

Australian defence paper classifies China as strategic threat

James Cogan
16 April 2009

Last Saturday, the *Australian* newspaper revealed that Mike Pezzullo, the senior bureaucrat overseeing the preparation of a new defence White Paper on behalf of the Rudd Labor government, rejected advice from two military intelligence agencies that China was unlikely to pose a threat to Australian interests in the next 20 years. The revelations have shed further light on a conflict within Australian ruling circles over how to respond to the decline of US imperialism and the associated rise of China's geo-political influence in the region.

The Defence Intelligence Organisation (DIO) was the first agency asked by Pezzullo to file a report. According to the *Australian*, it described China's military build-up, particularly the development of its naval forces, as a non-threatening "defensive" response to American naval power in the Pacific and judged that Beijing did not have "hegemonic" or "expansionist" ambitions.

The estimate appears to have assumed that the United States would retain its overwhelming military superiority and its close security arrangements with Japan. Thus, even if China undertook a massive military expansion, it would still be incapable of challenging the combined strength of the US and its allies. The risk of a conflict between the US and China during the next 20 years was assessed as slim, with continuing US hegemony rendering any Chinese threat to Australian interests unlikely.

The only country that could realistically invade the Australian continent, or threaten its maritime trade routes, the DIO concluded, was the United States itself. The agency therefore recommended that Australia's military priorities should be to develop the capacity to contribute greater numbers of ground troops to US-led operations in various parts of the globe.

According to the *Australian*, Pezzullo and the head of the armed forces, Air Chief Marshall Angus Houston, rejected these conclusions out-of-hand. They instructed the DIO to rewrite its report to stress that China might constitute a challenge to Australian strategic interests. When the DIO

refused to reconsider, Pezzullo requested another agency, the Office of National Assessments (ONA), to conduct its own evaluation. The ONA came to the same findings as the DIO. Pezzullo decided to disregard both assessments and proceeded to draft the White Paper on the basis of his own estimates.

The *Australian* commented: "[A]s a result, the country's future defence force to be outlined in the White Paper will primarily be shaped by fears of Chinese military expansion".

On Wednesday, the *Australian* claimed that the White Paper contradicted not only the opinions of Australian agencies, but those of the US military as well. Australian officials were allegedly informed in Washington in May 2008 that US intelligence agreed with the conclusions reached by the DIO and ONA on China.

In line with its estimate that the US is unlikely to confront a conventional military challenge in the foreseeable future, the Obama administration's first defence budget has prioritised equipping the US military for lower-level "counter-insurgency" wars, such as those being fought in Afghanistan and Iraq. Defense Secretary Robert Gates, who served in the same post in the final years of the Bush administration, has proposed scaling back purchases of the expensive stealth fighters and weapons systems that would be deployed in any full-scale confrontation with a major power like China.

The White Paper, by contrast, will reportedly recommend an inward-looking build-up of Australia's capabilities to defend the air and maritime approaches to the continent from a conventional enemy. Over the next 20 years, it will propose that more than \$100 billion be spent acquiring a minimum of 100 F-35 Joint Strike Fighters, at least 12 new submarines and additional frigates and destroyers.

In 2006, Pezzullo spelt out his position: "If you configure your force structure for the preoccupations of the next couple of years, you would end up with a light-scale, almost gendarme [police force], with a heavy quotient of special forces undertaking Al-Qaeda manhunts. You have to keep your eye on

the fact that we live in a predominantly maritime environment and state-on-state issues might well come back into play.”

According to the *Australian*, ONA head Peter Varghese wrote a memo to Prime Minister Kevin Rudd expressing the opposition within the country’s intelligence agencies to Pezzullo’s strategic forecast and warning that Australian defence policy was being disorientated by the emphasis on a China threat. On Wednesday, the Rudd government announced that Varghese was “stepping down” when his appointment expired on June 13.

References to China’s growing reach and capabilities will be used to justify a revamping of the Air Force and the Navy. The preoccupation with military self-sufficiency, however, flows as much from a forecast of US decline as it does from expectations of China’s rise. The new White Paper is predicated on the conception that Australian imperialism must prepare for the possibility that it will have to fend for itself.

The fundamental strategic concerns underlying the White Paper were addressed in an April 11 column in the *Australian* by Hugh White, head of the Strategic and Defence Studies Centre at the Australian National University and a defence advisor to the previous Coalition government. He wrote:

“Just as Australia’s strategic outlook has been dominated for decades by American primacy in Asia, so in future it will be shaped more than anything else by what follows as America’s primacy fades and China’s grows.... The essential basis of any new understanding would be a more equal sharing of power. But is the US willing to treat China as an equal? And will China settle for anything less? And can either treat Japan as an equal? And will Japan—still a huge power—settle for less than China gets? Unless these questions can be answered, it is hard to see how escalating strategic competition can be avoided in the long term. That would pose all kinds of new strategic risks for Australia. Would we side with the US if it gets dragged into a confrontation and conflict with China? Or would we stand aside and see our alliance dwindle?”

White concluded: “When Britain’s power declined in the late 19th century and when modern Asia appeared after World War II, Australia remade its place in the world to meet the new conditions. We face a similar challenge today and the new White Paper is an important opportunity to start addressing it...”

The revelations about the White Paper follow the controversy earlier this month over the long-standing friendship between Defence Minister Joel Fitzgibbon and a wealthy Chinese-Australian businesswoman with access to senior Chinese government officials. Allegations surfaced that an official from

another intelligence agency, the Defence Signals Directorate (DSD), illegally hacked into Fitzgibbon’s personal computer files to try and locate evidence that the relationship constituted a “national security risk”. The Rudd government was subsequently accused by opposition politicians of being too close to China, Australia’s fastest growing trading partner and potential source of significant investment.

The White Paper and Fitzgibbon affairs are directly related. Both result from conflicts within the Australian defence establishment over the Labor government’s tentative moves to reduce Australia’s reliance on the US. While still asserting the paramount importance of the American alliance, the faction of the Australian financial and corporate elite represented by Rudd are leaning toward the adoption of a more independent stance in the Asia-Pacific region.

Since World War II, the ability of the Australian ruling elite to assert its considerable economic and strategic interests in the region has, to a great extent, depended upon the US alliance. In return, Australian governments have sent troops to successive US-led neo-colonial wars—from Korea and Vietnam, to the 1991 Gulf War and the more recent invasions of Afghanistan and Iraq. Diplomatically, Canberra has walked in lockstep with the US on virtually every significant global issue.

What is now underway is a reconsideration of the US-orientated foundations of Australian foreign policy. In a major speech last year, Rudd suggested that Canberra should function as a third-party conciliator in disputes between the US, China and other major powers, with the aim of preventing such conflicts from escalating and causing disruptions to trade and commerce. The White Paper reflects growing fears that, in the event this strategy fails, major power rivalries will once again plunge the Asia-Pacific region into the nightmare of military conflagration.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact