Issues in Australian Foreign Policy  
July to December 2007

The final six months of 2007 were eventful ones in both Australian domestic politics and foreign policy. Inevitably in an election year foreign policy became intertwined with the contest for political power in Canberra. While some observers have since asserted that foreign policy and “international” issues played no role in the election campaign, the following review of Australian foreign policy will demonstrate that foreign policy issues played a significant role in both the pre-election and election campaign jockeying for position between the incumbent Liberal-National government of Prime Minister John Howard and the Australian Labor Party (ALP) opposition under Kevin Rudd.¹ Over the July to December 2007 period six foreign policy issues dominated both government and Opposition attention and had significant resonance for the domestic political contest: (1) terrorism; (2) Iraq; (3) Afghanistan; (4) instability in the South Pacific; (5) climate change and environmental issues; and (6) the future of the US alliance and great power politics in the Asia-Pacific. These issues largely fall within two broad trends of the contemporary strategic landscape that confronts Australia: the increased importance of non-state, sub-state and trans-national threats for Australian security and the reality of a changing distribution of power in the Asia-Pacific.²

How Australia most effectively responds to these challenges was the central question at issue in foreign policy debates between the incumbent Howard government and the Opposition during the second half of 2007. Indeed, this question has arguably preoccupied not only Australian policy-makers but also Australian scholars of

international relations and foreign policy since the events of 9/11. They resulted in debate as to whether or not the terrorist attacks had ushered in a period of fundamental strategic transformation and what this might mean for Australia’s security. On the one hand scholars such as Kenneth Waltz, John Mearsheimer and Hugh White for example, maintained that 9/11 did not constitute a fundamental transformation of the international strategic environment which remained defined by the distribution of power between states in an anarchic system. For such “traditionalists” the enduring strategic worry for states would concern the possibility of great power conflict, while the “new” strategic threats such as terrorism will prove to be transitory. In Australia’s case, White for example, maintained that the defining features of our security environment would remain the balance of power in Asia and developments in our immediate region. For others such as Rod Lyon and Alan Dupont for example, 9/11 was the harbinger of a strategic transformation on par with that which took place after 1945 in that the fundamental structures of the international system and understandings of security are shifting. This view is succinctly summarised by Lyon who argues that the “war on terrorism” has ushered in an era where “conflict will be typified by virtually open-ended, asymmetric conflict” as actors other than states “become more able to exploit the interconnectedness of globalisation”. While this dichotomy may over-simplify the debate, it nonetheless highlights that 9/11 presented not only Australian scholars but

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also policy-makers with a challenge to, “the hegemony of Australia’s pre-11 September geographically-focused strategic doctrine”. Moreover, it is a tension that continues to be relevant with one observer suggesting the Howard government’s “Defence Update” of 5 July 2007 outlined a position closer to the “traditionalists” in which terrorism took “a back seat” in Australian strategic priorities to the question of relations between the Asia-Pacific’s great powers. 

Both sides of federal politics across the July to December period, however, appeared to accept the core arguments of the “transformationalists” regarding the major contours of the strategic environment that confronted Australia. Both Prime Minister Howard and Opposition leader Kevin Rudd expressed as much in separate addresses on 5 July, with both stressing the security challenges for Australia of issues such as international terrorism, the spectre of “state failure” in our region, and environmental threats that are inherent to the transformational view of the strategic environment. Nonetheless despite this apparent bipartisan consensus, clear differences emerged between the Howard government and the Opposition on how best to manage and protect Australia’s security and interests in this environment. Thus, while Williams, for example, is correct in noting the absence of foreign policy as a driving factor in the Coalition’s defeat on 24 November, the subsequent review suggests that the six foreign policy issues noted above provided key areas in which the Opposition could differentiate itself from the Howard government. Interestingly, by the closing stages of 2007 it appeared that equilibrium had been achieved in the attention given to the two major strategic trends –

8 Hirst, “The Paradigm Shift”, p. 177.
threats from non-state and trans-national forces and a changing balance of power in the Asia-Pacific – that are shaping the external environment that Australia confronts. Most significantly for the Howard government, however, it could not score any significant “hits” on the Opposition regarding such national security issues as the war in Iraq, Afghanistan, terrorism and the US alliance which had long been considered as some of the government’s trump cards. Thus, the relative failure of the Howard government to “wedge” the ALP on its national security credentials in relation to these issues, as it had arguably done during the preceding two federal elections, can be seen as a un-sung contributor to federal Labor’s return from the wilderness.

Terrorism – the Haneef affair

The second half of 2007, however, began with a key driver of strategic transformation – international terrorism - at the forefront of the government’s attention courtesy of the arrest of Indian-born Muslim doctor, Mohammed Haneef, at Brisbane international airport on 2 July. Haneef was linked by the Australian Federal Police (AFP) to the failed terrorist attacks in London and Glasgow airport on 29 and 30 June through the participation of his second cousin, Kafeel Ahmed, in the latter of these attacks. The Howard government’s firmly held conviction that international terrorism was a very real threat to Australian security thus appeared to have received confirmation. Yet, such a pressing issue was inevitably politicised by a government eager to test new Labor leader Kevin Rudd on what had been the Howard government’s strong suit of national security. Thus, Prime Minister Howard on 2 July simultaneously argued that the government had “no information suggesting that there is now a greater likelihood of any terrorist incident in Australia”, the Haneef arrest demonstrated that “there are people in

our midst who would do us harm and evil if they had the opportunity of doing so.”  

