

Remarks by Vince Scappatura, “Keep Australia out of US wars: How the US Alliance, US Marines and Bases in Australia threaten our Peace and Sovereignty”, hosted by the Independent and Peaceful Australia Network (IPAN), 4 July 2019.

Current trajectories in Australian defence policy

To get an insight into where conventional elite thinking is on the US alliance and where that might take us into the future in terms of securing peace and sovereignty for Australia, I want to begin by reflecting on an edited book that was published earlier this year which canvassed the views of a number of prominent strategic thinkers in Australia on the topic of the future of Australia’s defence policy.

The contributors to the book included prominent academics, members of think-tanks, former defence officials, former foreign policy advisors and a former defence minister – a good cross section of the “strategic elite” in Australia on matters of defence and national security.

The book is called *After American Primacy: Imagining the Future of Australia’s Defence*.¹ It’s a very intriguing title and topic because very rarely do we see any in-depth discussion or debate in Australia about what could or should Australian defence policy be in a regional setting without the US as the dominant power.

Dedicated, as it were, to imagining the different possibilities for Australian defence policy in the absence of American primacy, it is not once contemplated in this book that Australia’s security environment might improve if the US were to step back from Asia and Australia were to disentangle itself from the US alliance. A diminished American presence in the region, even only in part, is viewed as something that will inevitably and critically undermine Australian security.

The notion that US power-projection capabilities reaching right up to China’s shores might be antagonising to Beijing, or that great power tensions might be reduced and great power conflict avoided were the US were to undertake even a partial withdraw from the region to accommodate China’s security concerns is never entertained.

There are only two choices laid before us by Australia’s strategic elite in an Asia-Pacific region where China is contesting American primacy: the continuation of an American-led order, but with much greater support provided by key US allies like Japan, South Korea and Australia, or Chinese hegemony. And because no one wants to live under Chinese hegemony, the only option really presented is for Australia to double-down on entrenching the American military presence in Asia and doubling-down on the US alliance.

This is the “alliance orthodoxy” that dominates the thinking of Australia’s national security elite, enthusiastically promoted and protected by a whole host of individuals and institutions that make up the US lobby in Australia.² The lobby asserts that the US alliance is indispensable to Australian security, bound by a “special relationship” rooted in shared values and underpinned by benign US regional dominance. In the current environment of geostrategic rivalry with China, the alliance

¹ Peter J. Dean, Brendan Taylor, Stephen Fruhling, eds. (2019), *After American Primacy: Imagining the Future of Australia’s Defence*, Melbourne: Melbourne University Publishing.

² Vince Scappatura (2019), *The US Lobby and Australian Defence Policy*, Carlton, Victoria: Monash University Publishing.

orthodoxy dictates greater dependence on the US and a much larger Australian defence force to support American influence in Asia.

The new US ambassador to Australia, Arthur Culvahouse, reiterated US expectations in this regard when he called on Australia to play “a great power leadership role in the region”, and that the US expects “the natural course” for Australia going forward is to be “even more supportive of US policy in the Pacific”.³

In line with US desires for greater leadership and burden sharing by Australia, a report released last month by the Australian Strategic Policy Institute advocates for Australia to adopt a new doctrine of “forward defence in depth”, projecting ADF forces deep into Southeast Asia and the Southwest Pacific.⁴ The 2018 agreement by the US, Australia and Papua New Guinea to jointly develop the Lombrum Naval Base at Manus Island is envisioned by those who advocate this new forward defence strategy to become a key forward operating base to project power deep into the South China Sea and into the first island chain of China’s defence perimeter.

This is where Australian defence policy is headed if the alliance orthodoxy goes unchallenged and the pro-US lobby in Australia gets its way.

Professor Hugh White has recently articulated an alternative vision for Australian defence policy that exists outside of the pro-US security consensus.⁵ However, this vision does not seriously challenge the idea of the US as a benign regional hegemon, and it is not the kind of challenge to conventional wisdom that is likely to result in a more peaceful and secure Australia. White argues Australia is going to have to arm itself to the teeth, and perhaps even obtain nuclear weapons, in a future where the US isn’t the most powerful military force in Asia.

