In this important work, Australia's leading foreign affairs analyst Tony Parkinson assesses the Howard government's record on foreign policy. By positioning Australia as a key player in the War on Terror and as a regional bulwark for stability and liberalism, the Howard government grew Australia's reputation in the Asia-Pacific region and the world.

Parkinson outlines the early successes and failures of the new Rudd government, setting out clearly the domestic and international challenges the new government will face.

Tony Parkinson served through 2006-07 as media adviser, and subsequently senior adviser, to Alexander Downer, the former Minister for Foreign Affairs. Prior to entering government, Parkinson worked across a range of prominent newspaper titles, including the Melbourne Herald, The Australian, The Herald Sun and The Age.

In 2000, Parkinson published a biography of the former premier of Victoria, Jeff Kennett. And in 2006, the Institute of Public Affairs published his essay 'In Defence of More Freedom'.
LIBERTY AND DIPLOMACY

The challenges for Australian foreign policy in the early 21st century
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Tony Parkinson

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Tony Parkinson served through 2006-07 as media adviser, and subsequently senior adviser, to Alexander Downer, the former Minister for Foreign Affairs. Prior to entering government, Parkinson worked across a range of prominent newspaper titles, including the Melbourne Herald, The Australian, the Herald Sun and The Age. He has covered national and state politics, and has worked extensively overseas, including on-the-ground reporting of the 1991 Iraq war and twice serving as a European correspondent, based in London. As a columnist and associate editor at The Age, he was charged with providing commentary across the spectrum of local, national and international affairs. Globally-syndicated columnist, Mark Steyn, once described Parkinson as ‘the sane guy at The Age.’

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The opinions expressed are his personal views.
I am pleased to introduce the first major assessment of the foreign policy goals and practices of the Howard era, written by one of Australia’s foremost experts in international affairs, Tony Parkinson.

Like many areas of politics, foreign policy analysis often suffers from a short term perspective—the immediate events of the daily news drown out the historical directions of foreign policy. And, as has become so clear in last the few years, the grind of twenty-four hour journalism is not well placed to handle the moral content of foreign policy.

In this important work, Tony Parkinson cuts though the politics of foreign policy to expose the strategic direction of the Howard government. He shows how the foreign policy pursed by John Howard and his foreign minister Alexander Downer had a coherent and focused direction—one which managed to walk the tight rope between sovereign and individual rights internationally. Foreign policy does not exist in a vacuum, and it is impossible to understand the strategic direction of Kevin Rudd’s new government without understanding its predecessors. As Parkinson notes, the early missteps of the Rudd government—most notably its mishandling of Australia’s relationship with Japan, and its abortive Asian Union proposal—demonstrates the need for the new administration to properly understand the Howard legacy.

The Institute of Public Affairs has long been involved in foreign policy and trade research, and Tony Parkinson’s book is a timely contribution to this vital issue.

—Melbourne, September 2008
Introduction

As much as the APEC summit in Sydney in September 2007 marked the apogee of the Howard government’s contribution to world affairs, it is also true that the events of that week signalled the approaching eclipse of one of the most active, assertive—and, yes, altruistic—eras in Australian foreign policy.

It was a week when Prime Minister John Howard played host in his hometown to the heavyweights of global politics. Arriving in the harbour city were the presidents of the United States, China, Russia, Indonesia and the Philippines, along with the prime ministers of Japan, Canada and Malaysia, and a dozen other leaders from East Asia, Latin America and the Pacific islands. Together, they spoke for well over a third of the world’s population, and more than three-fifths of global economic production. This was far and away the most important international meeting ever staged in Australia. But nobody could have known, or guessed, what was happening behind the curtain.

Approaching 11pm on Thursday, September 6, senior Liberals gathered in the hotel room of Foreign Affairs Minister, Alexander Downer, at the Quay Grand hotel, overlooking the harbour. This was a night of white knuckles and grinding emotion. Shuffled between diplomatic exchanges with the likes of George Bush, Hu Jintao, Vladimir Putin and Shinto Abe, Howard’s colleagues resolved through prolonged and tense discussions to tell the most successful conservative prime minister in a generation he should consider re-
tiring in the hope of improving his party’s prospects at the forthcoming federal election.

Throughout that week, John Howard sought the opinions of his Cabinet Ministers, listened to their representations… then resisted their conclusions. It became the oldest of parables—a long-serving ruler refuses to relinquish power and makes the fateful decision to stand his ground, despite knowing instinctively that the battle was probably beyond him.

Shakespeare would have been licking his lips at the epic possibilities: set the narrative against a medieval backdrop, introduce a gleaming procession of visiting princes and potentates, and chart the intrigues and machinations, as a political veteran, tenacious and stubborn in equal measure, spurns the advice of trusted colleagues, and effectively throws his fate (and theirs) to the wind.

For a government that had done much to elevate Australia’s significance in the world, and had brought individuals of sturdy convictions to diplomacy, the presence in Sydney that week of the leading political and business figures from the Asia-Pacific was meant to have been a crowning moment. But it turned out to be the last hurrah—proof that there comes a time when all long-term governments, unable or unwilling to renew themselves, begin, however reluctantly, to accept and to announce their own mortality.

It may seem incongruous for an account of the Howard government’s engagement in global diplomacy to begin at the end. Across its 11-and-a-half years in office, the government’s impact in the region, and on the wider world stage, had been serious, substantive, and sometimes highly controversial. But the APEC week became emblematic of the difficulties faced by a fourth-term administration when an electorate seems to no longer be listening. The showcasing of the Howard government’s experience in international politics at APEC gained little or no traction domestically. The considerable success of Australian diplomacy in, for example, bringing Presidents Bush and Hu together for an agreed statement of intent on climate change struggled for attention. Much of the local media focused on the periphery: complaints by Sydney’s citizenry and shopkeepers about the inconvenience and traffic congestion; an endless preoc-
cupation with efforts by a film crew of satirists to pierce the outer perimeter of the APEC security cordon; and, finally, Labor leader Kevin Rudd’s party trick of delivering a welcome in Mandarin at a lunch in honour of China’s head-of-state. According to media commentary, this single gesture allowed Rudd to ‘upstage’ Howard as APEC host.

This was astonishingly unlike the previous two election years, when the Howard government’s dominance over its Labor opponents on the national security agenda had proved a crucial factor in come-from-behind victories. In 2001, the election campaign was overshadowed by al-Qaeda’s attack on New York and Washington. John Howard was in the US capital on the morning a hijacked airliner plummeted into the Pentagon, and his pledge of support for an America under assault included invoking the ANZUS Treaty for the first time in its 50-year history. With a global security crisis unfolding, it was improbable in the extreme that voters would change government.

In 2004, the contrast between the Howard government’s sure-footed management of alliance politics, and Labor leader Mark Latham’s vituperative attacks on US foreign policy and, in particular, George Bush, left voters to ponder the juvenile delinquency of the alternative prime minister. Howard prevailed despite widespread public anxiety over the consequences of his commitment to the removal of Saddam Hussein from power in Iraq. Leading figures in the government liked to believe that, for all the carping and condemnation, they had won because, on Iraq, they had acted for the right reasons, and that the electorate—in their heart of hearts—knew it.

Come 2007, however, many in the electorate were growing impatient about Australia’s involvement in Iraq and Afghanistan. More pointedly still, the Howard government’s domestic agenda ran up against greater resistance. A second round of workplace relations reforms was too easily painted by a combined ACTU/ALP disinformation campaign as an exhortation for ‘working families’ to run faster and harder for no extra reward. Then, on the hustings, Howard found himself out-maneuvered by a fresh-faced Labor leader with a knack for the politics of populism, and a shrewd eye for
media opportunities. When the vote came in, John Howard lost not only government, but his own seat of Bennelong. In his place, the voters elected Kevin Rudd, the least experienced candidate for the job of prime minister in the entire post-war era.

Commentators speak often of long-term governments being weighed down by accumulated political baggage, and they are right. But there is an important corollary to that truism. Governments that are not prepared to make the tough calls and governments that retreat from difficult or potentially unpopular decisions will be governments that put at risk sound, principled and effective policy.

As we assess the legacy of the Howard government’s foreign policy, and seek to dig beneath the Rudd persona to find clues as to how the new prime minister will seek to refashion Australia’s engagement with the world, it is vital to look, where possible, for the centre of gravity. What were the bedrock values that the Howard government brought to its approach to international affairs, and how, where and why might the Rudd government differ?

Across our post-war history, neither side of politics, Liberal or Labor, has proved immune to the temptation of seeking to exploit domestic unrest or anxiety over difficult and/or unpopular foreign policy choices. As an opposition leader, Kevin Rudd was every bit as prone to this populist tendency as any of his predecessors. But with high office comes a very different burden of responsibility. Ultimately, government is about the national interest, not partisan game-playing. We always knew, unambiguously, where the Howard government stood on the great strategic challenges of the day. When it comes to Kevin Rudd, we still have much to discover.

At its best, a nation’s foreign policy should reflect the intrinsic values of the society it represents. In Australia, this should always be taken to include principles such as the promotion of freedom and democracy, the benefits of open markets and open minds, and the fundamental importance of individuals being free to exercise their rights as well as honour their responsibilities.

In foreign policy, the toughest, most traumatic and most momentous decisions taken over the decade of the Howard government were those relating to this ‘freedom agenda’. And it was those same
decisions, involving life-or-death issues, and the deployment of Australian troops and police in our own region and around the world, that became the most contentious—and, as a consequence, the most challenging—politically.
1 Australia as a significant country

The Howard government’s foreign policy was founded on the assumption that Australians, at the start of the 21st century, should be secure, confident and self-assured about their place in the world. Receding into history was the ancient paranoia about the long-term security implications for a small population clustered around the vast coastline of a large island continent. Also receding into history was the collective anxiety about being threatened, overwhelmed or marginalised by the populous and dynamic nations of Asia to Australia’s north. Australia had proved itself a successful, stable and secure nation, with a strong and distinctive culture of its own.

As a leading supplier of energy and resources to the economic powerhouses of East Asia, Australia was in the top 15 world economies, and in the top 10 for average per capita wealth. Moreover, it was one of the world’s oldest and most successful democracies, with a proud commitment to political and economic freedom. It had a well-educated workforce, and thriving modern cities. It had an independent judiciary, a vibrant free press, and rich cultural diversity as a result of its post-war immigration programs. Its defence budget was the 11th largest in the world, and it could mobilise security forces to operate regionally and globally. It was a significant country in the fields of science, innovation, medicine, sports, the arts and business. BHP Billiton and News Corp were two giant global brands with origins in Australia.
As the Howard government saw it, these strengths not only gave Australia the capacity to play a role globally, but also imposed a responsibility on it to do so. We could not sit back as onlookers to the world’s troubles, refusing to accept that we had a share of responsibility. To have a significant voice, Australia had to be ready to make a significant contribution.

As an affluent nation dependent on global trade for its prosperity, it was unrealistic for Australia to expect that it could somehow cocoon itself from threats to global security and stability. If Alexander Downer had a pet hate, it was what he called the ‘little Australia’ approach to foreign policy—the false notion that we could retreat to within our own region, and remain unnoticed and untroubled, by confining our diplomatic interest and influence largely to events in our immediate neighbourhood. The isolationist element to the Australian ethos might just have been feasible in the 19th century, if you discounted the need to get wool and wheat onto international markets. It was proved totally fanciful in the 20th century, when the wars against fascism and militarism reminded Australians that no single nation, however far-flung, could quarantine itself from the challenges of defending freedom and democracy.