Haneef was subsequently detained under anti-terrorism legislation for twelve days before charges were brought against him on 14 July for “intentionally” and "recklessly" supporting a terrorist organisation through the supply of a mobile phone SIM card to his second cousin. The Commonwealth charged that the SIM card had subsequently been used during the organisation of the attempted London and Glasgow bombings and had been found in the car used in the Glasgow attack. This charge subsequently proved to be unfounded when the SIM card was found to be in Liverpool. 

The unravelling of this key element of Commonwealth’s case proved to be a major embarrassment for the government and when Brisbane Magistrate Jacqui Payne subsequently granted Haneef bail on 15 July, Minister for Immigration Kevin Andrews cancelled Haneef’s visa on the basis of his character and placed him into immigration detention under the provisions of the Migration Act. Moreover, Andrews stated that regardless of the outcome of the terrorism-related proceedings against Haneef, the Indian doctor would be deported from Australia. According to many observers the government through the actions of the Minister had clearly engaged in politically motivated executive interference in proceedings before the courts. Rudd, obviously eager not to be “wedged” by the government on such a key national security issue, initially supported the government’s handling of the case on the basis of the briefings he

13 Stoltz, Edwards and Porteous, “Doctor Held”.  
15 Ibid.  
had been given by the AFP and the government and asserted that he and Labor held a “hard line, uncompromising stance” toward terrorism. Labor’s “in principle” support for the government’s handling of the case also extended to support for the Immigration Minister’s revocation of Haneef’s visa on the basis of information provided to it by the government. Such apparent “me-tooism” drove the government, and in particular Kevin Andrews, to distraction with the latter attacking Rudd and his deputy Julia Gillard for failing to criticise the government and accepting “in good faith” the briefings supplied by the government. However, as the AFP case against Haneef collapsed in the final week of July due to lack of evidence, however, Rudd and Labor began to call for a judicial enquiry into the affair in order, in the words of the Labor leader, to put, “all the facts on the table”.

The episode drew to a close by the end of the month when the terrorism charges were dropped on 27 July and Haneef was allowed to return to India on 29 July, although not before Minister Andrews released what he claimed was previously “secret” information he used in his decision to cancel the doctor’s visa. Regardless of the exoneration of Haneef, the Prime Minister stood by the government’s actions, claiming that while “mistakes” had been made during the investigation it was “better to be safe than sorry”.

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20 Kevin Rudd, “Trades Training Centres; Greens Preferences; Tasmanian Forests; Beattie Comments; Dr Haneef; NT MPs/Alcohol”, Doorstop Interview, 24 July 2007, http://www.alp.org.au/media/0707/dsiloo240.php?mode=print
when it came to terrorism. Ultimately, the government’s handling of the case and the Opposition’s canny decision not to react precipitously to the controversy arguably damaged the Howard government’s oft-trumpeted ability to manage national security matters effectively. Indeed, the *Australian* editorialised that Haneef had been detained, “through the exercise of extraordinary administrative fiat on the basis of evidence that has now been discredited”, while Michelle Grattan in the *Age* noted that the government had simply “expected the Haneef affair to play better politically than it has”.25

**Iraq – drawing a long bow?**

The government, and in particular Prime Minister Howard, began the second half of the year by repeating the dominant justifications for its continued commitment to the Iraq imbroglio that had been forthcoming since 2004. While the initial justification for Australia’s commitment to the invasion of Iraq in 2003 was based on the potential threat posed by Saddam Hussein’s acquisition of WMD, much of the government’s rhetoric and statements since then had tended to link the Iraq issue to broader security and strategic concerns.26 In particular, the argument that had come to dominate the statements of key members of the government, most notably those of the Prime Minister and his foreign minister Alexander Downer, stressed the linkages between Iraq, the “war on terror”, the US alliance and threats to Australian security from the “transformational” strategic environment.27

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For the Howard government, Australian involvement in Iraq (and Afghanistan) was a significant contribution to combating the key threats to global security that 9/11 symbolised – namely the nexus between terrorism and “rogue” states – which in turn would help to ensure that such threats would not directly threaten Australia or its region. Thus, the Prime Minister was to argue on 5 July that while Australia’s security “would continue to be shaped by global trends” the nature of those contemporary trends meant, “Australia cannot afford to wait until security threats reach our shores before we do anything about them”. Moreover, for the Prime Minister, global security and more specifically the security of liberal, market-based democracies such as Australia required that it stand by the US in its fight against, “the dark, calculating nihilism of the extremists” in Iraq and Afghanistan. This strategic “stretching” arguably harkened back to the days of the strategic concept of “forward defence” and reliance on the US for security during the early Cold War period.