White is viewed as somewhat of a radical for questioning the pro-US security consensus, although it has long been argued that Australia would have to dramatically increase its defence spending in the absence of the US alliance and American primacy in Asia. White does not argue that independence from the US is preferable, but rather inevitable, or at least highly likely, because the US is going to lose the great power competition in Asia and China will replace America as the regional hegemon. White’s perspective falls back on long-standing and deep-seated security anxieties in Australia’s national strategic culture of living in Asia without a “great and powerful friend”.

These two perspectives illustrate the limits of the so-called debate on Australian defence policy and the US alliance. The predominant view is that Australia must adopt a more militarised defence policy and seek greater dependence on the US to maintain its influence in Asia with all the consequent risks that entails for a disastrous great power war. The minority perspective argues that Australia should aim for even greater levels of militarisation and a fortress Australia mentality, and that we are destined to live under China’s regional hegemony. Neither vision bodes well for a secure and peaceful Australia.

Trump’s commitment to US dominance in Asia

There is no reason to assume that the US is going to withdraw from Asia and leave China to fill the vacuum. This was the concern expressed by some elements of the pro-US lobby in the early parts of

³ <<https://www.theaustralian.com.au/nation/politics/us-ambassadors-message-for-morrison-embrace-power-role-in-pacific/news-story/ac321051c982b815cd26c258635ab73f>>

⁴ <<https://www.aspi.org.au/report/forward-defence-depth-australia>>

⁵ Hugh White (2019), *How to Defend Australia*, Carlton, Victoria: La Trobe University Press in conjunction with Black Inc.

the Trump administration, fearing the President's "America first" approach might critically reduce American military presence in the region and undermine American leadership in Asia.

It was revealing to witness the anxiety and condemnation by the pro-US lobby that accompanied Trump's announcement last year to suspend provocative military exercises in South Korea – exercises that were intended to demonstrate the capacity to "decapitate" the North Korean leadership and overthrow the Kim regime.⁶

Following the logic of the alliance orthodoxy, the prospect of a peace treaty on the Korean peninsula and the evaporation of the North Korean threat would be dangerous for Australia, and against our long term interests, because it might lead to a weakening of America's military presence in Asia to confront China.⁷

That is how wedded Australian national security elites are to US hegemony.

Nevertheless, much of that concern has since subsided – although not entirely – with the release of several official policy documents by the Trump administration that clearly emphasise the need for the US to prepare for great power competition with China and to enlist the support of allies towards that end.

The 2017 National Security Strategy (NSS) and, more importantly, the 2018 National Defence Strategy (NDS), along with the Indo-Pacific Strategy Report released last month by the US Department of Defence, together demonstrate that the US is doubling-down on its commitment to maintain its influence in Asia.

Washington has now officially declared China as a political, economic and strategic "rival"; a revisionist regime intent on undermining the international order. Consequently, the US has committed itself to enhanced relationships with allies in the region and a greater forward military presence to confront the challenge posed by China and to sustain American influence into the future.

The documents are a prescription for further militarisation of the Indo-Pacific, signalling the desire for a more dispersed military presence with US rotational forces in Australia serving as a model. Indeed, Australia is envisaged as a key partner of the US in this effort, partly because we are less vulnerable to Chinese missile attacks in comparison to the large American bases in Japan, South Korea and Guam.