Security in a globalised world is indivisible; the problems in our world cannot be neatly partitioned. The few in Australia who still labour under the illusion that wars ‘on the other side of the world’ should be considered none of our business ought to consider this historical parallel—could imperial Japan ever have contemplated its attack on Pearl Harbor, and its drive into South-East Asia and the Pacific were it not for the fact that all of Europe, and Britain in particular, were caught up in a desperate battle to survive Nazi Germany’s onslaught? Arguably, war in the Pacific became conceivable only because there was war in Europe. Australians learned the hard way in 1941 that neither appeasement nor isolationism offers much in the way of protection.

Another element to this equation, not widely appreciated, is that as many as one million Australians today are living or working overseas at any given time. Governments in Canberra have assumed an increasing responsibility to safeguard the interests of this large ex-
patriate population, to protect their right to travel and work freely. This consular effort has placed ever-greater demands on the resources of the Department of Foreign Affairs and Trade and, occasionally, on our military. If anyone imagines Australia could simply detach itself from, for example, the multiple crises in the Middle East, they might want to ponder what this would imply in emergencies such as the 2006 Lebanon conflict, where 5000 Australian citizens were evacuated by air or sea in the space of only nine days. To that extent, any proposition that Australians can somehow exempt themselves from the great global challenges, and retreat to their own quiet corner of the world, is not only quaint and old-fashioned but, essentially futile. The Bali bombings demonstrated the folly of that brand of thinking once and for all, if it had not already been demolished by the events of September 11.

It is not typical of Australians to shirk responsibility. Nor would it be smart. Today, global trade is Australia’s lifeline. It took Australia more than 200 years to achieve $100 billion in exports annually. Yet over the first decade of the Howard government, our export earnings doubled to $207 billion. That huge growth curve goes a long way to explaining jobs growth and rising living standards as Australia entered the 21st century. Australia is not just dependent on strong and successful trade diplomacy, nor is the country just dependent on efficient export industries, and reliable shipping and air transport, or the free flow of investment capital, and a strong and transparent banking system. We are also dependent on global security and stability. Once that is understood, Australia, if it is to advance and protect its interests, has no choice but to be engaged energetically at every level. To quote Alexander Downer: ‘In the modern age, no distance is great, no nation is isolated. There is no major international challenge that does not have a global dimension… I firmly believe that Australia’s interests are global in scope and if Australia is to be secure and prosperous, we must work globally.’
The decision to take the lead in an intervention to end the bloodbath in East Timor in September, 1999, represented the first dramatic unveiling of this more assertive era of Australian foreign policy. The fall of Suharto had raised hopes internationally that a new president might revisit the fate of East Timor, incorporated in 1975 after Indonesian troops invaded the former Portuguese colony. By 1998, Indonesia was in the midst of a severe financial crisis, and Australia and Japan had been at the fore in providing an international rescue package to prevent the risk of a collapse of the Indonesian economy. In June of that year, the Indonesian President B.J. Habibie, sensitive to the damage to Indonesia’s international profile due to its hardline stance on East Timor, announced that he was preparing to embark on a different approach. Jakarta was ready to consider special status for East Timor within the Indonesian republic. Although a major shift in policy, it fell short of the expectations of those urging for full independence.

Habibie, however, was ready to go further, asking his Cabinet colleagues why Indonesia should continue subsidising East Timor if his offer of autonomy served only to intensify the demands for independence: ‘Why do we have this problem when we have a mountain of other problems? Do we get any oil? No. Do we get gold? No. All we get is rocks. If the East Timorese are ungrateful after what we have done for them, why should we hang on?’

In December, 1998, Prime Minister John Howard wrote a letter
to Habibie suggesting that, after a period of autonomy, Indonesia should consider an act of self-determination for East Timor. Howard was not advancing this proposition as a matter of urgency, but rather as a sensible and manageable method of transition from Indonesia’s highly contentious suzerainty over East Timor. Habibie, however, took the letter to a meeting of his Cabinet on January 27, 1999. He told them Indonesia would do better to deal with the issue immediately and dramatically by offering the people of East Timor a blunt proposition: autonomy or independence. There has been much speculation since then as to whether this was an act of brinksmanship—that Habibie may have calculated, wrongly, that East Timor had come to accept the realpolitik of Indonesian sovereignty. When put to a UN-administered vote in August, 1999, the East Timorese decided, by a 78.5 per cent majority, to stand alone rather than accept an offer of autonomy.

The response to the vote was savage and immediate. Pro-integration militia, supported in the shadows by elements of the Indonesian military, ran amok. The violence cost at least 1000 lives, reducing to rubble East Timor’s infrastructure: homes, schools, water supply, electricity. As images of carnage and destruction were beamed across the world, Australia, the US, Europe and the UN determined to put a stop to it. By the time he arrived in Auckland for that year’s APEC summit (with much behind-the-scenes activism by Howard and Downer), US President Bill Clinton was on the phone to Habibie, insisting Indonesia pull back its military and allow a multinational stabilisation force into East Timor. The UN would authorise the intervention. Australia would lead it.

Anyone with an appreciation of the history of relations between Australia and Suharto’s Indonesia knew this to be a truly radical policy shift. It need only be measured against the infamous declaration by Howard’s predecessor, Paul Keating, that he would never put the Australia-Indonesia relationship in ‘hock’ over East Timor. Yet here was John Howard, the conservative Prime Minister the ‘progressive left’ so loved to hate, taking up the risks and challenges of offending and alienating Indonesia for the cause of East Timor’s freedom. Led by Peter Cosgrove, the Australian troops making up the bulk of the UN-authorised Interfet force landed in Dili on September 20, 1999.

FREEDOM IN AUSTRALIAN FOREIGN POLICY
Certainly, there was no misconception among East Timor’s leaders about the historical significance of Australia’s policy turnaround. During an extensive interview with *The Age* in August, 2000, Jose Ramos Horta (later Foreign Minister, Prime Minister, and then President of East Timor) argued that the resolve shown by the Howard government marked the end, finally, to 25 years of cynical toadying to Jakarta by successive Australian governments: ‘The decision to send Australian troops there was not easy. Before they sent troops they didn’t know the costs, the consequences, the potential casualties. It could have been disastrous. So the agony over such a decision is obviously difficult and that’s what leadership is all about.’

Subsequently, Keating would accuse Howard of having made a grievous policy miscalculation that had delivered the people of East Timor only ‘blood and tears’, cruelled the country’s ‘special relationship’ with Indonesia and, as a consequence, undermined Australia’s strategy to forge closer links through the Asian region. Ramos Horta could not believe Keating’s temerity: ‘When you have your soldiers, your people, in a dangerous situation, what you do not need is to make such a situation even more difficult. I found it to be really dishonest on Paul Keating’s part... It’s the most successful UN peacekeeping operation ever, anywhere in the world. Yet here you have this failed prime minister criticising the government’s policies.’

Of course, East Timor’s fledgling years as a nation were to prove traumatic. Australia would provide $500 million in aid over the next eight years, investing in the delivery of basic services like health, water supply and sanitation, as well as in strategies to build stronger democratic institutions and better public sector management. Yet there would be as many setbacks as advances. Getting the young into gainful employment remained one of the most pressing challenges. Symptomatic of problems to come was the awful statistic indicating that as many as 5000 Timorese teenagers were spending their idle hours training with martial arts groups. Moreover, deep fractures were emerging within East Timor’s security forces. These tensions exploded in May, 2006, with a rally in support of 600 soldiers—known as ‘the petitioners’, and led by a renegade commander, Alfredo Reinado—who had deserted their barracks turning
into a large-scale riot in the heart of Dili. Five people were killed, and over 20,000 fled their homes. In late May, the crisis threatened to escalate into full-scale civil war when fighting broke out between pro-government troops and disaffected Falintil supporters. East Timor seemed again to be on the brink of collapse.

Alexander Downer flew into the East Timorese capital on June 3. The Foreign Minister and his staff—myself included—were escorted by Brigadier Mick Slater, commander of the International Stabilisation Force, through the tense streets of the city. The ISF had restored calm, but there was still an abundance of arms caches to be located and destroyed, including rifles and hand grenades, not to mention a ready supply of clubs, machetes and knives. In outlying villages, there were still sporadic attacks by marauding gangs, who would burn houses and terrorise the locals, forcing many to flee to Dili in the hope of finding sanctuary. This resulted in two huge, makeshift tent cities. At the government offices in Dili, shattered windows were still awaiting repair. The usually effervescent Ramos Horta was there to meet us. This day, he was ashen-faced, his plans for the new nation in jeopardy. Later, at the home of Jose Alexandre ‘Xanana’ Gusmao, the living symbol of East Timor’s independence, the President was visibly distressed as he told Downer of the violence and suffering inflicted on his people, and his fears for their future. Quite apart from the additional deployment of troops sent in by the Howard government on May 25 to restore public order, it was obvious that East Timor would need more help—much more—from Australia, the UN and the region.

On September 6, Alexander Downer flew into Dili yet again. We sat down in those same government offices. Ramos Horta, back to his buoyant self, was there again to greet us. This meeting, however, would be very different. Also flying into Dili this time was the Indonesian Foreign Minister, Dr Hassan Wirajuda. Jointly, the representatives of the three governments discussed what they could do to improve East Timor’s circumstances. Such a meeting would have been unthinkable in the Keating years, or for that matter, under the Fraser or Whitlam governments. This truly unique trilateral dialogue between East Timor, Indonesia and Australia disproved once
and for all the proposition that the intervention in 1999 would poison indefinitely Australian relations with Indonesia.

But East Timor remains a fragile state with a fragile society. This could not have been more dramatically illustrated than by the assassination attempt on Ramos Horta in February, 2008. Reinado died in the subsequent exchange of fire. Was this the beginning of the end for East Timor, or the end of the beginning of its difficult transition to nationhood? With steadfast guidance and support from Australia, Indonesia, Japan, the US and the UN, there was every reason to hope it would prove to be the latter.

Those on the left who argue, falsely, that the Howard government was forever sitting on the sidelines of UN activities should always be reminded of Australia’s role in the East Timor intervention. It was welcomed at UN headquarters in New York as one of the most proactive and principled commitments ever by a significant regional power to help procure and protect the sovereignty of one of the world’s newest and most vulnerable nation-states. Much of the historical analysis of foreign policy under Coalition governments in Australia has tended to classify the actions of the Menzies, Holt, Gorton, McMahon and Fraser governments as essentially falling within the ‘realist’ tradition of foreign policy—that is to say, hard-nosed, pragmatic and unsentimental judgments about which policies serve the national interest, often narrowly defined. But East Timor, like the Colombo Plan decades earlier, was proof of the superficiality of this analysis. As Howard would proudly say later, his government’s involvement in East Timor’s birth as a nation represented ‘the most positive and noble act by Australia in the area of international relations in the last 20 years.’

If East Timor had been staring into an abyss of chaos and ruin, Afghanistan in 2001 was an archetypal failed state. Impoverished and brutalised by the rule of the Taliban, it had also been colonised (or, more to the point, hijacked) by al-Qaeda as the chief operating base for its campaign of global terrorism. Afghanistan’s only exports were narcotics and extremism. When al-Qaeda announced a new era of mega-terror in 2001 by launching the September 11 attacks on the United States, Washington and its allies had no choice but
to confront the global security threat festering in the badlands of Afghanistan. It surprised nobody that Australia was to the fore.

The key factor in this was Australia’s security alliance with the US. New York and Washington had come under unprovoked attack. Immediately, John Howard invoked the mutual defence provisions of ANZUS as a statement of support for a major ally. Australia would join the US in the struggle against global Islamist terror networks. That declaration would see Australian special forces join US and NATO troops in Afghanistan.

To some, this seemed a conflict occurring in a faraway place, remote from Australia’s direct interests. The Howard government took a very different view. In successive *fatwas*, al-Qaeda’s leader and chief financier, Osama bin Laden, had identified Australia as an enemy of the Islamist extremists. Indeed, he had specified the Howard government’s role in support of East Timor as one of al-Qaeda’s main grievances. According to this narrative, Australia had conspired to expropriate East Timor from Muslim sovereignty.