However, given consistently flagging public support for the Iraq war, one could also suggest this was more a concerted effort on behalf of the government to convince the electorate that “staying the course” in Iraq would enhance Australian security and that it was still more capable than the Opposition of taking the “hard” decisions in the interests of national security and the US alliance. The Prime Minister’s attempt to reiterate the government’s position regarding the links between Iraq and Australian security,

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28 Howard, “Australia’s Strategic Future”, p. 5.
31 According to the Lowy Institute’s August 2007 poll, 57% respondents said that Australia “should not continue to be involved in Iraq”. Simultaneously, however, 44% of respondents said that Australia was involved in Iraq “to support the United States under the US alliance”. See Australia and the World: Public Opinion and Foreign Policy, (Sydney: Lowy Institute for International Policy, August 2007), p. 10 & p. 21. The University of Sydney’s United States Study Centre poll also found that 64 % respondents opposed the war in Iraq. See, Gemma Daley, “Almost Two-thirds of Australians Oppose Involvement in Iraq War”, Bloomberg.com, 3 October 2007, http://www.bloomberg.com
however, was undermined by the controversy stirred up by Defence Minister Brendan Nelson’s suggestion that Australia’s involvement in Iraq was connected to concerns over oil. During an interview on ABC Radio Nelson stated that, “The entire Middle East region is an important supplier of energy, oil in particular…Australians and all of us need to think well what would happen if there were a premature withdrawal from Iraq?”.32 The Prime Minister was, however, quick to correct his Defence Minister stating categorically that, “we didn’t go there because of oil” and that the reason Australia remained committed, “is that we want to give the people of Iraq the possibility of embracing democracy”.33 This prompted the Opposition to launch a sustained attack highlighting the government’s shifting reasons for Australia’s involvement in Iraq from depriving Saddam Hussein of WMD to spreading democracy to the “war on terror”, with Kevin Rudd arguing that Nelson’s comments underlined that, “this government simply makes it up as it goes along on Iraq”.34 Labor continued to attack apparent government confusion over Iraq in the following days by noting that over the 5 to 16 July period the government gave five different reasons for Australia’s commitment through five different spokesmen with Defence Minister Nelson identifying “resource security” (5 July), the Prime Minister “democracy promotion” (5 July), the Treasurer “to defend the democratically elected Iraqi government” (8 July), the Foreign Minister to “defeat Al Qaeda” and the Parliamentary Secretary for Foreign Affairs to prevent “creeping genocide” in Iraq (16 July) as reasons to “stay the course”.35

32 “PM Denies Iraq-oil link”, *The Age*, 5 July, 2007
34 “PM Denies Iraq-oil link”.
Meanwhile, in contrast to the government’s lack of an “exit strategy” in Iraq, Rudd advocated one of his own based on a “phased withdrawal” of Australian troops in “consultation” with the US, a position largely based upon some of the recommendations of the Iraq Study Group/Baker-Hamilton Report of December 2006. This position was reiterated in subsequent days by foreign affairs spokesman, Robert McClelland and defence spokesman, Joel Fitzgibbon. It soon emerged that even if Labor were elected such a phased withdrawal would in fact only occur in mid-2008 due to Labor’s commitment to allow Australia’s deployment in southern Iraq to see out its “rotation” which was due to end in December 2007. Nonetheless, for Rudd and Labor the bigger issue was the government’s justification for “staying the course in Iraq” which they regarded as not only ill-conceived but as jeopardising Australia’s security. Thus, Rudd and other senior Labor spokesmen argued, in a rebuttal of the Prime Minister’s claims that Iraq was central to the “war on terror”, that Australia’s security would best be served through fighting the “war on terrorism” in “our own region, our own neighbourhood, our own back-yard”. This, in essence, was the Opposition’s core charge against the Howard government over Iraq – that its commitment in Iraq had ultimately threatened Australia’s national security through distracting the government from key security threats in our immediate region. Robert McClelland, for example, continued this line of attack on 3 August, asserting that the government had “taken its

39 See Rudd, “Future Challenges in Foreign Policy” & McClelland, “Howard-Nelson Iraq Contradiction on Oil; Labor’s Iraq Policy”.
eye off the ball” regarding the “arc of instability” in the South Pacific due to its commitment to the invasion of Iraq.\textsuperscript{40}