What this signifies is a continuity in US strategic planning under the Trump administration that goes as far back as 2001 when the George W. Bush administration launched its "lily-pad" strategy: a worldwide network of smaller and more flexible forward operating bases to give the US military the ability to react with remarkable speed to developments anywhere on Earth.⁸

President Obama's "Pivot to Asia" signified that the Asia-Pacific region was going to be the centre of this lily-pad strategy, but with a more explicit signal to contain China, as 60% of US naval and air force assets shifted their base of operations to the region, greater access arrangements to airfields

⁶ <<https://www.9news.com.au/national/trump-kim-meeting-what-it-means-for-australia/5fbd79b1-4f39-4492-8f80-a5667e1312b6>>

⁷ <<https://www.internationalaffairs.org.au/australianoutlook/trump-kim-summit-implications-australia/>>

⁸ <https://www.huffpost.com/entry/us-military-bases_b_1676006>

and naval bases were negotiated with several countries and 2500 US Marines were slated to be permanently rotated through Darwin.⁹

In other words, despite the unorthodox rhetoric and methods of the Trump administration, the objectives of US foreign policy are not radically different from the past. Trump is certainly more transactional and unilateral in his approach to allies as he eschews multilateral forums and institutions, but he is not a pacifist isolationist; more a unilateral nationalist. Moreover, he has engaged in a dramatic expansion of the US military budget to prepare for the great power rivalry with China which his administration has explicitly committed itself to.

American decline?

No one can be sure how Trump's erratically swinging wrecking ball will impact on American influence abroad, but the system of US global dominance is likely to continue for quite some time. A lot of what animates the so-called China debate in Australia are wild predictions about America's decline or relative decline in comparison to China. This is being used as pretext for further American and Australian militarisation of the region.

It's true that the US is experiencing significant domestic social decay under decades of neoliberalism, exacerbated by a radical Republican administration that is gutting the public sector while stuffing more cash into already overfilled pockets through massive corporate tax cuts.

To give you an indication of just how serious this is, consider that the US is witnessing a decline in life expectancy for the first time in nearly a quarter of a century. The US is also the first high-income country to see its adults, on average, no longer growing taller. Trump wants Americans to stand tall, but they may very well shrink under the kinds of social policies his administration is accelerating. Many are certainly getting poorer, more sick and dying earlier.¹⁰

Domestic social decay could have dangerous implications for US power in the long-term, especially if it results in unleashing extreme right-wing forces that capture American political institutions and take the US, and maybe the rest of the world, down a path of self-destruction. That is not a contingency the pro-US lobby appears to be concerned with when thinking about the future of Australian defence policy.

Nevertheless, at present, domestic social decay isn't translating into a decline in American hard power which is concentrated in the thriving military and corporate sectors. In comparison to China specifically, the US lead in military capabilities is extraordinary.¹¹

America currently outspends China three times to one on defence, and that excludes most of the cost of US nuclear weapons programs which dwarf China's relatively small deterrent force. But it's only when you consider the cumulative gap in military spending over the past couple of decades that the full picture emerges. The US has outspent China militarily by more than 7 trillion dollars since the year 2000, not including spending on the wars in Iraq and Afghanistan. Consequently, the US has established an extraordinary lead in accumulated military assets over several decades.

Gross comparisons of military spending also fail to take into account the fact that China must deal with massive internal security costs which soak up over a third of its military budget. In comparison,

⁹ <<https://apjff.org/2014/12/36/Vince-Scappatura/4178/article.html>>

¹⁰ <<https://www.alternet.org/2017/03/making-america-mediocre-warpspeed-decline/>>

¹¹ Michael Beckley (2018), *Unrivaled: Why American Will Remain The World's Sole Superpower*, Ithaca and London: Cornell University Press.

the US spends only 1% of its defence budget on homeland security. The US also far outstrips China in terms of its share and capability of power-projection platforms; America leads in every indicator of cyber power; and the US far exceeds China in terms of combat readiness. It's telling that the American military has been in almost continuous battle since 1945 while none of China's present troops have ever been in combat.

China still cannot command major portions of its own near seas. Yes, the US can no longer cruise along China's coastline virtually risk free as it once could, but why should that be considered a threat to the US that needs to be countered? The US literally poses an existential threat to the Chinese Communist Party, while China poses a threat to US military control in China's own air and sea approaches. That's the lopsided nature of the threat facing both countries.

