Divisions sharpen in Australian ruling elite over US-China rivalry

Patrick O'Connor 10 August 2012

The publication of a book by strategic analyst Hugh White, *The China Choice: Why America Should Share Power*, has triggered further debate within ruling circles over how Australian imperialism ought to respond to the sharpening tensions between China, its most important trading partner, and the US, its longstanding diplomatic and military ally.

White is professor of strategic studies at the Australian National University, and has previously worked as an intelligence analyst with the Office of National Assessments and as a senior official in the Defence Department. Over the past two years he has emerged as the unofficial spokesman for a faction of the bourgeoisie that is alarmed at the implications of a US-China war, and hopes that conflict can be averted by having Washington cede some strategic and military ground to Beijing. These layers oppose the Labor government's unstinting support for the Obama administration's aggressive "pivot" to the Asia-Pacific, which has seen a series of diplomatic and military initiatives aimed at countering China's strategic challenge to US dominance.

Former Labor prime minister Paul Keating launched *The China Choice* book on Monday at Sydney's Lowy Institute, a foreign policy and security think tank.

Keating emphasised how far the tensions between the US and China had already advanced. He described White's blunt assessment of a possible nuclear war between the two powers as a "salutary warning if ever there was one." The former prime minister cited several passages from the book, including: "Washington and Beijing are sliding towards rivalry by default ... For a long time the Chinese military has been prepared for war with the United States. Now, the principal task of the United States military is preparing for war with China and is being actively reshaped for that purpose."

Keating declared: "The debate around China has carried with it the assumption that Australia has no choice but to support American primacy in Asia against the threat of Chinese hegemony. This assumption, Hugh White says, now needs to be challenged. And I agree with him; it does ...

With our trade preponderantly in North Asia and the greater part of that with China, there is every reason to support the development of a cooperative structure between the United States and China in the Pacific. And this must mean recognising China's legitimacy, its prerogatives as a great power, and the legitimacy of its government."

Keating made no mention of Prime Minister Julia Gillard, but his speech represented an obvious rebuke to her government's alignment with the Obama administration's "full court press" in Asia, and its agreement to have US Marines stationed in the northern city of Darwin and allow the US navy greater use of Australian ports.

When the US-Australia military agreement was announced during President Barack Obama's visit to Canberra and Darwin last November, it met with a muted response in the media. Since then, however, the implications of the pact have become clearer for foreign policy and strategic analysts. Last March, the *Washington Post* reported plans to station US drone aircraft in the Australian Indian Ocean territory of the Cocos Islands. In April, the first contingent of Marines landed in Darwin, and in May the Chinese government bluntly expressed its hostility to these developments when Foreign Minister Bob Carr visited Beijing.

There is continued discussion in Washington about further stepping up its military presence in Australia, reflected in the recent proposal by the Center for Strategic and International Studies (CSIS) for an aircraft carrier battle group to be moved from the American Atlantic coast to Western Australia.

In recent months, US-China tensions have rapidly escalated, especially over South China Sea territorial disputes. The Australian ruling elite now confronts the strategically and economically disastrous prospect of being forced to choose with which of the major powers to side against the other in the event of a war. While virtually ignored at the time of Obama's visit and the Marine deployment announcement last year, this dilemma is now emerging in a public debate in the media, academic journals

and think tanks between rival wings of the foreign policy and military establishment.

The debate has been encouraged by opposition within US ruling circles to the Obama administration's confrontational stance against China. Paul Keating cited former national security adviser Zbigniew Brzezinski in Monday's speech. After boastfully referring to his own "Keating mantra"—that "great states need strategic space and that if they are not provided some, they will take it"—Keating insisted that Brzezinski had likewise noted that "the future of Asian stability cannot be cast by a non-Asian power—especially by the application of US military force."

Ex-Liberal Party leader Malcolm Turnbull promoted former US secretary of state Henry Kissinger's views in his review of Hugh White's book for the latest *Monthly* magazine. He praised White for "helping shape strategic thinking in Canberra and Washington by confronting the world as it is, not as we would like it to be, and outlining the choices that need to be made." Turnbull declared he preferred Kissinger's "gradualist evolution to an implicit balance of power" between the US and China, rather than White's proposed power-sharing "Concert of Asia".

Turnbull's article showed that the dilemma confronting the Australian ruling elite has divided the Labor and Liberal parties alike. Tony Abbott, the current opposition leader, has lined up squarely behind the US drive to contain China. He has backed the Labor government's initiatives, criticising Gillard only for insufficient military funding. In a speech to the Heritage Foundation in Washington last month, Abbott insisted: "Few Australians would regard America as a foreign country. We are more than allies, we're family."

Prominent foreign policy commentators pilloried this statement as naive and gratuitous. Abbott also came under fire when he visited Beijing, following his discussions in Washington, and suggested that a Liberal-National government would impose greater restrictions on Chinese investment in Australia. The Murdoch and financial press declared that this threatened vital overseas investment and risked triggering retaliatory measures by Beijing. Abbott's statements in China underscored the rival corporate interests that underlie the strategic dilemma. Dominant sections of big business, most obviously the mining industry, are dependent on Chinese investment or export contracts, but other layers, such as agribusinesses and less competitive manufacturers, favour more protectionist policies.

White's book and the discussion surrounding it have highlighted the ruling class's inability to work out any rational resolution to the dangerous rivalry between Washington and Beijing.

The Gillard government has thrown its lot in with US imperialism, encouraging the Obama administration's

provocative encirclement of China. The alternative strategy proposed by White, Keating and others is no less reactionary or dangerous. White's proposal for a "Concert of Asia" included demands that Australia vastly increase its military budget and that Japan consider building a nuclear arsenal, in order to help establish a more multipolar regional order, together with the US and China. His perspective centres on the utopian prospect of Washington voluntarily relinquishing its domination of the Asia-Pacific.

Far from stepping back, in this region or anywhere else, the Obama administration is on a rampage around the world. Its neo-colonial operations in Libya, Syria and across the Middle East have gone hand in hand with the "full court press" in Asia—underscoring the prescience of Leon Trotsky's warning that "in the period of crisis the hegemony of the United States will operate more completely, more openly, and more ruthlessly than in the period of the boom."

White has admitted that his proposals have little chance of success. "The chances that they [the US and China] will fail to achieve that kind of agreement is quite high," he told SBS News. "But the best reason that we've got to think that they might succeed is that if they don't the consequences will be so bad, the risks of conflict will be so serious, and the consequences of that conflict would be so disastrous."

This is nothing but wishful thinking in the face of a looming third world war, fought out with nuclear weapons. To avert the threat, what is required is a movement of the working class against imperialism and for the overthrow of the capitalist order and the nation-state system upon which it rests.



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