Thus, the opposing arguments regarding Australia’s commitment to Iraq presented by the government and the Opposition through the remainder of the period were framed by this fundamental disagreement regarding the strategic importance of Iraq for Australia’s security. This stood in contrast to the government and Opposition’s concurrence on the importance of Australia’s contribution to security in Afghanistan. The subsequent “debate”, however, surrounding the question of “staying the course” or withdrawing from Iraq largely revolved around the question of whether the government had drawn too long a bow in attempting to link the Bush administration’s Mesopotamian adventure with Australia’s national security. The government for its part, however, stuck by its commitment and banked a great deal on the success of the US troop “surge” in Baghdad and refused to reconsider its approach until US commander in Iraq, General David Petraeus, delivered his report on the progress of the “surge” to the US Congress in September.\textsuperscript{41} This position left the government open to charges from the Opposition that it was leaving the way clear for a policy “back-flip” in time for the federal election in order to neutralise the Iraq issue.\textsuperscript{42} News of Prime Minister Howard’s delivery of a critical letter to his Iraqi counter-part, Nouri al-Maliki, during the first week of August in which he warned the Iraqi Prime Minister that public support for Australia’s commitment could become unsustainable if the Iraqis continued to make little progress, did little to dampen speculation that shifts in government policy on Iraq were tailored

\textsuperscript{40} Robert McClelland, Doorstop Interview 3 August 2007, \url{http://www.alp.org.au/media/0807/dsifa030.php?mode=print}


for domestic consumption. Regardless of this warning, the government continued to argue for “staying the course” in Iraq despite mounting evidence of the Iraqi government’s weakness by pointing to claims that the “surge” was in fact reducing insecurity and violence in Baghdad.

September and October were important months for framing the domestic political debate regarding an “exit strategy” in Iraq for two major reasons. First, as noted above the government had maintained that it would make a judgement on the course of its Iraq policy after the delivery of the Petraeus Report to the US Congress in September, and second, it became increasingly likely that the Prime Minister would call the federal election sometime in October. Although General Petraeus’s finding that the “surge” in Baghdad had significantly contributed to a decrease in violence provided succour for the government’s position, his recommendations regarding troop levels into 2008 were perhaps less comforting. On this issue General Petraeus argued that the US should aim to reduce its “surge”-inflated troop level of 165,000 to 130,000 by mid-2008 followed by a further “draw down” based on the security situation and measures of the Iraqi government’s progress.

Where did this leave the government and the Opposition? Foreign Minister Downer for one argued that the report was entirely in accord with the government’s position that any withdrawal must be “conditions-based not time-based”, a sentiment echoed by

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Prime Minister Howard during parliamentary Question Time later the same day. For Labor, however, the significance of the Petraeus Report was that it considered conditions for US troop withdrawals at all - a development which McClelland suggested meant that, “everyone is focusing on a plan or a program for withdrawal of their troops except the Australian government”. McClelland went on to state that Labor’s policy of a “staged withdrawal” of Australia’s 1500 military personnel in Iraq placed it in direct contrast to the government’s “open-ended, unconditional commitment of Australian troops”. Some observers, however, labelled Labor’s position on Iraq a “con”, suggesting that ultimately the deciding factor regarding withdrawal or otherwise would be determined by “operational imperatives and not political phrases”. It became abundantly clear however that Labor’s position on Iraq, as on other election issues, was placed within an overall Labor strategy to paint the government, and Prime Minister Howard in particular, as tired, out of ideas and with few policies for the future.

This observation became even more relevant once the election was called by the Prime Minister on 17 October, and Rudd and Labor strove to achieve, in the words of one observer, “product differentiation” on key issues such as Iraq, industrial relations, and climate change. Indeed, during the only head-to-head leaders’ debate of the election campaign on 21 October, the issue of Iraq prompted a testy exchange between Howard

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48 “Iraq – Petraeus Report”.
49 Ibid.
50 See for example, Dennis Shanahan, “Labor Iraq Troop Policy is a Big Con”, The Australian, 21 September 2007.
52 Mike Steketee, “Confident Rudd Finally Strikes Out on His Own”, The Australian, 15 November 2007.
and Rudd. In an attempt to evade answering a question concerning whether the invasion of Iraq had increased the terrorist threat to Australia and deflect the focus to Labor’s Iraq policy, the Prime Minister asked, “if its good enough to fight terrorists in Afghanistan, why isn’t it good enough to fight terrorists in Iraq?”  

Rudd, in a response noting warnings from British intelligence regarding the likelihood of an increased level of threat after the invasion, stated that he found it “remarkable” that Prime Minister could have told the Australian people the reverse. 

Ultimately, the evening’s debate on Iraq ended with the Prime Minister tenaciously clinging to the logic that the outcome of events in Iraq was inextricably linked to Australia’s security:

…I know there are many people in Australia who do not agree with our commitment in Iraq. And can I say to those people, I understand that, but I ask them to contemplate what will happen to the prestige of the west; what will happen to the prestige of the United States; what will happen to the fight against terrorism in our part of the world if al Qaeda is seen to be triumphant in Iraq?

Thus, the Prime Minister arguably continued to draw a long bow on the issue of Iraq in the apparent hope that the electorate would not only “buy” his argument regarding the links between Iraq and Australia’s regional and national security but also respect his virtues of tenacity and loyalty displayed through “standing by” the US in a time of need.