As the two Bali bombings, and a terror attack on the Australian Embassy in Jakarta would later demonstrate, the radicals of al-Qaeda and their support networks in Asia had declared Australians a legitimate target. The Howard government understood there could be no quarantining of Australia from the challenges and responsibilities of meeting this threat. Al-Qaeda bases in Afghanistan had to be destroyed, their Taliban protectorate removed from power, and a global effort undertaken to confront the predatory, punitive and imperialistic ideology of the Islamist extremists.

Another point critics of the Howard government’s role in the ‘global war on terror’ failed to understand was that, although bin Laden and his followers celebrated loudly and grotesquely any successful strikes against Western interests, the real targets in their sights were the modernisers of the Muslim world—not just in the Arab heartlands, but also in South-East Asia.

For example, a newly-democratic Indonesia, carefully crafting the institutional settings that would provide for pluralist government and constitutional protection for minority and civil rights, was becoming the very antithesis of all that al-Qaeda had come to repre-
sent. Countries such as Indonesia and Malaysia were eager players in global trade and investment, and active participants in the information revolution. They valued the importance of overseas education and other cross-cultural exchanges with the wider world. As such they posed a compelling counter-narrative to the medievalism of the Islamists, with their bleak nostalgia for the notion of rule by Caliphate across the Muslim world.

For this reason, the conflicts in Afghanistan, and later Iraq, would be pivotal to Australia’s interests. The longer al-Qaeda and its ilk were able to survive and thrive in the heartlands of the Middle East and central Asia, the greater the threat would become once, inevitably, they took the battle for hearts and minds to a new front, against mainstream Muslim leaders in South-East Asia. Like it or not, the War on Terror was coming to Australia’s neighborhood. While the Howard government worked closely with the region to heighten co-operation in counter-terrorism and policing, the broader strategic imperative required Australian involvement in confronting the threat directly at its source.

The deployments of US, Australian and NATO troops to Afghanistan in November, 2001, was the beginning of a prolonged and gruelling struggle to rebuild, virtually from scratch, a country that had been decimated by war, profound tribal and ethnic divisions, religious extremism, and dire poverty. The Taliban were ejected quickly from power in Kabul, and al-Qaeda’s operational strongholds in Kandehar and the Hindu Kush destroyed. Elections were held, girls returned to the classroom, and economic reforms instituted as part of the strategy to haul Afghanistan out of the Dark Age. But with the capacity to drift in and out of Afghanistan through the tribal borderlands of neighbouring Pakistan, Taliban militants proved over subsequent years to be able to regroup sufficiently enough to constitute a persistent security threat to the democratic government of President Harmid Karzai, as well as sabotaging attempts by the coalition and the UN to modernise Afghanistan’s crude infrastructure.

Seven years is not a long time to stabilise and rebuild a nation as torn by conflict as Afghanistan. But it is a long time over which
to test the patience of voters in Western nations, concerned by the protracted and costly commitment of troops to such a difficult and dangerous security challenge. In Australia, the support of the Labor Opposition limited the political risks for the Howard government in the deployments to Afghanistan.

Not so, however, when it came to Iraq. Australia’s involvement in the US-led intervention to remove Saddam Hussein’s regime from power became by far the most contentious of all the Howard government’s international commitments. By now, we are familiar with the taunt that President George Bush, and the prime ministers of Britain and Australia, lied to the world in order to justify the March 2003 invasion of Iraq. We are familiar with the assertion that this was an illegal action. And we are all too familiar with the accusation that the bungling of the aftermath of the war has left the Iraqi people worse off than when the dictator ruled over them.

Nevertheless, let us reacquaint ourselves with the facts. Iraq was a slaughterhouse under Saddam. As if it were not enough to torment his own people, he launched two wars against neighbours in Iran and Kuwait. Ultimately, his regime was responsible for the deaths of more Muslims than any leader in modern history.

Neither John Howard nor Alexander Downer would ever resile from the fundamental question of principle involved in the decision to remove Saddam’s regime from power. Quite apart from demonstrating habitual contempt for basic human rights, Iraq had been in serial defiance of the United Nations Security Council. While the Security Council debates in the lead-up to the invasion in 2003 focused predominantly on whether or not the case had been made that Iraq was still in possession of weapons of mass destruction, the backdrop to those debates was an irrefutable fact of history: since 1979, Saddam had maintained his determination to acquire strategic weapons, notwithstanding the terms of the truce he signed with the Americans after his military defeat in 1991. He had deployed chemical weapons twice, against Iranian troops and against Kurdish villagers. He had spent billions of his country’s wealth in pursuit of nuclear and biological weapons. His campaign over more than a decade to unravel sanctions against his regime so as to allow full
resumption of his weapons program represented not just an ongoing threat to global security, but a fundamental challenge to the UN’s authority.

The case against Saddam Hussein was overwhelming. That he could monster and maul his own people with apparent impunity was bad enough. That he could maintain his brutal reign despite delinquent attacks on neighbouring states was deplorable. But that he could also flout so brazenly the international demands that he desist and disarm was a disaster in the making. The post-September 11 world of mega-terror was no place for a persistent trouble-maker like Saddam Hussein: quite apart from his insistence on his right to develop WMD, there was his demonstrated contempt for human life, his role as a malignant force in the troubled politics of the Middle East, and his barely-disguised support for some of the world’s most vicious terrorists.

On March 13, 2008, the Pentagon published the executive summary of an extensive study of regime documents uncovered by US forces in Iraq. Some Western media outlets launched a pre-emptive strike on the study’s findings, running news headlines trumpeting ‘no direct connection’ between Saddam and al-Qaeda. Here was what the anti-war left had been waiting for and, sure enough, they engaged in another orgy of sanctimony over how the Iraqi documents proved Bush had ‘lied’ about the reasons for going to war in Iraq.

This reaction will seem very odd to anyone who actually bothers to scan even the executive summary of the report, entitled *Saddam and Terrorism: Emerging Insights from Captured Iraqi Documents*. The report begins:

The Iraqi Perspectives Project review of captured Iraqi documents uncovered strong evidence that links the regime of Saddam Hussein to regional and global terrorism. Despite their incompatible long-term goals, many terrorist movements and Saddam found a common enemy in the United States. At times, these organizations worked together, trading access for capability. In the period after the 1991 Gulf War, the regime of Saddam Hussein supported a complex and increasingly disparate mix of pan-Arab revolutionary causes and emerging pan-Islamic radical movements.
It is hard to imagine how anyone can read those four sentences and then seek to disregard or downplay the nature of the menace inherent in Saddam’s regime.

The executive summary goes on to say the study found no ‘smoking gun’ (i.e. direct operational connection) between Saddam’s Iraq and al-Qaeda, specifically. However, it details extensively the Iraqi regime’s involvement in regional and international terrorist operations across the decade leading up to the 2003 US-led intervention. Some in Baghdad recognised the risk to Iraq of maintaining relationships with radical Islamic groups, but concluded that, in some cases, these were outweighed by the benefits: ‘The regime’s use of terrorism was standard practice … from 1991 through 2003, the Saddam regime regarded inspiring, sponsoring, directing and executing acts of terror as an instrument of state power.’ Indeed, sponsorship of terrorism became such a routine tool that Iraq developed elaborate bureaucratic processes to monitor progress and accountability in the recruiting, training and resourcing of terrorists: ‘Examples included the regime’s development, construction, certification and training for car bombs and suicide vests in 1999 and 2000.’

In other words, the regime was up to its armpits in full-scale mass production of the weapons of modern terrorism. Yet, according to the twisted logic of the anti-war left, this portrayal of Saddam as something akin to the Henry Ford of 21st century terrorism somehow becomes further compelling evidence of why not to go to war. How they reached such a conclusion is baffling. Was it not relevant that Saddam’s regime had a program for ‘encouraging suicide volunteers’, cited in a submission by Iraq’s spy chief to Saddam in September 2001? Or that there was an official ‘government policy on training suicide volunteers’, cited in a note to Uday Hussein on August 24, 2002?

Moreover, let’s not allow the attempts to distort the true significance of this report to skim over the careful caveats attached to the ‘no direct connection’ finding by the authors at the Institute of Defence. They admit openly that their key resource—the so-called Harmony database of many thousands of captured documents—cannot be considered exhaustive. To adopt the Rumsfeld theorem,
there were known unknowns: ‘Other documents were not available for this phase of the IPP study e.g. those under the control of other US government agencies or others still being processed.’ And then there were unknown unknowns: ‘The Harmony database cannot address all questions relating to Iraq and terrorism: many potentially relevant documents were either inadvertently destroyed by Coalition forces during major combat actions or else were hidden or destroyed by members of the former regime.’

Some of Saddam’s crimes, however, can never be hidden, or the evidence destroyed. The tyrant was executed after being tried by Iraqi courts over his regime’s murderous assaults on the citizens of Dujail and Halabja. And we should never be allowed to forget the report of the Office of the US Judge-Advocate General, written after US military lawyers flew into liberated Kuwait City on March 1, 1991, to assemble indictments for war crimes against Saddam and his Ba’athist henchmen over their conduct during Iraq’s brutal occupation of its small, oil-rich neighbour. This chilling document, held in the National Security Archives at George Washington University, summarises evidence of torture by amputation, use of electric shock, breaking of bones, crushing of skulls, acid baths, and the gang rape of women hostages by Saddam’s goon squads.

Then, this: ‘Eyewitnesses reported Iraqis torturing a woman by making her eat her own flesh as it was cut from her body.’ It is a reminder, if ever one were needed, of the moral compass of those who persist in arguing the people of Iraq, and the Middle East, were somehow better off with Saddam in power.

Some will always question the significance of Saddam’s links to terrorism, despite the abundance of evidence in his own government archives. There might still be some who seek to rationalise, or excuse, his wars of aggression.

But nobody who seeks to describe themselves as a ‘progressive liberal’ should ever, could ever, dare to dispute or dismiss the vile, vindictive, psychopathic crimes against humanity committed under his leadership, by his regime, and far more often than not against innocent and defenceless people.

Within Iraq, and whenever he strayed beyond Iraq’s borders,
Saddam’s regime operated a system of fascist state repression as barbaric as anything seen outside of Stalin’s gulags or Hitler’s concentration camps.

When I interviewed John Howard for *The Age* newspaper in his office in the weeks leading up to the deployment of Australian troops to Operation Iraqi Freedom, the usually composed PM could barely disguise the pain and frustration of knowing that so many of those who knew full well the evils of Saddam’s regime remained implacably opposed to action to remove him. His eyes moistened when he spoke of innocent orphans held in prison camps as a form of collective punishment for the ‘sins’ of their fathers or mothers or uncles or aunts, as a warning to other Iraqis that there was nobody, no matter how young, who would be spared the price to be paid for questioning Saddam’s rule.

All of this, the whole horror show, was known to the international human rights movement. How was it that so many otherwise principled defenders of civil and political rights could manage to avert their eyes, and put hearts and consciences into cold storage, when it came to Iraq? How was it that the debate in Australia, as in the US and Europe, was turned on its head? How was it that those advocating effective international action against a mass murderer, dictator and serial aggressor were to be condemned by critics as war criminals?

What possible explanation can there be for the surreal circumstance where those advocating the liberation of the Iraqi people after 30 years of enslavement by a cruel and callous gangster elite were to be vilified for trashing international law? And how was it that when the action to remove Saddam and his cronies was over in a matter of weeks, the pantomime passions of the opponents of war turned quickly to nay-saying the prospects of establishing a stable democracy in the Arab heartland?