Many analysts predict that China will overtake the US as the world's biggest military spender, maybe sometime in the 2030s. However, that is highly contingent on China overcoming serious structural economic issues including unproductive debt-fuelled growth, an environmental crisis and a population that is ageing at a pace greater than any society in history. Chinese inefficiencies have resulted in an America that is in fact several times wealthier than China in absolute terms; and the gap is increasing, not decreasing. An American worker produces, on average, 7 times the output of the average Chinese worker.

Even if China were to overcome all of these domestic issues, there is a more serious structural constraint that inhibits China's capacity to challenge US hegemony and which derives from China's integration into the US-led global economy.¹²

China's growth model is very different to that of other East Asian powerhouses like Japan or South Korea which followed the classic path to development by protecting domestic firms to create globally competitive national champions. Rather, China is the first major country to rise in the era of American-centred globalisation, from the 1990s onwards, and the first where growth has been predominantly driven by the globalisation of western transnational corporations that have shifted their production networks to China.

The extent to which China's export-driven boom is dependent and driven by foreign capital is astounding and unprecedented, and the implications of this for China's economic independence and capacity to challenge US hegemony are profound.

Foreign-Invested Enterprises (two-thirds of which are fully foreign-owned and one-third joint-ventures) command a staggering 85% share of China's high-value exports, and this share has not dipped below 80% for the previous 15 years. In contrast, China's Privately-Owned Enterprises have struggled to surpass a 10% share, with only a handful of overseas success stories like Huawei and Lenovo. Meanwhile, the share of high-value exports by China's State-Owned Enterprises has collapsed to just 5%.

After two decades of China's capitalist rise, only two Chinese companies make it into the top 10 exporters by value, Huawei at number 5 and Sinopec at number 9. The rest are all foreign owned enterprises, mostly Taiwanese firms that are in fact subcontracted out by western transnationals.

Moreover, foreign firms not only dominate China's chief export sectors but also lead in numerous sectors of China's increasingly important domestic market. The Chinese Communist Party has been trying to address this dependence by compelling foreign technology transfers via joint-ventures, and

¹² Leo Panitch and Greg Albo, eds. (2019), *Socialist Register: A World Turned Upside Down?*, London: The Merlin Press.

other mechanisms like cyber-theft of intellectual property which has been one of the major gripes of the US for several years now, even though the US paid no attention to intellectual property laws when they were industrialising a century ago.

China has made some notable successes in this regard, with thriving high-speed rail, renewable energy and smartphone industries. However, in a variety of other sectors – digital operating systems, automobiles, ethernet switches, airplanes, medical supplies, supermarkets, consumer goods, fast food and several others – the Chinese market is dominated by foreign firms.

This is not what you would expect from an emerging economic hegemon. The structural economic power that the US derives from China's extraordinary integration and dependence on US global capitalism is a formidable hurdle for Beijing to overcome in order to challenge US hegemony.

When the US Department of Commerce in April 2018 suspended the supply of key chips to China's second-largest and the world's fourth largest telecommunications company, ZTE, it instantly paralysed the company's operations; until Trump repealed the ban.

We're seeing a similar attempt now by the Trump administration to prevent China's most successful global technology company, Huawei, from building a global 5G network infrastructure. While Huawei's global competitiveness does signify China's growing economic power, the fact remains that US transnationals continue to dominate the most dynamic and influential sectors of the high-tech global economy (computing, telecommunications, aerospace, pharmaceuticals); business services (accounting, advertising, consultancy, engineering, computer programming); and legal and financial services. In total, American transnationals enjoy unrivalled supremacy, leading or dominating in over 70 per cent of the major sectors of the international economy.¹³

This is the outcome of decades of neoliberal globalisation – deregulation, privatisation, financialisation, corporate cross-border mergers and acquisitions and so on. More broadly, it's the result of the concerted efforts of the US military and Treasury department since the end of the Second World War to create a global capitalist order under American influence and leadership.