**Afghanistan – “more dangerous than Iraq”**

In contrast to the debate surrounding Australian involvement in Iraq that has been detailed above, the question of Australia’s commitment to the NATO-led International Security Assistance Force (ISAF) operations in Afghanistan remained defined by a bipartisan consensus on behalf of both major parties. Indeed, both Prime Minister Howard and Opposition leader Kevin Rudd made a number of remarks from July to the

54 Ibid, p. 29.
55 Ibid, p. 36.
24 November poll that demonstrated their agreement on the importance of stabilising the situation in Afghanistan for Australia’s security, demonstrating the continuation of bipartisan support for US-led actions in Afghanistan that had been established immediately after 9/11. The key difference that emerged between the government and the Opposition on this issue was that the former often mentioned Australian involvement in Afghanistan in the same breath as that in Iraq in order to underline the argument that these two “fronts” were of equal importance and gravity in the “war on terror”. Labor, however, attempted to de-link the two commitments conveying the impression that it had come to perceive the Afghan commitment as the “good” war and Iraq as the “bad” war. Indeed, this particular perception was to garner wider public acceptance across the July to December period if a number of opinion polls were to be believed.56

Nonetheless, Afghanistan is arguably as much of a quagmire as Iraq for the US and its allies. The story of Afghanistan in 2007 was one characterised by the continued failure of the Karzai government to extend its authority beyond the outskirts of Kabul, the continued strength of regional warlords, the revival of the Taliban in the south and ongoing instability along the Afghan-Pakistan border.57 The perceived deterioration of the situation in Afghanistan was reinforced when Australian members of the Reconstruction Taskforce were attacked in Oruzgan province in the first week of August, prompting Prime Minister Howard to suggest that, “Afghanistan in many ways

56 See for example, Australia and the World: Public Opinion and Foreign Policy, (Sydney: Lowy Institute for International Policy, August 2007) & Australian Attitudes Towards the United States, Media Release, (The United States Studies Centre, Sydney, 3 October 2007).
These sentiments were also echoed by the Opposition, albeit with pointed references to Labor’s position that Afghanistan constituted the real “frontline” in the “war on terrorism”. Indeed, while stressing that under a Labor government Australia would remain committed in Afghanistan for the “long haul”, Rudd and McClelland simultaneously highlighted developments in Afghanistan that they argued demonstrated that the government had taken its “eye off the ball”. In particular, McClelland argued that the government had failed to adequately appreciate the links between increased opium production in 2007 and the resurgence of the Taliban. Cataloguing the links between the drug trade in Afghanistan, al-Qaeda and regional Islamists such as Jemaah Islamiyah and the threat thus posed to Australia’s security, McClelland asserted, “I think that the drug trade in Afghanistan is at the heart, at the source, if you like, the resource that is feeding the terrorists”. Moreover, to demonstrate that it prioritised Afghanistan over Iraq as the “frontline” of the “war on terror”, Rudd was to suggest in September and October that if required a Labor government would increase Australia’s commitment in Afghanistan noting that the Opposition had from “the get go” supported the US-led effort in the country. The bipartisan consensus on the commitment to Afghanistan was also underlined in October when Labor supported the government’s decision to send a further 110 ADF personnel to Afghanistan.

For both the government and the Opposition, commitment to Afghanistan appeared to remain politically “safe” as the electorate by and large remained supportive of Australia’s role. The consensus on Afghanistan was also reflected in its failure to rate as an issue during the leaders’ televised debate on 21 October, which stood in contrast to the exchange over Iraq noted above. The death of three Australian soldiers and the wounding of a fourth in southern Afghanistan in October and November, however, no doubt served as an important reminder to both that an increase in casualties retained the potential to undermine public support. Subsequent to Labor’s sweeping victory at the polls on 24 November, Rudd signalled his government’s commitment to Afghanistan by stating that “Australia is here for the long haul” and announcing an additional $110 million in aid during his visit with Defence Minister Joel Fitzgibbon to Afghanistan on 23 December. Moreover, Rudd and Defence Minister Fitzgibbon also urged NATO states to make further efforts to stabilize Afghanistan arguing that failure to do so would have long term security implications for the region. Such a need for further effort to stabilize Afghanistan was also underlined by the UN which reported that there had been over 8,000 “conflict-related deaths” and an average of 566 “incidents” per month in 2007, making 2007 the bloodiest year in Afghanistan since the US-led invasion of late 2001.

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63 See Transcript of the Leaders Debate, p. 28.
At a conference of allied states on 17 December Fitzgibbon also argued that NATO-led forces needed to complement existing military efforts against the Taliban with a concerted focus on a “hearts and minds” campaign focusing on reconstruction or risk failure in Afghanistan. He subsequently suggested that a number of NATO countries, unlike Australia, were not “pulling their weight” arguing that Canberra “wouldn’t countenance increasing our numbers while those underperforming NATO nations aren’t prepared to make additional commitments”. However, a number of observers have suggested that Rudd’s “open-ended” commitment may turn out to be a political and strategic mistake. Indeed, Hugh White has noted that Kevin Rudd may find that his “long haul” commitment to Afghanistan will become increasingly troublesome in government given the probable continued escalation of violence in Afghanistan, the flagging commitment of the Europeans to the effort, and pressure from Washington to redeploy troops from Iraq to Afghanistan. Ironically, in a dilemma that arguably confronted his predecessor John Howard with respect to Iraq, White argues that Rudd needs to assess the “moral weight and political costs of sending Australian forces into operations in which they risk significant casualties for negligible strategic results”.

