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Australia's Foreign and Defense Policies after the September 2013 Election: Howard 2.0?

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Nick Bisley, Professor of International Relations at La Trobe University, Australia, explains that “Abbott has plainly signaled that he sees this government as a continuation of that which was voted out in 2007.”

Australians voted the conservative Liberal-National coalition party back into power for the first time in six years by decisively rejecting the Labor government of Kevin Rudd in the September 7th general election. Despite overseeing a strong economy with low unemployment, cheap interest rates and historically high terms of trade, Rudd's government suffered a humiliating defeat. Years of bitter infighting over the leadership of the party between Rudd and former Prime Minister Julia Gillard, combined with an inability to communicate the party's real achievements and a surprisingly poor election campaign turned out to be a gift to the Liberal-National coalition, led by Tony Abbott.

Foreign and defense policy were peripheral issues during the campaign, though now they come to the forefront for newly elected Prime Minister Abbott and his cabinet. This election comes at a time when Australia is just one week into its presidency of the UN Security Council, in addition to assuming the chair of the G20 for 2014, and at a time of heightened tensions around Syria.

Beyond the inevitable changes in style and tone, there will be some continuity between Labor and the Liberal-National coalition regarding foreign policy. Most obviously, the US alliance will remain the cornerstone of Australia's defense and security arrangements. The Labor government invested heavily in the alliance, and Abbott has made clear that he too will seek to further deepen the Australia-US relationship, both rhetorically and operationally. Australia will also continue to see America's role in Asia as the key to maintaining regional peace and prosperity.

Second, Australian policy will continue to be Asia-focused. While in opposition, Foreign Minister Julie Bishop repeatedly said her party's foreign policy would be Jakarta-centric—not Geneva-centric—a jab at Kevin Rudd's global roaming, and Mr. Abbott promised that his first overseas visit will be to Indonesia. The simple reality is that Australia's economic and strategic interests dictate that Australia's priorities must remain in its own dynamic region.

Third, Australia will continue to be an active participant in Asia's many multilateral groupings. While less instinctively trusting of multilateral processes than either Gillard or Rudd, Abbott recognizes the opportunity they provide for a relatively small power to help shape a changing regional order and to increase Australia's influence more broadly. Crucially, for Abbott, American commitment to these processes will reinforce these trends.

However, there will be some changes and the most important relates to defense expenditure. Although Labor's 2009 Defense White Paper committed the government to

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a raft of ambitious defense outlays, it was unable to make good on its commitments as a deteriorating fiscal position following the global financial crisis led it to implement a series of cuts and delays on a wide range of programs. Abbott has promised to reverse these and to increase defense expenditure to around 2 percent of GDP over ten years. He has also promised a new Defense White Paper within eighteen months of coming to office—the third white paper in six years. This increase in spending will be welcomed by Washington and should ease the most salient point of tension in the relationship—that Australia is not financially contributing as much as it should during times of American fiscal difficulty.

Beyond defense, the new government has put domestic economic concerns at the heart of its foreign policy with a particular emphasis on signing more bilateral preferential trade agreements. Yet oddly, Abbott has said that he will remove trade from its current institutional home within the Department of Foreign Affairs and Trade and assign it to a new super ministry of Trade and Investment. Precisely what impact this will have is unclear but at the very least it is likely to impose some institutional opportunity costs.

There is still much that is unclear about how the new government will conduct its foreign policy. Thus far it has not set out what its agenda for the G20 will be, it has not indicated how it will utilize membership of the UN Security Council to advance Australia’s interests and it has failed to outline Australia’s broader strategic goals. More spending on defense is promised and this will placate Washington, but it is not yet clear to what strategic end this spending will be put.

Abbott has plainly signaled that he sees this government as a continuation of that which was voted out in 2007. All of his key ministers are from that John Howard government, indeed there is very little fresh blood within the upper levels of this new government. This is a surprising development, taking into account just how resoundingly Howard was defeated in 2007.

Abbott’s desire to look backward—for example he has said that the central planks for defense policy will be those that informed the Defense White Paper of 2000—is understandable given the achievements of the Howard government but also disconcerting given how much the world has changed. The global economy is in a much more turbulent period as developed economies experience slow growth, and growth in emerging economies, notably China and India, is beginning to slacken. The strategic environment, both globally and in Asia, is much more volatile than in 2000. Central to this volatility is a China that has taken a much more assertive approach in its regional dealings than in the past. This is the same China that is Australia’s number one trading partner and a growing investor in the Australian economy.

Abbott has, as yet, provided no sense as to the path he will pursue in what is Australia’s fundamental foreign policy challenge, namely managing Australia’s relations with the United States and China. He has shown signs of clinging to the bland mantra that Australia should not have to choose between the two. Yet it ignores the reality that Australia is on America’s side and that the PRC is increasingly asserting its discontent with some aspects of the US rebalance towards the Asia-Pacific. How Australia manages this three-way dance will be increasingly difficult. Perhaps the biggest mistake that Abbott can make is to assume that he can simply dust off the 2000 playbook.

Tony Abbott takes charge of Australian foreign and defense policy at a challenging time. There are some hints of what will inform his broader thinking. The alliance with the United States will remain central, but the direction of Australia’s broader strategy and the place of the alliance within that strategy remains unclear. One indication of Abbott’s policy may be revealed in the appointment of the next Australian ambassador to Washington, replacing Kim Beazley. This selection will say a lot about how the Abbott government thinks about Washington, and the kind of role that the alliance plays in Australia’s increasingly complex diplomatic life.

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