It can only be because the critics of the war believed the freedom of the people of Iraq, and the dethroning of the man who had monstered their lives, was less important than the denigration and demonisation of the American superpower, and its president, George Bush. I happen to think Iraq was one of the great moral challenges
of our time, and I believe the left, and Kevin Rudd, for that matter, failed the test miserably.

Certainly, there were colossal mistakes and miscalculations in the aftermath of the war to remove Saddam. In hindsight, it is easy to see how and why the the planning and execution of the post-invasion stabilisation and reconstruction strategy went awry—the lack of sufficient troops in the crucial months following the invasion, the bungling of the process of de-Ba’athification, the dreadful loss of reputation and credibility resulting from the depraved crimes of American reservist prison guards at Abu Ghraib, to name a few.

But there were also national elections, three in succession, in which the authentic voice of the Iraqi people was heard for the first time in decades. Each time, in the face of all manner of threats and intimidation, up to 12 million of them voted—bravely, resolutely—for democracy and freedom.

While the process of establishing a new political order has been slow and incredibly painful—democracy is, after all, new territory not only for Iraq but for much of the region around it—the nation has an elected parliament, an executive that rules with majority consent and, increasingly, a mood of accommodation between Iraq’s different ethnic and sectarian traditions.

Finally, if belatedly, in early 2007 came the dramatic strategic shift by the Bush Administration—the appointment of General David Petraeus to overall command of US forces in Iraq, and the introduction of 30,000 extra American troops in what became known as ‘the surge’. We now know enough to say that, militarily, the surge met all reasonable benchmarks. Civilian fatalities dropped by more than a third within three months, including a substantial drop in sectarian murders in Baghdad. Arms caches were being located and reported at three times the previous rate. Tribal sheikhs in Anbar and other provinces, amid rising popular hostility towards the grisly tactics of al-Qaeda in Iraq, began co-operating with Iraqi and American forces. The recruiting of police leapt exponentially. Car bombings and suicide attacks fell dramatically. Critically, the improving security environment allowed for better provision of basic services—electricity, water, sanitation and fuel. Stores reopened,
and shoppers returned to the streets. The beginnings of integration of both ethnicity and faith were evident in the Iraqi military, with the Third Infantry Division comprising 45 per cent Shite, 28 per cent Kurdish and 27 per cent Sunni. Microfinance was generating small business and jobs growth, and decentralisation of power to provinces and local governments brought more local accountability, as well as the prospect of less corruption and sectarianism. The Iraqi government also began meeting key political commitments. In March, Iraq’s presidency council agreed to a law on provincial elections. The central government passed a budget, approved a detainee amnesty, enlisted 425,000 men in its security forces and increased oil production to 2.4 million barrels a day, while funnelling $100 million a year to the provinces. Then, it launched its own security offensive in Basra and Baghdad, against the Shia militants of Moqtada al-Sadr’s Mahdi Army.

According to Professor Anthony Cordesman, in his February paper Briefing on the Battlefield, there is now convincing evidence of ‘major progress in every area’ as a result of a combination of the surge, improved ‘win and hold’ tactics by US forces, the tribal uprising against Sunni extremists in Anbar, and the push to constrain the Mahdi Army. His conclusion: ‘If the US provides sustained support to the Iraqi government—in security, governance and development—there is now a very real chance that Iraq will emerge as a secure and stable state.’ Cordesman is a respected Republican military strategist. But he is also a man who a year earlier had all but pronounced defeat in Iraq. In this latest assessment, he was characteristically sober and restrained. As much as the trends were positive, much could still go wrong. This accords with testimony before the US Congress by General Petraeus in April. He said that the surge had achieved significant progress but warned that the gains were ‘reversible’.

I have disagreed on a great many things about Iraq with my former colleague in journalism, the celebrated Fairfax war correspondent, Paul McGeough. In fact, since we first came across each other in Riyadh during the 1991 Iraq War, we have been polar opposites on just about every aspect of the Middle East debate. But, at a UN
Association panel discussion in 2005, there was one thing on which McGeough and I concurred: the time to make the judgment about the success or failure of the intervention in Iraq was not 2005, or 2007, or even 2008. Final judgment had to wait at least 10 years. We are only now at the halfway mark of being able to make such a call.

Yet just as the horrific toll of violence over these five years cannot and should not be airbrushed, nor can or should the indicators that Iraq emerging as a more stable and freer society. Iraq may yet prove to be the model—the signpost—by which the Middle East can escape its dreadful history of rule by ‘blood and fire.’ Although now is not the time to make such a judgment, I have an inkling Bush and Blair and Howard—to their great credit, and to the shame of their detractors—will ultimately be shown to have been on the right side of history.

Two strategic benefits of the Iraq intervention should never be underestimated. First, the invasion prompted thousands of jihadis from places like Saudi Arabia, Yemen, Sudan and Morocco to converge on Iraq to fight the ‘crusaders and infidels.’ Thousands of them are now dead or in prison, and the radicals have learned that America is not the ‘weak horse’, as predicted by Osama bin Laden, which would run away from attacks by suicide bombers. Al-Qaeda has been almost destroyed as a fighting force in Iraq. Second, it should not be forgotten that the demonstration effect of Saddam’s defeat and capture produced a ripple effect in the wider region: Libya’s Muammar Gaddafi abandoned his own nuclear program (much larger and more advanced than anyone had imagined) and sought a reconciliation with the US. The Libyan disclosures, in turn, led to the uncovering of the proliferation network headed by Pakistani scientist A.Q. Khan, which was selling weapons technology into Iran and, in our own region, North Korea. All of these developments had direct ramifications for the long-term security interests of the people of Australia. Plainly, it is nonsense to suggest our role in Saddam’s removal somehow made the world a more dangerous place.

Just as there was a demonstration effect in confronting the bullies, bigots and gunmen in the greater Middle East, this would also
become a key calculus for the Australian government much closer to home. By 2003, the Solomon Islands, a scattered archipelago of mountainous islands and coral atolls covering about 28,000 square kilometres in the south-west Pacific, was on the verge of collapse. Following a coup, violent ethnic tensions, and the scandalous siphoning of public resources into private bank accounts, this tiny Melanesian micro-state had been rendered all but bankrupt. Corruption and extortion were rife, its export industries had been plundered, and there was general lawlessness on the streets. Most of its 500,000 people were living in fear. With his country spiralling towards chaos, the Solomon Islands’ Prime Minister, Sir Alan Kemakeza, sought the support of Australia and regional partners in the Pacific to help restore law and order.

During World War II, Australian troops were involved in the struggle to liberate the Solomons from Japanese occupation. On July 24, 2003, the Howard government sent Australian troops and police back to Honiara, in what became known as the Regional Assistance Mission to Solomon Islands. Again, the task was to prove complex and challenging, with many reversals along the way. The return to power in May, 2006, of Prime Minister Manneseh Sogavare (an incendiary figure in the politics of the Solomons) saw the legitimacy of the Regional Assistance Mission to Solomon Islands (RAMSI), and Australia’s role within it, come under direct challenge. Sogavare, whose return to the prime ministership came on the back of a tumultuous chain of events that including rioting in the streets of Honiara and the engineering of a no-confidence vote in the Parliament against his predecessor, made it his business to resist many of the strategies set in place by RAMSI to not only improve the performance of government in the Solomons, but also to get the state’s finances back into order.

In one of several acts of provocation, Sogavare appointed as his chief law officer a man wanted in Australia to face charges of child sex abuse. Through this period, the Howard government was routinely accused by Sogavare of being too heavy-handed in its approach to the problems of the Pacific micro-states, notably the Solomons, Papua New Guinea and Fiji. However, the truth is that whenever
there was a political crisis in the South Pacific (and, sadly, there were many) island leaders tended to look to the Australian government to take the lead. The difference between the Howard government and the benign paternalism of many previous decades of Australian policy was the reluctance to simply throw aid at the problem in the hope it would go away. Downer sought greater rigour in benchmarking how governments managed their economies, and how they ran their public sector, police and judiciary. The aim was to improve ‘governance’, and thereby bring an end to the corrosive tradition of corruption and cronyism in the interface between business and politics in the Pacific.

Despite assertions of ‘neo-colonialism’ from the likes of Michael Somare and Manneseh Sogavare, the purpose of the policy was, in fact, to encourage the island states to be more independent—to make them strong and resilient, peaceful and prosperous, in their own right. In the meantime, the Howard government was always there to help. For example, when an earthquake and tsunami hit the western Solomons in April, 2007, killing 52 people and destroying the homes of more than 35,000 villagers, Australia responded quickly with defence and civilian medical teams, and emergency supplies of food, water and medicine to prevent outbreaks of dysentery and malaria. For the first and last time, Sogavare didn’t complain about Australian interference.
3 Friends and partners

In each and every one of these overseas deployments, Australia relied on close co-operation with key allies. In East Timor in 1999, it enlisted the diplomatic clout of the likes of the US and Japan to ensure first, that Australian and other international forces were allowed into East Timor; second, that once there, they had the wherewithal to hunt down, capture, and arrest all those intent on persisting with the campaign of murder, violence, arson and looting; and third that any intransigents in the Indonesian military should know and understand that any mischief-making on their part would be met with overwhelming force, if necessary. Through co-operation with Australia’s allies, the Interfet commander, Major General Peter Cosgrove, had access to the latest technology on ‘battlefield awareness’, critical to the tracking of armed groups moving through the jungle terrain. And just offshore sat the USS Belleau Wood, so that nobody should have been left in any doubt about America’s commitment. Working closely with one of the UN’s finest officials, the late and lamented Sergio Vieria de Mello, Japan assumed a leading role in the critical efforts to rebuild a workable civil administration on the island.

Although operating as independently as ever, Australian special forces in Afghanistan worked in tandem with the American military, particularly when calling in air power to attack Taliban or al-Qaeda
strongholds. In the dangerous southern provinces, there was also close liaison with Britain, Canada and the Dutch. Likewise, in Iraq, Australia contributed key officers to the planning of Operation Iraqi Freedom and Australian special forces had their own victories in the field, especially in Iraq’s western desert. After the defeat of Saddam, Australian military officers were seconded to the American-led military headquarters in Baghdad. In southern Iraq, Australia forces worked closely with the British. And, from 2005-06, in a new phase of bilateral co-operation, Australian troops provided protection to reconstruction teams from the Japanese Self-Defense Force, as they began the job of rebuilding the crumbling and decrepit infrastructure bequeathed to his people by Saddam.

In the Pacific, New Zealand was never far from Australia’s side in responding to emergencies. And, amid the devastation of the Indian Ocean tsunami on Boxing Day, 2004, the US and Japan joined Australia in dispatching military forces and civilian aid teams to cope with a humanitarian disaster in which tens of thousands had died. Australia would pledge a $1 billion package to help Indonesia rebuild. Tragically, when an earthquake struck the island of Nias, off Java, four months later, nine Australian soldiers in a medical relief team would lose their lives in a helicopter crash.

This level of co-operation with key partners became a consistent pattern of behaviour through the Howard years. Whenever a crisis arose, leading figures in the government would be on the phone to counterparts in overseas capitals to discuss joint approaches. It should not be surprising that the Howard government worked most often with those it knew best.

As the Howard government saw it, the most effective means of advancing and protecting Australia’s interests in the world, and driving solutions to global problems, was to leverage off the nation’s strengths, and work energetically through international partnerships with the likes of the US, Japan, China, Indonesia and, increasingly, India. Whether it was the threat of terrorism, the proliferation of weapons of mass destruction, or the need to advance the global free
trade agenda, Australia had to dedicate itself to strong, principled action. In all these areas, the Howard government looked to build the critical mass necessary for an effective international approach.