The South Pacific and East Timor – “our arc of responsibility”

Further evidence that both sides of federal politics accepted the major assumptions of the “transformationalist” account of the strategic environment confronting Australia was forthcoming in the pronouncements of both on the South Pacific and East Timor. The Howard government through its actions in the region, and the Opposition through key

71 White, “Let’s Not Leap into the Fire”.
statements by its leader and foreign affairs spokesman, conceived of the South Pacific as an “arc of instability” characterised by “weak”, “fragile” or “failing” states. Moreover, both had come to argue that such weakness to Australia’s north and north-east represented a security threat to Australia. While this dominant narrative toward the region had been evolving since the late 1990s it had been significantly accentuated by the “transformational” events of 9/11 and the logic behind the 2003 invasion of Iraq. Arguably, Howard government policy towards the region has not only been guided by the perception that a “failing” state such as the Solomon’s would become an “incubator” for terrorism and trans-national crime but also by the more straightforward assumption that if Australia failed to provide leadership in “our patch” of the Pacific, in Prime Minister Howard’s phrase, then another regional power would. This latter aspect has not been as far-fetched as some may have initially thought with China increasingly expanding its influence in the South Pacific. However, Rudd for his part, substantially echoed Howard when he identified key threats to Australia in the South Pacific in July including “failed states” and trans-national threats such as the “explosion of HIV-AIDS”. Moreover, Opposition foreign affairs spokesman McClelland building upon this theme asserted that, “These fragile states don’t just constitute an arc of instability – this is our arc of responsibility”.

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72 See Howard, “Australia’s Strategic Future” and Rudd, “Future Problems in Foreign Policy”.
76 Rudd, “Future Challenges in Foreign Policy”.
According to a number of observers the Howard government’s continuing implementation of “crisis pre-emption” policies toward the “arc of instability” – exemplified by the intervention in the Solomon Islands and the continuing Interfet mission in East Timor – contributed to a further deterioration of relations with the governments of the region.\(^78\) Indeed, the final half of 2007 was punctuated by a number of sharp troughs in Canberra’s relations with capitals throughout the region due to factors that had much to do with the fact that the Howard government’s approach was guided by a particular conception of intervention. Australia’s intervention in the Solomon Islands has been emblematic in this respect. This has largely focused on the concept of “state-building” which has come to characterise many of the prominent cases of intervention since the 1990s from Bosnia to Kosovo to Afghanistan and Iraq and has come to be defined by a three phase approach: the provision of security and humanitarian assistance; the building of effective and transparent public administration; and the strengthening of the rule of law, promotion of democracy and free market conditions.\(^79\) These phases have been important not only in Howard government policy toward the Solomon Islands but also in approaches to key states in the region such as Papua New Guinea, Fiji and East Timor. Indeed, in each of these cases Canberra has deployed not only military and/or AFP personnel but bureaucrats and advisors at various levels to provide assistance and “over-sight” in stabilisation and aid operations.\(^80\) This has proven to be problematic with charges arising that Australia had, for example, attempted to establish a “parallel government” in the Solomon’s to


\(^{80}\) Stewart Firth, “Threat Spectrum”, in *Australia and the South Pacific: Rising to the Challenge*, (ASPI Special Report, No. 12, March 2008), pp. 10-11.
circumvent that of Manasseh Sogavare and generally been paternalistic in its dealings with the region.81

In an election year, the Opposition inevitably seized on the perceived setbacks to Australia’s intervention in the Solomon’s and charged the government with neglect in this respect with Rudd arguing that the government had been “reactive rather than proactive; last minute rather than long term; and military rather than economic”.82 Yet, Rudd’s pronouncements on the South Pacific up to the election suggested that there would be more continuity than change in this sphere with the Labor seemingly as committed as their opponents to promoting “good governance” and “capacity-building” that are entrenched in the “state-building” discourse, although with a stated undertaking to privilege the economic rather than military/security components of intervention.83 Indeed, Australia’s post-election initiatives in the region suggest “more of the same” from the new government including ongoing commitment to RAMSI, albeit complemented by a more conciliatory tone toward regional leaders than that of its predecessors.84

Climate change – not so “transformational”?

