not mean living in denial. China's rise is real, and Americans must accept that it is going to be an ever-greater factor in Asia's economic and political calculus. Long-term predominance is about having the right mix of power and values to set the rules that govern China's integration into the regional order and to discourage any effort to impose its own rules. The question is really not, as White has posited, whether the U.S. is prepared to accept the Chinese as a global power but rather whether China is prepared to accept an order shaped by more than 60 years of American leadership. The critical task is the U.S. working with its allies to convince the Chinese of this necessity.

The Australians should be natural American partners in this effort. The current angst there is an indication that they need some convincing before joining America in making the case. They want to believe. Clinton and Gates should give them reason to.

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