It was vital, in particular, to position Australia prominently in the diplomacy of the Asia-Pacific, the region where our economic and strategic interests, and those of our major friends and allies, most often intersected. Thus, Howard and Downer worked diligently for more than a decade on a strategy aimed at strengthening each of these key relationships simultaneously.

Australia’s security, economic and political ties with the United States were regarded as fundamental. Howard and Downer saw this as a no-brainer: the US would remain the pre-eminent global leader into the foreseeable future, as well as the world’s foremost democracy. Why would anyone not wish to have the closest of ties with the most powerful, most dynamic, nation in the world?

From the moment they won office in 1996, Howard and Downer determined that they would work to revitalise the US alliance, and upgrade the trade and investment links between the two nations. This had been a touchstone of the thinking of both men in their years in opposition and, once in power, they swung into action to do what they could to ensure the alliance remained as relevant heading into the 21st century as it had been in the Cold War years.

In the latter years of the Clinton administration, despite US-led military actions in Bosnia, Iraq and Kosovo, there had been a sense of drift in Washington’s attitudes towards its traditional alliances. Would they be as vital to American interests as they might have been during the Cold War? However, the election of President George W. Bush, in November, 2000, injected new impetus into the project, with an invitation to Howard to make an early visit to Washington. The Australian Prime Minister arrived on September 8, 2001, with a proposal for a free trade agreement between Australia and the US, and a plan to mark the 50th anniversary of the ANZUS Treaty with a speech to the US Congress on the importance of strengthening and modernising the relationship between two traditional allies.
Nobody could have predicted the profound impact, three days later, of the al-Qaeda assault on New York and Washington.

These attacks were epochal events, not just for America, but for the world. From that moment—instinctively, passionately—Howard identified with America’s sense of shock and outrage, and gave a solemn pledge to President Bush of Australia’s support for the response that had to come.

As Bush embarked on a global strategy to ensure there was never a repeat of the atrocities of September 11, Howard proved as good as his word. The Bush agenda to address the rise of violent extremism in the Islamic world would be difficult, confronting, and harrowing. Yet, throughout the trauma in the years that followed, the Howard government held fast, insisting these were battles that had to be fought and won. The rest, as they say, is history.

To say the relationship between the US and Australia has never been stronger is to understate the effect. The free trade agreement passed through the US Congress with a thumping majority, despite Capitol Hill having a notorious record of obstructionism on similar deals. More broadly, Australia became an integral partner to the superpower across all policy fronts. From weapons proliferation and North Korea, to climate change and the rise of China, to counter-terrorism in Asia or global trade, the Howard government’s views were sought, and respected. Anyone who thinks this sort of traction is there for the asking in the halls of power in Washington should run a survey of foreign ministries around the world. Only a handful could ever claim the same.

This notion of Australia as a solid ally of the world’s leading democracy, embracing a forward-leaning, full-spectrum engagement with America in the important global strategic debates, ought not to be controversial. Yet, in the Howard-Bush years, it became so. I put this down largely to the long-standing neuroses of the Labor left in Australia about America’s role in the world.

Although Australian foreign policy has been broadly bipartisan for the best part of 60 years, there have been, and will continue to
be, periodic breakouts of rancour between the major parties over policy direction at critical junctures. Both sides see themselves as the true custodians of the Australian worldview. Both have legacies to protect. They divided over the Vietnam War. They divided over the boycott of the Moscow Olympics in protest at the Soviet invasion of Afghanistan. They divided over the second war of intervention against Saddam Hussein, although, it should be remembered, not the first.

Why has this been so? Sadly, some on the left remain mired in the history and ideology of Cold War antagonism towards America. Through to 1989, successive generations of leftists in Australia, like their counterparts in Europe, were seduced into a belief that Marxism offered a superior moral doctrine, and that the Soviet Union, Mao’s China, North Vietnam and Cuba (and even, occasionally, North Korea) offered better organisational models for humanity than Western-style democracy, as symbolised by American military and commercial power. They could not have been more wrong. Eventually, the left in Australia, as in Europe, had to reconcile itself to the awkward fact that they had been apologists for an oppressive totalitarian ideology. Yet, for these ‘useful idiots’ of 20th century history, old habits of thinking die hard. As a result, an undercurrent of anti-Americanism among the left runs persistently through the major foreign policy debates in Australia. As a matter of day-to-day political reality, it makes foreign policy more precarious for Labor leaders. From John Curtin to Gough Whitlam, through Bob Hawke to Paul Keating, and now Kevin Rudd, Labor leaders have been forced to tailor their internal messages to different parts of the brain. For the purposes of party cohesion, they would confront the left only if absolutely necessary.

In 1984, Bob Hawke had to weather a ferocious internal backlash over his support for missile tests in the Pacific ordered by President Ronald Reagan. In 1990-91, he had to do so again, when the left erupted over his support for the UN–endorsed, US-led military campaign to end Saddam’s occupation of Kuwait. In the years in
opposition, Labor’s knee-jerk opposition to US missile defence research, and its deep divisions over the Free Trade Agreement with Washington, demonstrated that, for all the attempts by (most) Labor leaders to portray themselves as firm supporters of the alliance, the commitment of the broader party to the relationship was half-hearted at best. Unless he is extremely lucky, Kevin Rudd can expect to face similar tests to Hawke. Only then will we begin to discover whether there is a set of coherent and consistent principles guiding his approach to Australia’s role in the world.

On foreign policy, the strategic challenges for Rudd will be many. Some of the accompanying political challenges at home and in key foreign capitals come down to problems of his own making, largely because of expectations he created while in opposition about the realigning of Australia’s interests. First, how does he reconcile his protestations about America being ‘an overwhelming force for good in the world’ with the fact that a significant minority within his own party view American global policy (not only under George Bush, but almost all of his predecessors) with deep hostility and suspicion? Second, how does he square his support for the War on Terror in Afghanistan with his policy to withdraw a third of Australia’s forces from the battle against al-Qaeda extremists and their Sunni sympathisers in Iraq? Third, and critically, how will he seek to manage the balancing of Australia’s key international relationships in the Asia-Pacific region, given the sometimes competing interests and priorities of the US, Japan, China, Indonesia and, increasingly, India? Across a range of issues—security, climate change, counter-terrorism, weapons proliferation, and global trade and investment—there is much at stake for Australians in the outcome.

What markers did the Labor Party lay down in opposition on how the new federal government would approach this aspect of its duties? And how is this likely to diverge from the strategic framework set in place by Howard and Downer?
Foreign policy did not feature prominently in the 2007 election campaign. Labor made the plight of ‘working families’ its banner issue; the Coalition stood largely on its successful record of managing an economy that had registered a decade of high growth and the lowest unemployment in 30 years.

The only global issue on which the two campaigns engaged with any fervour was the debate over Australia’s role in international negotiations to grapple with the challenges of climate change. Labor judged, correctly, that much of the electorate, and especially the young, were seized by the threat of global warming. It portrayed the Howard government as incurable ‘climate change sceptics’ and promised that an early decision to reverse the Howard government’s stance, and ratify the 1997 Kyoto Protocol, would bring Australia more into line with mainstream international attitudes.

For Labor, it did not matter that this was a policy debate in which too many so-called experts had become agenda-pushers, embarking on frequent, extravagant detours from the known facts and the established science. Neither did it matter that any effective international response to the reduction or mitigation of carbon emissions would hinge on complex and difficult ‘post-Kyoto’ negotiations aimed at ensuring major industrial powers like the US, China and India could no longer opt out of the equation. This wasn’t a
debate about inconvenient truths, it was a debate steeped in emotionalism and alarmism, which Labor calculated could be turned to its advantage by pigeon-holing the Howard government as being out-of-touch and marginalised in the global debate. Throughout the campaign, Rudd played to the politics of fear, issuing dire warnings about the consequences of not acting urgently to counter a reportedly inexorable trend towards higher global temperatures. For his efforts, Rudd won the endorsement of the world’s foremost climate change scaremonger, former US Vice-President, Al Gore. Just this once, the Australian left was strangely silent on this intervention in domestic politics by an American leader.

Rudd also entered the 2007 election season mounting a populist ‘troops home from Iraq’ campaign. The subtext of this policy, intended for the consumption of the Labor left, was that George Bush had failed—badly—and that Australia would do best to distance itself from American strategy by pulling out its combat forces. However, Rudd’s stance on Iraq was unlikely to shift any votes in Australia that were not already decided. Given it was the same policy formula adopted by Crean, Beazley, and Latham before him (a policy, it should be noted, that voters seemed not to embrace in 2004) it is hard to see how it could have been decisive in the 2007 election. Far more likely is that Rudd was about appeasing the anti-war, anti-American left in his own party. In December 2006, he could not have hoped to win the support of the left for his leadership run with any other position. Whether that policy position happened to accord with his personal convictions is a matter for conjecture.

For man who so often accused John Howard of being a poll-driven politician, this was an early example of Rudd allowing opportunism to trump principle. Labor became ever more strident in denouncing the Iraq project as a disaster, denigrating Iraq’s new political leadership as ‘corrupt, inept and, in some cases, murderous’ and offering the diagnosis that Iraq had collapsed irretrievably into out-and-out civil war. This, of course, was argued to be proof of the Howard government’s folly in involving Australia in the first instance.
In its own defence, the Labor Party would argue that its positioning on both Kyoto and Iraq was consistent with the importance Labor has historically attached to the idea that major policy judgments which impact on global stability and security should always have the broadest possible international legitimacy. This reflects Labor’s traditional enthusiasm for Australia having a prominent and prestigious role in the high councils of multilateralism. Labor holds up the United Nations as top of the totem, the holiest of holies. At his recent meeting in New York with UN Secretary-General, Ban Ki-moon, Kevin Rudd announced plans to campaign for a rotating seat on the Security Council in 2013-14.

Anyone who has been to the annual opening session of the United Nations General Assembly in New York, and watched standing ovations given to bilious anti-Western rants by Robert Mugabe and Hugo Chavez, might wonder sometimes whether the UN quite measures up to Labor’s aspirations.

The Howard government was inclined to a more practical ‘pay on results’ approach—although despairing at the UN’s inability to respond effectively to security challenges and human rights abuses, it acknowledged that the world body was an important element of the machinery of global co-operation and that many of its agencies performed outstanding work in the developing world, notably in disease control and education. The Howard government argued for reform of the UN in those areas where it was clearly deficient. In the meantime, it sought to tailor Australia’s multilateral efforts to seek maximum impact in those areas most relevant to Australia’s needs and objectives.

Labor’s perspective, in contrast, is shaped by strong sentimental attachment to the concept of multilateralism. Central to Labor’s view of its contribution to 20th century history is the belief that, as the world emerged from the ruins of the Second World War, the Chifley government, through External Affairs Minister, ‘Doc’ Evatt, played a key role in shaping the UN and, as a result, the post-war world as we now know it. Today, Labor views the UN as crucial to setting rules for international behaviour. It sees the covenants of the UN Charter as, in
effect, the codification of principles governing the behaviour of states towards each other and, increasingly, towards their own citizens. It sees this evolving into a framework of international law that will protect the interests of small nations, and the world’s most vulnerable citizens. A more prosaic view of history tells us that this role for the UN is true more in the abstract than in the reality. But Labor remains wedded, religiously, to the ideal.

The role of Evatt as midwife to the creation of the UN is one of Labor’s most powerful and enduring legends. Yet the actual dynamics at the 1945 San Francisco conference, as described in Stephen Schlesinger’s Act of Creation: the Founding of the United Nations, do not accord entirely with the mythology.