The Howard government’s approach to climate change since 1996 had largely been defined by “nationalist” bargaining at Kyoto in 1997 and an insistent refusal to ratify


82 Rudd, “Future Challenges in Foreign Policy”.


the subsequent Kyoto Protocol thereafter, accompanied by regular statements by Howard and senior ministers that they remained unconvinced as to the reality of climate change. 85 This position became problematic in the second half of 2007 as it became clear that in the public’s perception climate change was increasingly seen as equally as threatening as terrorism and that the Opposition was intent on making it a key area of “product differentiation” between itself and the government. 86 Public perception was perhaps converging with that of “experts” with one arguing early in 2007 that:

Climate change is fast emerging as the security issue of the 21st century, overshadowing terrorism and even the spread of weapons of mass destruction as the most likely cause of mega-death and contribute to state failure, forced population movements, food and water scarcity and the spread of infectious diseases. 87

Moreover, AFP commissioner Mike Keelty was to echo this assessment in October when he suggested:

We could see a catastrophic decline in the availability of fresh water...Crops could fail, disease could be rampant and flooding might be so frequent that people – en masse – would be on the move. Even if only some and not all of this occurs, climate change is going to be the security issue of the 21st century. 88

During the last half of 2007 Labor was arguably closer to such “transformationalist” accounts of the potential security implications for Australia of climate change than the government with McClelland and Rudd asserting on a number of occasions that climate change was a “seminal” issue that could have “profound” effects in our region including

contributing to “state failure”, the spread of disease, and the un-regulated movement of people.  

In contrast, Prime Minister Howard maintained well into 2007 his position that climate change was not the “overwhelming moral challenge for this generation”, although he did make the admission during the election campaign that “mankind has made a contribution to global warming”. Moreover, his government was to argue over the following months that Labor’s approach to the issue, most notably a commitment to ratify the Kyoto Protocol and reduce carbon emissions by 60% by 2050, was both economically irresponsible and largely irrelevant to “practical” steps to address the challenges of climate change. Such “practical” steps included the promotion of “clean coal” technologies, the establishment of a carbon emissions trading scheme by 2011, and perhaps most controversially the reconsideration of nuclear energy. On this latter issue, Prime Minister Howard attempted to sell the disingenuous argument that the nuclear option was a “green” and viable source of renewable energy in order to “wedge” the Opposition given Labor’s decision to abandon the long-standing “three mines policy” at its national conference in April while maintaining its opposition to nuclear energy.

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89 See McClelland, “Global Warming” & Kevin Rudd, “Future Challenges in Foreign Policy”.
The government also scored two significant “hits” on the Opposition on climate change during September and October. First, the Howard government had long held that the Kyoto Protocol was not realistic as it did not adequately address the carbon emissions of developing economies, in particular China and India. Thus, at the APEC summit on 4-7 September in Sydney, the Prime Minister trumpeted his success in getting both China and the US to sign a declaration committing them to “aspirational” targets for cutting carbon emissions after the Kyoto Protocol expires in 2012.94 Second, Labor environment spokesman, Peter Garrett, provided the government with ammunition when he stated that a Labor government would consider signing on to a new post-Kyoto climate accord regardless of whether it included such nations as China and India.95 This allowed the Prime Minister to reiterate his argument that Labor’s approach was economically irresponsible suggesting that Garret didn’t have a plan to cut emissions but rather “a plan to cut Australian jobs”.96 Rudd’s response was to contradict his environment spokesman and declare that “we would need to see clear-cut commitments from the major emitters from the developing world”, leaving him open to charges of copying the government’s position.97 In an attempt to highlight the distinction between itself and the government on this issue Rudd then asserted, “My point …consistently has been you must be absolutely there as a developed country with a commitment on the table and properly ratified for developing countries like China to take you seriously”.98 However, Rudd and Labor for the remainder of the election campaign essentially kept to the line of argument established earlier in the year that a government led by a “climate change sceptic” could not find climate change solutions with Rudd stating on election day.

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96 Ibid.
98 Ibid.
eve that in contrast to John Howard climate change would be his number one priority if
elected.99 Such a claim was bolstered after Labor’s election victory when, as his first act
as Prime Minister, Rudd ratified the Kyoto Protocol on 3 December.100 Nonetheless, as
the UN-sponsored climate change conference held in Bali on 3-5 December
demonstrated, the new government like its predecessor will not commit Australia to
emission reduction targets without similar undertakings on behalf of developing
economies.101

Quads and triangles - Australia and the changing balance of power in Asia
Throughout the July to December period the trend of the re-emergence of concern with
the balance of power in Asia, noted in previous “Issues in Australian Foreign Policy”
articles, continued apace. Indeed, as perceptions of the threat of international terrorism
have receded, worries about Australia’s relative position between the great powers of
the region have increased.102 In particular, China’s continued economic and military
development, India’s growing economic and strategic importance and the assertive
tendencies in Japanese foreign policy suggest that the era of clear-cut US predominance
in Asia may be waning. White, for example, argues that we are moving into an era in
which Asia’s strategic affairs are “dominated and determined by a number of largely
evenly balanced powers: most obviously the United States, China, Japan and India”.103
Thus, if this assessment is correct, Australia’s future strategic environment will largely
be defined by the evolution of relations of power between the “strategic triangle” of the
US, China and India.