Just as during the Cold War, when the US engaged in threat-inflation regarding communism to justify its global geopolitical and economic agenda; or in the post-9/11 era when the threat of terrorism was used as a pretext to assert US hegemony over the oil-rich Middle East; it is once again engaging in threat-inflation regarding the rise of China to pursue its hegemonic ambitions in the most significant and dynamic region of the future global economy.

Political interference

Unfortunately, Australia is not only buying into this threat-inflation, it is in many respects leading it, especially with respect to the so-called threat of Chinese political influence. There's been an extraordinary scare campaign in the major press about the threat posed by China's "soft power" and "sharp power" in Australia.

Professor Clive Hamilton is the leading crusader in beating the alarm bells on the threat of Chinese influence in Australia, even testifying before the US Congress to warn about the threat posed by

¹³ Sean Starrs (2013), "American Economic Power Hasn't Declined – It Globalised! Summoning the Data and Taking Globalisation Seriously", *International Studies Quarterly*, vol. 57, pp. 817-830.

China's campaign of psychological warfare on Australia to tear us away from the US alliance and turn us into a Chinese tribute state.¹⁴

Unlike Hugh White, Hamilton views the major threat from China not in military terms but in the attempts of the Chinese Communist Party to "conquer foreign minds" through "political warfare" and "psychological work" on foreign elites. According to Hamilton, Beijing is attempting, with great success, to undermine resistance to its foreign policy goals from within Australia through political subversion.¹⁵

I don't dismiss the Chinese Communist Party's malign intentions and attempts to engage in political interference, surveillance, cyber warfare, espionage and so on. It would be very surprising if it wasn't attempting these things. However, the notion that the CCP's psychological warfare campaign is somehow a threat to the Australia-US alliance is fantastical. It's hardly detectable when you consider the extraordinary degree of integration and dependence on the United States in Australia across the political, economic, military and intelligence domains.¹⁶

When the deadline passed for foreign lobbyists to register with the Federal government's new Foreign Interference and Transparency Scheme, there was much speculation and expectation about what it might reveal about Chinese influence operations in Australia. In fact, while it disclosed nothing of interest on that score, the scheme did highlight several examples of the way the US exerts influence in Australia.¹⁷

The US Studies Centre at the University of Sydney, for example, registered with the scheme for engaging in "political lobbying" on behalf of the US Department of State. The centre said one of its objectives was to "create a small but well-informed cohort of 'next generation leaders' who will 'amplify' messages from research the centre will do on the 'the rules-based order in the Indo-Pacific' and the US-Australian alliance".¹⁸

The PerthUS Asia Centre at the University of Western Australia also registered with the scheme for engaging in "communications activities" on behalf of the US Department of State. Among their stated goals is to "Equip the next generation of alliance managers with the knowledge and networks needed to manage U.S. – Australia relations in the Indo-Pacific era".¹⁹ The Australian Strategic Policy Institute also registered a grant it received from the US Department of State to map and keep track of a dozen key Chinese technology companies.²⁰

Most recently, Flinders University in South Australia announced that it was establishing the Jeff Bleich Centre for the US Alliance in Digital Technology, Security and Governance.²¹ Headed by the former US Ambassador to Australia, Mr Jeff Bleich, and with the intention of creating opportunities for the defence industry, among others sectors, the purpose of the centre is to strengthen the US-

¹⁴ Clive Hamilton (2018), *Silent Invasion: China's Influence in Australia*, Melbourne: Hardie Grant Books; <<https://www.theguardian.com/australia-news/2018/apr/27/china-waging-psychological-warfare-against-australia-us-congress-told>>.