Evatt was certainly energetic and active in San Francisco, devoting countless hours of speeches and lobbying in a campaign to circumscribe the powers of the Big Five on the Security Council, especially the use of the veto. He proposed some 38 amendments to the draft UN Charter. Although many of these were technical, lawyerly refinements of the text, it is a tribute to his doggedness that 26 of his amendments were, ultimately, either adopted in full or reflected in the wording of the Charter, with the support of smaller nations like Mexico, Belgium, El Salvador, Chile, Colombia, Peru and New Zealand.

But whether or not a love of the limelight got the better of him, there were moments when Evatt’s brinksmanship almost had the effect of suffocating the UN at birth. In briefing US President Harry Truman on Evatt’s antics, the then US Secretary of State, John Stettinius, said he had spoken to a ‘responsible career member’ of the Australian delegation, only to be told that ‘Evatt was trying to curry favor with smaller countries to please his left-wing constituency at home but he did not intend to wreck the conference.’ This is not a particularly edifying anecdote for a party which seeks so often to claim for itself the high moral ground in Australian foreign policy. Who would have thought one of the party’s immortals engaged in crass posturing on the loftiest of international stages merely to pander to the left back
home? We sometimes hear echoes today of that same cynicism.

When the US and the Soviets eventually hammered out a formula to resolve the dispute over veto powers, Evatt persisted in playing to the gallery. A leading US delegate, the forthright Texan Democrat, Senator Tom Connally, confronted Evatt and warned him: ‘If you want to go away from San Francisco with a Charter, let us deal with this promptly.’ When Evatt refused to abandon his obstructionism, the Americans considered asking Truman to call Prime Minister Ben Chifley personally to have him reined in. As Stettinius complained to the President: ‘Evatt is running around to every committee and is just like a wild steer, doing everything possible he can to break this Conference up.’ On June 14, 1945, the Americans took the tussle to the open floor of the conference, and warned the other delegates, bluntly, that the veto powers would have to be adopted as negotiated, or the UN Charter would fail. Ripping up the draft documents for dramatic effect, Senator Connally told them it was a now-or-never proposition. Evatt’s bluff had been called. After that, his continued campaigning for amendments to the text to better define, for example, the procedures of the General Assembly, resulted in what the Soviet delegation would later dismiss haughtily as merely ‘cosmetic’ changes.

As this history reminds us, from its beginnings the UN was always imperfect. It was the stuff of compromise and trade-offs, and it remains conspicuously so today. We witnessed its failings in the debates over Iraq, including its management of the oil-for-food program. We saw its paralysis in the face of massacres in Rwanda, the former Yugoslavia, and Darfur.

The UN has no heavenly mandate, no superhuman powers, on climate change or anything else. It can be no more than the sum of its parts—the good, the bad and, all too often, the ugly. If Kevin Rudd wants the UN as the centrepiece of his ‘active middle power diplomacy’, and ups the ante by soliciting votes on the floor of the General Assembly for a Security Council nomination, he will learn very quickly that part of the cost of the exercise will be an expectation that Australia will trade on policies and positioning to secure votes.
Australia’s support for Israel might well become one of the key tests. If Rudd wants to be a darling of the UN, he will have to be ready to fix a smile on his face, bite his tongue, and, where necessary, hold his nose.

At the political level, however, there is a possible advantage in his UN stratagem. If the new Prime Minister can shift greater focus onto Australia’s multilateral diplomacy—that is, by adopting the fashionable line at the UN, and being warmly applauded, as he was at the Kyoto meeting in Bali—it might serve to deflect from scrutiny of the Rudd government’s management of the bilateral relationships most critical to Australia’s interests, especially in East Asia.

Here, already, Kevin Rudd’s mishandling of Australia’s relationship with Japan has got him into early difficulty.
5 Australia in Asia: Balancing the interests

One of the enduring foreign policy myths peddled by the intelligentsia in Australia is that we must inevitably make a strategic choice about our future in Asia. This is code-language for saying that economic and political realities will one day dictate that Australia must align itself more closely with the rising power of China, and accept a relative decline in its relations with the likes of the US and Japan. This proposition is puerile; as is the notion that a policy to elevate relationships with the US and Japan, such as the Howard government’s involvement in the Trilateral Security Dialogue with Washington and Tokyo, must somehow imply a downgrading of relations with China.

Australia’s foreign policy is not a zero-sum equation, and never has been. The key is balance and consistency. The stated policy of the Howard government was to embrace China in the architecture of the Asia-Pacific region, and to encourage her constructive engagement globally. For all the lurid myth-making about Australia working with the US and Japan to contain China’s emergence as a power, relations between Canberra and Beijing under the Howard government had never been stronger, more resilient, or more substantive.

This was reflected in the atmospherics of face-to-face meetings with the Chinese leadership, which were not just business-like, but direct and forthright. Alexander Downer enjoyed the banter, and the jousting, with former Foreign Minister, Li Zhaoxing, another veteran
on the global diplomatic circuit. Unfailingly, Li would begin formal bilateral meetings with a doctrinaire denunciation, in Mandarin, of Taiwan separatism, of the Falun Gong, and of the Dalai Lama. Unfailingly, Downer would respond, in English, by urging China to play a constructive international role, and for its leaders to understand the importance attached by Australians to human rights. The exchanges showed that while Australia and China had some common strategic interests, notably in each other’s economic advancement, they could not help but diverge on touchstone issues of democracy and freedom.

Personalities will never trump policy when it comes to nations arguing their fundamental interests. Nevertheless, Downer had benefited from regular contact with many of the emerging figures in Chinese diplomacy, such as Yang Jiechi and He Yafei, when they were in more junior positions, as well as when they began to advance through the system. There seemed nobody who arrived at or near the top of the foreign ministry hierarchy who he hadn’t already met or known. So although there were many times Australia and China had to agree to differ, often quite vigorously, the formula adopted on both sides was to look to enhance the relationship where it was seen as mutually advantageous, while acknowledging there would routinely be differences in worldview that could not easily be resolved or reconciled. China took umbrage at criticism over its mistreatment of Tibetans and the practitioners of Falun Gong, its cynical and unflinching support for military bullyboys in Burma and Sudan, and its unhealthy competition with Taiwan for the geopolitical allegiances of the small island micro-states of the Pacific. On the upside, the establishment of a ‘strategic dialogue’ between Australia and China reflected an increasingly regular high-level dialogue on military or strategic issues of common interest, notably, how best to deal with North Korea’s nuclear weapons programs.

Self-evidently, one-party rule in China was anathema to the Howard government. Even so, they were always ready to credit China’s phenomenal development over the past 30 years, after having opened
its economy to the world, as a fundamental good. Hundreds of millions in the world’s most populous nation had been lifted out of poverty.

The Howard government sought also to deepen and broaden bilateral ties with Japan. The government wanted to elevate the relationship beyond its traditional narrow focus on trade and commerce. Exports to Japan account for more than $35 billion of Australia’s national income each year, fully half as much again as China, the next biggest export destination. And the trade account with Japan runs heavily in Australia’s favour, unlike the trade deficits with both the US and China. When the Howard government came to power, Australians had been pocketing the benefits of this relationship for 40 years without perhaps acknowledging how critical Japan had become, not only as a customer for our resource, energy and primary industries, but also as a leading democracy and strategic ally.

More than any before it, the Howard government recognised this unhealthy disparity. In 1996, John Howard set the tone for future policy by including Tokyo as one of only two capitals (the other Jakarta) on his first official visit to Asia as Prime Minister. This represented acknowledgment by the incoming coalition that, for all the ‘Asia First’ rhetoric of the Keating government, the level of engagement with our biggest partner in East Asia had been underdone. It proved astute. For, Japan, too, was readying itself for a more expansive role in global affairs, commensurate with its weight not only as an economic and trading power, but also its prominence in the strategic calculus of East Asia, and its role as a world leader in development aid.

Again, the dynamics of personal relationships became important. Both Howard and Downer got on well with Prime Minister Junichiro Koizumi (who shared Downer’s quirky sense of humour), as they did with his successor, the more understated Shinto Abe, who both had come to know well when he served as Koizumi’s Cabinet secretary.

Abe made the trip to APEC in Sydney despite severe political pressures at home. Less than a week later, on September 12, word came through that Abe was likely to resign as Prime Minister later that day.
I had accompanied the Foreign Affairs Minister into the House of Representatives chamber that day for Question Time. I slipped him a note alerting him to events in Tokyo. He immediately walked across to the dispatch box, to share with the Prime Minister the shock news. The anguish on the PM’s face as Downer showed him the note was captured from the public gallery by News Ltd photographer, Gary Ramage. The media, of course, could not have known what the two men were discussing, or what was behind the look of consternation on their faces. However, it says a lot about the power of images (and the power, sometimes, of misleading images) that this picture ran as the main display in *The Australian*’s reports the following morning on the leadership debate within the Liberal Party in Canberra. How ironic that while Howard was actually mourning the fate of a fallen ally in Tokyo, the media assumed this to be an illustration of the Australian PM panicking about his own predicament.

The successor to Abe would be the genteel and softly-spoken patriarch of the Liberal Democratic Party, Yusuo Fukuda, once again, an old acquaintance of both Downer and Howard. We had seen him only a few months earlier during a trip to Tokyo in June, when the minister was invited to a meeting with elders of Japan’s Liberal Democratic Party in a magnificent timber-panelled ante-room at the Diet. Relations with Japan had become such that even upheavals such as the Abe departure didn’t interrupt the steady rhythms of a strong, stable, and increasingly sophisticated engagement between the region’s leading democracies. On development issues in the Pacific micro-states, including East Timor; on the struggle against global terrorism; on bailing out the economies of South-East Asia worst affected by the 1997 financial meltdown; on marshalling the humanitarian response to the 2004 tsunami; on advancing the global free trade agenda; on energy security and climate change; on missile defences; on actions to curb the proliferation of weapons of mass destruction, especially as it related to North Korea; on the importance of developing effective regional security mechanisms in East Asia. On all of these things, and more, Japan and Australia co-operated extensively and effectively.
John Howard would often say that Australia had no better friend in the region than Japan.

None of this should be taken to mean there were never disagreements with Japan, China or the US. Australia’s relationships with these major powers can sometimes be the most difficult to manage, precisely because they are the most important to our interests, and the consequences very serious for Australians if we ever get it wrong. There were regular challenges for our diplomats, whether Japanese whaling or human rights in Tibet or the paranoia of protectionist elements in the US Congress about lamb or steel exports into the US. On all of these issues, Australia is entitled to raise its concerns forthrightly, and does. But, in all things, the key is to ensure its representations are proportionate.

Here is where the new Rudd government has begun courting controversy. What were we to make of the symbolism that saw the new government adopt the most macho of megaphone diplomacy when it came to expressing moral outrage over Japanese whaling while confining itself, initially, to the meekest of protests when troops and tanks rolled into Lhasa? This yawning disparity in the Rudd government’s approach to the two major powers in East Asia was not a good look, serving only to compound the worst fears in Tokyo about the Prime Minister’s decision to include China, but exclude Japan, as a destination for his first major overseas trip as Prime Minister. How well we balance our relationships with the key powers of the Asia-Pacific is critical to Australia’s long-term security and prosperity. It is not just a question of how we relate to each of them individually. It also requires an adult appreciation of how they interact with each other.

Part of the reality of China’s resurgence as a great power is its readiness to exert its diplomatic muscle in ensuring its interests and priorities are respected.

This happens not just in its relations with Australia. It characterises Chinese diplomacy worldwide, particularly when it comes to international attitudes towards China’s hot-button issues—Taiwan, the Falun Gong, and human rights in Tibet. China can be prickly, if not
bellicose, on any or all of these issues. Its diplomats are expected to put China’s case forcefully.