99 Nick Squires, “On Election Eve, Australia’s Opposition Leader Says Climate Change is No. 1 Priority”,
100 “Rudd Ratifies Kyoto”, The Age, 3 December 2007.
Prime Minister Howard evidently shared the same concern when he stated in July that changing “relativities of power” with the rise of China and India would reshape “our regional landscape” and tilt “the global centre of gravity away from the Atlantic towards Asia”. However, he remained confident that despite the fact that the US was under “strain” at home and abroad due to its difficulties in Iraq and Afghanistan, “it would be a mistake to underestimate America’s resilience, regenerative capacity and moral authority”. Moreover, he also asserted that arguments that his government’s development of a “stronger, broader and deeper” relationship with the US had come at a cost to relations with Asia couldn’t be further from the case noting Australia’s strong relationship with China and Japan and a “strengthened” relationship with Indonesia. Howard emphatically concluded that the simultaneous maintenance of close ties with the US and key Asian powers were no coincidence, suggesting that the US alliance “adds value to our dealings in the region” and “represents an asset rather than a liability.”

Developments during the last months of the Howard government, however, suggested that this view may have been too sanguine. These included the fall-out from the conclusion of the Japan-Australia Joint Declaration on Security Cooperation (JADSC) in Tokyo in March, the controversy surrounding the approval of sales of uranium to India in August and Australian support for the Bush administration’s ballistic missile defence (BMD) program. In sum these developments prompted some observers to suggest the development of a “quadrilateral” alliance between the US, Australia, Japan

104 Howard, “Australia’s Strategic Future”, p. 4.
105 Ibid, p. 5.
106 Ibid.
and India aimed at the “soft containment” of China.\textsuperscript{109} From Beijing’s perspective such speculation was given further weight when officials from the US, Japan, Australia and India met in June 2007 for talks regarding such a “quadrilateral initiative” which resulted in quadrilateral naval exercises in the Bay of Bengal between 4-9 September 2007.\textsuperscript{110} Almost simultaneously, Australia hosted the APEC leaders’ summit in Sydney, during which China prodded the US, Australia and Japan for an official explanation of the quadrilateral talks and exercises. Prime Minister Howard’s argument that it was simply a, “expression of the commonality of interests that the three Pacific democracies have”, apparently did little to assuage Beijing that an “axis of democracy” was being formed to contain China.\textsuperscript{111}

Meanwhile, the government’s approval of sales of uranium to India on 15 August, overturning a long-standing and bipartisan Australian policy of only selling uranium to NPT signatories, was clearly guided by the precedent and logic of the Bush administration’s March 2005 nuclear cooperation agreement with India.\textsuperscript{112} Labor, in a statement by foreign affairs spokesman Robert McClelland a day prior to the government’s decision to authorise sales of uranium to India, categorically stated that Labor was opposed to the sale of uranium “to any country that is not a signatory of the NPT” as this would,


\textsuperscript{111} See Antoaneta Bezlova, “War Games Muddy APEC Summit”, \textit{Inter Press Service}, 7 September 2007, \url{http://ipsnews.net}.

“inevitably undermine an already fragile NPT and wider non-proliferation regime”.113 Thus, Rudd went to polls vowing that if elected his Labor government would overturn the Howard government’s 15 August 2007 decision to authorize sales of uranium to non-NPT party, India – an undertaking that has subsequently been upheld.114 The issue of Australian support for the Bush administration’s BMD initiatives also lurked behind the scenes of the “quadrilateral” controversy, with Foreign Minister Downer and Defence Minister Nelson on record as supporters of the concept, prompting China to warn against the “destabilising” effect of the development of a regional BMD system.115

As William Tow notes, these developments are arguably symbolic of a core dilemma for Australia’s foreign policy that will also have to be faced by the new Rudd government:

> Australia is at a historical crossroads: it must choose between a strategy of regional engagement designed to pursue community building and avoid security dilemmas, or one that designates China as a rising strategic challenge that ultimately cannot be accommodated and thus must be contained with like-minded allies. The current APEC meeting is Sydney is perhaps symbolic of the first approach; the March 2007 Japan-Australia Joint Declaration on Security Cooperation is symbolic of the second policy course.116

While the new Rudd government has shown far less enthusiasm for such an “axis of democracy” than its predecessor and greater rhetorical commitment to “regional

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engagement”, it nonetheless remains crucial for Canberra to navigate the “old fashioned relations of power” between the region’s great powers.\textsuperscript{117} These “relations of power” in the Asia-Pacific are arguably in a transitional period not seen since the end of the Second World War, which suggests that the Rudd government must be diplomatically fleet-footed to respond effectively to changes in this strategic environment. The apparent rapprochement reached between China and India during Prime Minister Manmohan Singh’s visit to Beijing in January 2008, for example, which included Chinese undertakings for cooperation on nuclear energy, may encourage the Rudd government to follow through on its rhetoric on deepening ties with New Dehli.\textsuperscript{118} In this respect, it should not be discounted that reconsideration of Canberra’s position on uranium sales to India may emerge as a potentially attractive leverage mechanism to kick-start broader bilateral relations.\textsuperscript{119}

\textsuperscript{119} Robert Ayson, “Kevin Rudd and Asia’s Security".