¹⁵ <<https://clivehamilton.com/wp-content/uploads/2019/03/Sharp-Power-Lecture-to-Ascot-Vale-ALP.pdf>>

¹⁶ <<https://apjjf.org/2013/11/45/Richard-Tanter/4025/article.html>>

¹⁷ <<https://www.smh.com.au/national/us-influence-on-our-unis-makes-chinese-interference-more-likely-20190311-p513ei.html>>

¹⁸ <<https://www.theaustralian.com.au/nation/politics/brendan-nelson-first-former-politician-to-register-on-foreign-influence-scheme/news-story/bed88f33ecc83142ec129cd0891bbcdf>>

¹⁹ <<https://transparency.ag.gov.au/SearchItemDetail/826e4916-c243-e911-8120-0050569d2348>>

²⁰ <<https://transparency.ag.gov.au/SearchItemDetail/866ab5de-5971-e911-8123-0050569d2348>>

²¹ <<https://www.flinders.edu.au/jeff-bleich-centre.html>>

Australia relationship by working together to help anticipate, and counter, foreign meddling in democratic elections, such as by Russia during the 2016 US elections.²²

Presumably, the new centre won't be attempting to anticipate and counter US meddling in democratic elections, like the recent elections in Brazil which brought the fascist Jair Bolsonaro to power on the back of a "soft coup" and a massive disinformation campaign that has the CIA's fingerprints all over it.²³

Griffith University established in June this year an Australia-US Young Leaders Dialogue, generously supported by the US Embassy, which aims to "foster the next generation of leaders who have a stake in US-Australia relations."²⁴ The US Embassy frequently runs workshops with US think-tanks and various Australian universities to help "foster understanding" among Australia's emerging leaders.²⁵

All of this is activity of late is telling, but it is not unprecedented. The Australian American Leadership Dialogue has been instilling the alliance orthodoxy in the next generation of alliance managers in Australia for over a quarter of a century, acting as a gatekeeper of the status quo and a litmus test on the alliance loyalty of future leaders.²⁶

When a journalist questioned Anthony Albanese's alliance commitment recently after he emerged as the new leader of the Labor Party, he responded by affirming that he had participated in the Australian American Leadership Dialogue, as well as an American exchange program targeted at up and coming political elites before he was in parliament. During this exchange he was immersed in US politics for five weeks before emerging as what he described as a "mainstream politician."²⁷

Albanese didn't specify what exchange program he participated in, but America's premier public diplomacy organisation, the International Visitor Leadership Program, has been targeting foreign elites, including in Australia, and binding them to US foreign goals since as far back as 1940s with stunning success.²⁸

Conclusion

The current trajectory in Australian political and strategic circles would seem to indicate that Australia is becoming even more dependent on the US alliance and less capable of conceiving of an alternative defence policy outside of the alliance orthodoxy framework and free from deep-seated security anxieties of Asia that have historically driven us towards dependence and militarism.

Nobody wants to live under the hegemony of the Chinese Communist Party. If it were simply a choice between Chinese or American hegemony, there would be little objection against an Australian defence and foreign policy that sided with the latter as the lesser evil. But that's not the choice we face.

²² <<https://www.theaustralian.com.au/higher-education/jeff-bleich-to-lead-flinders-university-centre/news-story/4a204c62021ec847ed55454a0ec0ed32>>

²³ <<https://www.truthdig.com/articles/the-cia-has-its-fingerprints-on-brazils-election/>>

²⁴ <<https://blogs.griffith.edu.au/asiainsights/australia-us-alliance-young-leaders-dialogue/>>

²⁵ <<https://www.nbr.org/program/the-future-of-the-u-s-australia-alliance/>>

²⁶ Scappatura, *The US Lobby and Australian Defence Policy*.

²⁷ <<https://anthonyalbanese.com.au/transcript-of-press-conference-canberra-thursday-30-may-2019>>

²⁸ Giles Scott-Smith (2008), *Networks of Empire: The US State Department's Foreign Leader Program in the Netherlands, France, and Britain 1950-70*, Brussels: P.I.E. Peter Lang.

The US can and should play a constructive role in the region, including as a hedge against Chinese influence. There is a growing grassroots movement in the United States challenging American militarism that could provide opportunities for a more constructive Australia-US relationship. But any debate on the future of Australia's defence policy must begin with an acknowledgement of Australia's relatively benign security environment and the heavy costs of remaining deeply integrated into America's global empire.