By his own actions, flaunting his Sinophile tendencies so conspicuously, and needlessly upsetting Japan, Kevin Rudd made the management of this dynamic more difficult than it should have been. Amid questions raised about his dealings in opposition with a prominent Chinese telco company, he invited speculation about whether he was too accommodating of China’s sensibilities. The effect was to heighten scrutiny of his handling of the geopolitics of China’s rise, not just in the Canberra press gallery but in Tokyo and beyond.

On the first day of his visit to Beijing, the Prime Minister won a lot of plaudits in the Australian media for being seen to either ‘tackle’ or ‘confront’ China over its suppression of the Tibetan protests: ‘Australia, like most other countries, recognises China sovereignty over Tibet but we also believe it is necessary to recognise there are significant human rights problems in Tibet. The current situation in Tibet is of concern to Australians. We recognise the need for all parties to avoid violence and find a solution through dialogue.’ In fact, the crafting of this message in Beijing was scrupulously formulaic. It followed precisely the contours of each and every statement made consistently by Australian governments on this issue over the previous decade.

Alexander Downer raised Tibetan human rights in almost identical terms, with Foreign Minister Li, in April, 2006. The same message was conveyed at the last round of the Human Rights Dialogue with Chinese officials in Beijing in July, 2007, where Australia also raised China’s use of the death penalty and torture, the treatment of political prisoners, the lack of freedom of expression, and the rights of women, children and minorities. Indeed, the Howard government cautioned China’s leadership that its approach to human rights would be crucial in framing international perceptions in the lead-up to the Beijing Olympics. Much of this quiet but determined advocacy went unreported.

In contrast, Kevin Rudd was marked up in the media for having delivered his message in Mandarin before an audience of students
at Peking University. Not that this had any impact whatsoever on
the man-in-the-street in China, given that the state-run media duti-
fully censored his critique on Tibet. With a new outbreak of violence
in Tibet still fresh in the mind, one consideration for Kevin Rudd
might have been whether he should have gone further—like, for ex-
ample, France’s Nicolas Sarkozy or Japan’s Yusuo Fukuda, who both
laid responsibility directly at the feet of China’s leadership. The Prime
Minister chose not to follow this example, stressing he did not fa-
vour punitive talk of an Olympic boycott. Rudd kept his criticism of
China controlled and circumspect, consistent with the policy of his
predecessors.

This should have been apparent to anyone in the Australian media
with any knowledge of exchanges between Australia and China on the
question of Tibet. Certainly, the sentiments he expressed would have
come as no great shock to the foreign ministry in Beijing, who would
have expected nothing less. They were already well aware of Australia’s
official position on Tibet. Reflecting this, China’s verbal protest in
response to Rudd’s remarks was suitably ritualistic.

At the end of the day, the Labor government managed the diplo-
macy of the Tibet crisis well enough, and the media perceptions (at
home) masterfully. Which raises the question: why not the same disci-
pline and reserve, the same duty of care, in his government’s approach
to its early dealings with Japan?

Labor’s all-guns-blazing PR campaign against Japanese whalers
reeks of selective morality. Anyone who doubts this need only juxta-
pose the Rudd government’s busybody activism on Japanese whaling
with its relative constraint on China’s human rights record. Would
the Rudd government ever be seen to authorise one of its ministers
to distribute film footage worldwide of Tibetan dissidents being per-
secuted, beaten or shot by Chinese security forces? Would it let loose
Environment Minister, Peter Garrett, to publicly trumpet plans to
hunt down or harass Chinese ships on the high seas? Would it send
Garrett onto CNN and the BBC to demand the world respond as one
to this unforgivable slaughter? That none of this is remotely conceiv-
able illustrates how over-the-top and disproportionate has been the posturing against Japan.

We cannot read the minds of Australia’s interlocutors in the two giant key East Asian capitals. But if some of the elite in Beijing have come to the view that Kevin Rudd is a very good thing for China’s interests, who could blame them? If Tokyo is beginning to wonder whether Kevin Rudd’s ascension will signal a shift by Australia more closely into China’s orbit, who could blame them? They see what they see, and they hear what hear. On both counts, they might be totally misguided. But if the signals have been misread, whose fault exactly is that?
India is another Asian giant likely to be more than a little curious about how the new government redefines Australia’s strategic approach. Like Japan, India will not have been impressed by some of the early signals. India’s economic transformation has been every bit as spectacular as China’s. Internationalising its economy in the early 1990s after decades of closed markets and state monopolies, India’s growth is running between 8-9 per cent a year. Unlike China, India offers itself as an exemplar to the developing world of how open democratic government can provide vibrant conditions for the transition from a subsistence culture to an advanced, modern economy. But, like China, India’s emergence as an economic powerhouse of the 21st century has been contingent on three other key factors as well: a well-educated workforce, open access to global markets, and affordable and reliable energy supplies.

It is worth dwelling for a moment on the impact of these shifting patterns of global economic development. One of the most heartening statistics in recent world history is this: in less than two decades, the numbers of people in East Asia living in absolute poverty has fallen from 30 per cent in 1990 to less than one in 10 by 2007. This is a great success story: in that part of the developing world where the market model has been adopted with most enthusiasm (even by the world’s largest Communist state), the result has been the spread
of more bountiful opportunities in life to more than 630 million people.

However, the rapid growth of India and China, as well as the ‘long boom’ in the Western economies since the 1990s, has also had the effect of driving exponential growth in global demand for energy. As supply struggles to keep up, prices have risen. As the appetite for all energy grows, more energy sources become more viable to extract, so new projects begin. But higher prices are also pushing governments, companies and consumers to adjust their energy use, and diversify their energy mix. Coal and oil prices doubled between 2003 and 2006. Liquefied natural gas prices have doubled since 2002. Uranium prices, to fuel the shift back to nuclear power generation, have increased almost 20 times over since 2000. Nuclear power now generates one-sixth of the world’s electricity.

This interplay between trade liberalisation, global energy markets and the climate change debate will be of even more critical significance to Australia and the wider region in the approaching decades. In fact, the question of energy security will be a defining issue for the Asia-Pacific in the next 20 years, just as important in its ramifications for political stability and economic development as any new international system of carbon trading. In fact, these issues are, in many respects, inseparable.

Australia has a significant role in the dynamics of global energy markets, and not because the Rudd government has signed the Kyoto Protocol. Rather, it is because Australia is one of the world’s major exporters of coal, LNG and uranium. As global energy demand rises, a reputation as a stable, secure and reliable supplier of energy will increase Australia’s importance, especially in the Asia-Pacific region. The APEC economies account for 60 per cent of global energy demand, and APEC’s energy imports are projected to double between 2000 and 2020, irrespective of Kyoto or whatever follows.

One element too often overlooked in discussions of China’s role in the world is the extent to which its foreign policy approaches are driven by resources diplomacy. Unlike the former Soviet Union, the
Chinese Communist Party is not driven strategically by the imperative to export its ideology. However, secure and affordable energy supplies remain pivotal to its trajectory of continuing rapid economic development. There is an overarching political dimension to all of this: given rising prosperity is the fundamental trade-off in the Communist Party’s political compact with its citizens, China devotes enormous time and commitment in its diplomatic efforts to procuring, and jealously protecting, energy supply lines. One outcome has been the procession of massive long-term contracts with Australian energy suppliers. Another, unfortunately, is the unappetising spectacle of China providing solace and shelter internationally to the likes of Sudan, Burma and Zimbabwe because of their significance to China’s energy and resources pipelines. Moreover, we are now seeing the exuberant desire of China’s state-owned energy and resource giants to gain greater leverage over global markets, by seeking to invest heavily in resource and energy industries. The aim may be to hedge against rising prices, rather than browbeating producers to keep costs down. But, whatever the explanation, the policy challenges of sovereign fund investment in leading resource companies in Australia has already come across the desk of Treasurer, Wayne Swan, and is unlikely to go away.

This brings into discussion two key elements of Labor’s global strategic approach that may have serious implications, not only for Australia’s economic outlook as an energy-rich producer, but also our role in helping to manage the geo-political challenges of these historic increases in demand across global energy markets. One is Labor’s insistence on dramatic cuts in greenhouse gas emissions, both in Australia and internationally. The second, very much linked to the first, is Labor’s illogical and incoherent policy towards the mining, processing and export of uranium for civil nuclear energy. Both are critically relevant to future relationships with China and India, in particular, where access to affordable, reliable (and cleaner) energy supplies is seen as a vital ingredient if they are to continue their spectacular growth.

China’s appetite for Australia’s energy and resources is matched by Japan, South Korea, Taiwan and, increasingly, India, which is already
Asia’s fourth-biggest economy. All put high value on Australian coal, LNG, iron ore—and uranium. Here, Labor’s historic aversion to nuclear power, and its reluctance to engage in a rational, grown-up debate about the potential of low-carbon emission nuclear power generation, becomes a serious diplomatic headache, as well as a hulking obstacle to a consistent and coherent global energy policy.

Take, as an example, Labor’s opposition to selling uranium into India’s civil nuclear energy program. That India can source uranium elsewhere seems not to bother the ALP. That it is in the world’s interests that India diversify from carbon-based energy into nuclear power is apparently of no consequence to the ALP. That India is a stable democracy, on a settled political path, seems not to count for much, either. Labor’s sole calculation is that India is not a signatory to the Nuclear Non-Proliferation Treaty, and therefore must be held to be off-limits as a destination for Australian uranium sales.

India has said it will never sign up to the NPT because it regards the treaty as discriminatory, outdated, and prejudicial to its strategic interests. It does not take kindly to being treated differently to Russia, China, the US, Britain or France on the issue of supply to its civil nuclear power industry. After all, as the Indians quite rightly argue, it is a democracy of long standing, its institutions are stable and transparent and it has no history of nuclear proliferation. The same cannot always be said with the same certainty for China or, indeed, Russia. Labor’s attitude towards uranium supply to India is riddled with hypocritical posturing, just as it was when the Hawke and Keating governments sold uranium to France despite the conduct of nuclear weapons tests in the South Pacific. On what basis in logic, other than the lawyerly insistence on signing a UN treaty, is it appropriate for Australia to sell uranium to other nuclear weapons states, but not India? On August 16, 2007, John Howard told the Australian Parliament the Coalition was ready to consider supplying uranium to India on two conditions—that it be used only for peaceful purposes, and that strict safeguards, including International Atomic Energy Agency inspections, were negotiated. ‘India does have a very good non-proliferation
‘track record,’ he said. ‘India is also a major and rapidly growing emitter of greenhouse gases. We believe that uranium ought to be part of the solution, and that nuclear power has to be part of the solution. India is an influential regional power and a potential strategic partner for Australia. In those circumstances, we think that it no longer makes sense—under proper conditions, in proper circumstances and subject to proper safeguards—for this country not to contemplate selling uranium to India in the same way that we have contemplated, under proper conditions, selling uranium to China.’

‘Labor, on the other hand has ruled out any supply to India unless and until it signs the NPT. While Labor made much in opposition about the need to remedy an ‘underdeveloped’ relationship with India, for New Delhi the early litmus test is likely to be Labor’s handling of this issue. Doubtless, there are sensible figures in the Rudd government, conscious of the contradictory strands in Labor’s approach to the twin issues of global energy security and climate change. Australia is a significant player in ensuring sufficient and secure energy supplies to underwrite the global growth so crucial to alleviating poverty. As much as it must engage in finding practical, sensible answers to the challenges of climate change, it must also be aware of the importance of reliable and affordable energy supplies to the emerging powers of Asia, not to mention the impact of energy and resources exports on Australia’s trade equation and, by extension, economic prosperity at home.

This was why the Howard government joined the US, China, India, Japan and South Korea in the Asia-Pacific Partnership on Clean Energy and Climate. Not to subvert the Kyoto processes, as critics claimed, but to explore imaginatively new thinking on identifying, then incorporating, lower-emission technologies, such as clean coal, or indeed nuclear power, into the energy mix of the major regional economies. Australia put itself forward as a constructive partner in the search for solutions—on climate change, and, as importantly, on energy security.

The Rudd government brings to the debate a very different per-
spective. In its rhetoric, it has given far greater priority to climate change than to the question of global energy security. It should rebalance its approach. An Australian government that takes to lecturing the Indians or Chinese on why they should hinder their economic development by dramatically cutting energy use, or, alternatively, sermonising to the Indians on why they are not to be trusted with the cleaner option of nuclear power, might not get much of a hearing. The imperative for both China and India is to power their economic development. They won’t have a lot of time for those who can identify all of the problems but offer none of the answers.

Here, again, is where co-operation with Japan is a valuable asset. Alongside the US, it leads the world in clean-up technologies for heavy industry. Japan devotes many billions of dollars a year to research into energy-saving technologies in sectors such as steel-making, cement production, automotive industries and other large-scale manufacturing. If India and China are to find less carbon-intensive means to fuel their industrial growth (and nuclear power is one of the leading options, whether the Australian Labor Party likes it or not) technology transfers from Japan will figure prominently. In opposition, Kevin Rudd could afford to play to the ideological excesses of the climate change debate. In government, he would do better to focus on how Australia, in partnership with the likes of Japan, can actually make a meaningful difference.

The Rudd government will soon discover that the energy security debate cuts across other foreign policy objectives in the region.

Burma’s response to the disastrous cyclone in the Irawaddy Delta is a glaring example of this. The junta’s stubborn refusal to accept early offers of aid caused widespread anger and exasperation internationally. This reveals the limits of international action when a paranoid military regime puts its own political survival ahead of the interests of its people.

Here, the role of China, and India, is pivotal. There will be no progress on human rights in Burma, for example, until and unless the military junta comes under greater regional pressure for political reform.
Successive Burmese foreign ministers have listened, more or less politely, to strenuous objections from the Australian government about the junta’s appalling human rights record, its repression of political dissent, and the house arrest of Aung San Suu Kyi. Burma’s stock-standard response to international censure is to promise reform, then do the opposite.

The unadorned reality is that there will unlikely be any genuine progress unless both China and India, the two regional powers with greatest influence over Burma, can be enlisted to exert pressure. Each has been reluctant to do so. This might have something to do with a strategic calculation, by China, in particular, about Burma’s resource wealth, and its proximity to the vital trade and shipping routes from the Middle East. If Australians want to achieve results in Burma, they need to understand the importance of building the right coalition of interests to exert pressure where it counts. This will always be more effective than UN speeches, or high-minded communiqués, in getting the job done.

Similarly, Labor in opposition was highly vocal about human rights in resource-rich West Papua. At the ALP national conference in 2007, it adopted a policy to ‘push for a solution’ on West Papua. While Labor insists it supports Indonesia’s territorial integrity, as recently as 2006, it issued a media statement suggesting an Australian parliamentary delegation should be sent into West Papua to investigate alleged human rights abuses by Indonesian authorities. Again, this holier-than-thou posturing was unlikely to deliver the special autonomy status sought by the people of West Papua. Australia has a fundamental national interest in Indonesia’s stability and prosperity. A constructive relationship of trust with the democratic leadership of Indonesia is more likely to prove a preferable, and more productive, strategy.
Kevin Rudd’s approach in opposition suggested that he saw international diplomacy as being as much about style and symbolism as substance; that Australians would win plaudits internationally if they said the right things at the right times to the right audiences. But the problem with this is that it can sometimes mean saying quite different things at different times to different audiences.

A serious underlying concern here is the new Prime Minister’s well-documented obsession with the 24-hour media cycle, and the suspicion that what matters most of all to him is what plays well in the next day’s headlines. In opposition, where every opportunity to gain a political advantage has to be exploited to its maximum, this might be fair enough. In government, and especially in foreign policy, it is strategically fraught. As Gareth Evans complained regularly, the Australian media subscribes to the ‘row or kowtow’ school of diplomatic reporting. Either Australia has bowed cravenly and submissively to pressure from a foreign power, or it has infuriated, aggravated, insulted or incensed key neighbours or friends. No matter how clever a media manipulator, if the Prime Minister seeks to run foreign policy to these rhythms, it will be a game he cannot win. That being so, Kevin Rudd would be far better advised to forget the self-promotion for short-term gain, and to bring some intellectual integrity and consistency of purpose to the setting of foreign policy priorities.
In opposition, Rudd played fast-and-loose with global security policy. The same man who had committed to the struggle to defeat the Taliban and their al-Qaeda sympathisers in Afghanistan adopted a very different line on Iraq, where he proclaimed the struggle to defeat Sunni extremists and their al-Qaeda sympathisers as ‘the biggest foreign policy disaster since Vietnam.’ In fact, it should have been patently obvious that the effect on global security of strategic defeat in either Iraq or Afghanistan would be equally bad. Rudd also ran the bogus claim that Australia would be safer from terrorism if it got out of Iraq—yet, somehow, the same principle did not apply to Afghanistan.

When speaking to his political base in Australia, particularly the left, Kevin Rudd paraded his decision to withdraw Australian combat troops from Iraq as delivering on his so-called ‘exit strategy’. When he spoke to Americans, the then opposition leader emphasised that Labor policy did not represent abandonment by Australia of its ally. At home, of course, the new Prime Minister never made a habit of advertising the reality that, when Labor withdrew the combat troops from southern Iraq, two-thirds of the total Australian contingent would remain in place in the Iraq theatre of operations. It is the withdrawal you have when you do not have a withdrawal.

How did he manage to navigate his way through these many contradictions and contortions without being held up to closer scrutiny? That’s showbiz, as they say. With a declining media focus on the substance of policy, and greater emphasis on the theatre of politics, opportunism becomes the lifeblood of opposition. Parties who have spent a long time out of office are tempted to do or say whatever they need to do or say, often shamelessly, to get back into power. They exploit whatever vulnerabilities governments throw their way.

Thus, in 2007, the people spoke, as they had before in 1975, 1983, and 1996. This is how democracy regenerates. Labor in the 1980s had to move on from the Whitlam Experiment. Its survival demanded that it modernise its thinking. And Kevin Rudd had to persuade voters he was not a throwback to the Hawke-Keating years, but some-
thing entirely new and fresh and different. The post-Howard Liberals face the same challenge. The great temptation will be to junk the Howard legacy.

On foreign policy, as elsewhere, there is a need for extreme caution. The Howard government bequeathed to its successors a strengthened alliance with the US, a strategic partnership with Japan, a strategic dialogue with China, and a treaty on security co-operation with Indonesia. Australia became an integral player in the major economic and security debates of the region, including at the top table of the inaugural East Asia Summit. The Howard government worked to strengthen relations with India, the other coming world power. This was a solid and well-balanced foreign policy edifice in a fluid and uncertain international environment of shifting power balances, intense competition for energy resources, fears of climate change, the threat of terrorism, the risk of the proliferation of weapons of mass destruction, and the breakdown of failing states. The Howard government positioned Australia prominently and securely across all these fronts. It provided a framework within which Australia could work effectively with each of its key partners, and remain a valued and trusted friend to all. If the Rudd government wants to shake up this chemical balance, it will do so at its peril.

The new government should not be seduced by the notion that it must forever be seen to reinvent the wheel. Kevin Rudd made much during his Beijing visit of a grand vision for an Asian regional security mechanism built around the diplomatic heft brought to the North Korea crisis by the so-called ‘Six Party Talks’. As it happens, such a template already exists. Known as the ‘five-plus-five’, it included the US, Russia, China, Japan, and South Korea. It also included Australia, Indonesia, Canada, the Philippines and NZ. This body met on the sidelines of the ASEAN regional forum in Kuala Lumpur in July, 2006, to discuss, at foreign minister level, regional responses to North Korea’s WMD ambitions. There was a follow-up meeting in New York two months later. The meeting in Kuala Lumpur brought together Condoleeza Rice, Sergei Lavrov, Li Zhaoxing, Bert Romulo, Ban Ki-moon (as South Korean Foreign Minister, and prior to his UN days), Taro Aso, Alexander
Downer, Hassan Wirajuda, Peter MacKay, and Winston Peters. With
the North Koreans in town, and watching intently, it elevated the focus
on North Korea across the wider region, with the important effect of
sitting China down at the same table with other concerned powers in
the region. While the impact on Kim Jong-il’s regime ought not to be
overstated, it may have helped the Bush Administration’s point-man
on North Korea, Ambassador Chris Hill, raise the pressures on Pyong-
yang. Moreover, it did represent, for the first time, a coming together
of key East Asian and Pacific nations for an informal collective security
dialogue.

Mostly, though, day-by-day diplomacy is more mundane; the stuff
of rolling incrementalism. Policy-makers get on with framing the best
responses they can, on the best available advice, to the contemporary
challenges they face. None I know have ever claimed to be omniscient.
Ultimately, however, governments tend to be judged by the broad
brushstrokes of their policy formulation and, for better or worse, the
major strategic choices they make. Sometimes, history can be unkind.
The Whitlam government should never be allowed to live down the
shame of going cap-in-hand to Iraq’s Ba’athists in November 1975 to
seek $US500,000 for Labor’s election campaign. Saddam was vice-
president, and effectively running the show in all but name. For his
part, Malcolm Fraser’s preoccupation with the ‘north-south dialogue’
saw him cuddle up way too closely to the despicable Robert Mugabe.
Bob Hawke was too much of an optimist about the pace of political
evolution within China, only to have his illusions shattered in 1989 by
the Tiananmen Square massacre. Paul Keating, likewise, invested too
heavily in the authoritarian Indonesia of Suharto, unwilling to recog-
nise that, even in the early 1990s, changes were occurring beneath the
surface of Indonesian politics, and that a new generation of democrats
were slowly but surely on the rise. Until 1999, Australian governments
of either persuasion had little credit to their names over the fate of East
Timor, settling mostly for the role of queasy onlookers.

I well remember a heated phone call from Keating when I was writ-
ing international commentary for The Age. The subject was the geopoli-
tics of East Asia. Keating was five years out of office, but he remained troubled that the strategic framework he had set in place was being revised and renewed day by day. It is an entirely human response to worry that policies you spent many weeks and years constructing and calibrating, might be squandered or forsaken by your successors. John Howard and Alexander Downer will have to confront these same frustrations as their strategic approach to Australia’s role in the world is redefined by the Rudd government. Will history be as unkind to them as it has been to Paul Keating? Somehow, I doubt it.

As for the new government, its mishandling of the Japan relationship provided an early lesson that cheap opportunism can come at a cost. Likewise, grandiose talk of abolishing nuclear weapons, or redesigning the security architecture of the Asia-Pacific, may catch the attention of headline-writers at home but, without first having put in the hard yards diplomatically, it carries the danger of looking suspiciously like dilettantism. None of these are auspicious omens for when that moment arrives when the Rudd government faces a serious foreign policy crisis... that day when the world comes looking for Kevin Rudd’s centre of gravity.

The humanitarian crisis in Burma has provided an early and salutary lesson in the real-world constraints on multilateralism. Maybe the Labor government will never face the equivalent of a September 11, or a Bali bombing. Maybe it will never have to make the tough choices. Maybe, just maybe, it will not be as important for Australia to be as active and assertive in the region or beyond. But, as Burma demonstrates, you wouldn’t want to count on it.

As the Rudd government sets about recasting Australia in its own image, it should rein in the temptation to discredit and discard all that came before it. Push too recklessly to overturn domestic policy settings and there is a risk Labor will shrink the economy. Indulge in an instant and ill-considered makeover of foreign policy, and you risk shrinking the country’s reach and reputation. This would be very bad news not only for Australians, but for those across the world who have come to expect that Australia will be there when it matters.