

Australian political crisis exposes acute US-China tensions

Peter Symonds
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The installation of Bob Carr as Australian foreign minister last Friday has brought to the surface the fundamental issues that have underpinned the protracted crisis of the Labor government since Kevin Rudd was removed as prime minister in June 2010.

Throughout the high political drama of the past two weeks—the resignation of Rudd as foreign minister, his unsuccessful challenge for the Labor leadership against Prime Minister Julia Gillard and the extraordinary twists and turns of Carr’s appointment—the media commentary insisted that nothing was involved but personal rivalry.

In reality, the irresolvable dilemma confronting Australian capitalism—how to balance between its economic dependence on China and its military reliance on the US—was at the heart of the political conflict in 2010, and again in 2012.

A similar conundrum confronts governments throughout Asia and internationally, but it has erupted with particular explosive force in Canberra due to the particularities of the Australian geopolitical situation. No other G20 country is as heavily dependent on exports to China, chiefly minerals and energy. Nor is there a comparable nation as reliant on American backing to defend its strategic interests, in Australia’s case particularly in the South West Pacific.

Rudd was ousted and Gillard installed in mid-2010 in an overnight inner-party coup by a handful of powerful faction leaders with close ties to the US embassy and Washington. Along with key domestic issues, a critical factor in Rudd’s removal was the Obama administration’s hostility to his attempts to moderate

rising tensions between the US and China.

Since mid-2009, the White House has waged a relentless diplomatic and strategic offensive to counter China’s influence throughout Asia. Rudd was by no means anti-American, but he cut across these moves by appealing for the US to accommodate Chinese interests.

Under Gillard, Australian foreign policy fell in behind Obama. The government provided the American president with a parliamentary platform last November to bluntly declare that “the United States is a Pacific power and we are here to stay.” Gillard and Obama announced plans for the US military to make extensive use of Australian naval and air bases and to station US Marines in northern Australia.

None of the divisions wracking the Labor government could be candidly discussed, as it risked compromising relations with the US, China or both. Now, however, Carr’s previous comments criticising the Gillard-Obama deal and other aspects of US policy have provided the catalyst for a more public voicing of long-suppressed divisions, which cut through the entire political establishment.

Carr has been compelled to tone down the more colourful language on his blog and retract his criticisms of the NATO war on Libya, US sanctions against Iran and the US-led invasion of Afghanistan. But on the issue of US-China tensions, he has remained unrepentant.

Following Obama’s visit in November, Carr wrote on his blog: “It is patently in this country’s national

interest to see in the Pacific a peaceful accommodation between the US and China... A treaty partner [to the US] we are, unapologetically, not an aircraft carrier.” He defended his views on ABC radio on Monday, declaring that “Australia’s security relationship with the United States does not mandate any notion of Australia being seen even to be engaged in a containment of China.”

Opposition foreign affairs spokeswoman Julie Bishop declared that Carr’s opinions were at odds with government policy. As Bishop is well aware, however, the divide on the US and China runs through her Liberal Party. In a speech last year, Malcolm Turnbull, who was ousted as party leader in late 2009, was critical of Obama’s stance toward China. “It makes no sense for America, or Australia, to base long-term strategic policy on the proposition that we are on an inevitable collision course with a militarily aggressive China,” he said.

Strategic analysts have also ventured into the public arena. Writing in the *Age*, Hugh White, an advocate of a US accommodation to China, welcomed Carr’s challenge to “the orthodox view that we have no choice but to support Washington in whatever policy it decides to adopt toward China.”

John Lee, who supports Obama’s hard-line stand, wrote in the *Australian* that Carr had to “beware of repeating Rudd’s errors on China.” He called for the abandonment of Rudd’s “flawed perception” that “a wise and fleet-footed Australia” was uniquely placed to act as “a bridge and arbiter” between the US and China.

These sharp divisions are the product of powerful objective forces generated by the historic decline of US imperialism and the emergence of China as the world’s pre-eminent cheap labour platform. China’s growing demand for energy and raw materials from the four corners of the globe bring it into conflict with the existing world order based on American pre-eminence. The Obama administration’s reckless thrust into Asia raises the real danger of a slide into war between two nuclear-armed powers.

Concerns over a US-China conflict are also reflected in Washington. In the latest issue of the influential magazine *Foreign Affairs* former Secretary of State Henry Kissinger warned that US-China trade conflicts could evolve into “competing adversarial power blocs.” Without a cooperative approach in the economic arena, he wrote, “barriers to progress on more emotional and less positive-sum issues, such as territory and security, may grow insurmountable.”

Kissinger appealed for cooperation and, in a manner similar to Rudd and White, called for a “Pacific Community” in “the hope that China and the United States can generate a sense of common purpose.” He added: “The key decision facing both Beijing and Washington is whether to move towards a genuine effort at cooperation or fall into a new version of historic patterns of international rivalry.”

What Kissinger had in mind, but did not specify, were the global catastrophes of the first half of the twentieth century—World Wars I and II. What drove those conflicts were powerful geopolitical rivalries and a deep crisis of capitalism that led inexorably to war. The global breakdown of capitalism today is opening up similar strategic fault lines, which find particularly acute expression in the political crisis that has erupted in Canberra.

The only social force able to prevent war is a unified revolutionary movement of the international working class to abolish the profit system and its reactionary division of the world into rival nation states, and establish a planned world socialist economy.

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