

# Challenging Australia's foreign policy orthodoxy

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April 13 2022

Note: This article appeared in the Australian Institute of International Affairs' blog, *Australian Outlook*, on April 13 2022.

A strategy document released last month gave graphic insight into where dispassionate analysis by a peak Australian government agency sees the region headed. It points to a future in which the Morrison government's [hairy-chested posturing](#) towards China does the national interest no favours.

Not without irony, the document was an ['update'](#) of a 2018 report by former Secretary of the Department of Foreign Affairs and Trade Peter Varghese that drew attention to the importance of the rise of India for Australia's economic and strategic interests. Particularly since the Turnbull government in 2015, the direct economic benefits from closer ties with India have been of secondary importance to pulling New Delhi's sense of its interests further east to forestall a region dominated by China, both via an enhanced bilateral relationship and through the Quad.

Aside from India, the government's other big strategic play has been AUKUS – a doubling down on preserving US regional primacy. The first nuclear-powered submarine to be delivered by the agreement – with capabilities ideally suited to serving as an adjunct of the US Navy in the South China Sea or the Taiwan Straits – will arrive around 2040. Yet five years before then, forecasts from the Commonwealth Treasury suggest that China will account for a staggering 24 percent of global GDP, up from 18 percent now.

To put that in perspective, Australia is one percent of the global economy now and will be less than one percent in 2035. India will still be less than half China's size at 11 percent. And even then, there's still the question of whether New Delhi can be drawn into an East Asian strategic system as part of coalition directed against China. A bitter border dispute with Beijing is more front of New Delhi's mind, but its fierce unwillingness to align itself with other Quad capitals in condemning Russia's invasion of Ukraine raises obvious questions. Japan, the Quad member geographically closest to China, will be just one-sixth its economic size.

The US will remain a major player at 14 percent. Nonetheless, its status as a non-resident power in East Asia is fixed. Part of its global gaze will be in faraway places, at least from Australia's perspective, as the current crisis in Europe is demonstrating. Perhaps even more salient, as former Chief Executive Officer of the United States Studies Centre (USSC) Simon Jackman explains, the US is now 'consumed by a fractious debate about its role in the world.' [USSC polling](#) released last month indicates a sharp jump in 'isolationist beliefs,' from 28 percent in 2019 to 40 percent 2021, while a 'majority of Americans are unsure about the value of US alliances.' There's the clear prospect that a future Republican administration in particular might fan these instincts.

Some hope in Canberra is also placed on Jakarta. Indonesia is, and will remain, the undisputed economic and strategic fulcrum of Southeast Asia. The Treasury, however, says that it will still be less than four percent of global GDP in 2035. And then there's the recent [advice](#) of David Engel, head of the Indonesia program at the

Australian Strategic Policy Institute, who cautions that ‘Australia should remain clear-eyed about just how truly ‘strategic’ a partner Indonesia is set to be.’ He adds that ‘it will certainly do nothing, even rhetorically, that might jeopardise its ‘domestic interests’ should China attack Taiwan.’

None of this is to say that these countries, including Australia, won’t retain significant agency in the face of Chinese power. A region in which China is the dominant power won’t be one in which it has free rein. Despite 40 percent of goods exports going to China, Australia’s access to risk mitigation mechanisms, notably global markets, has meant that Beijing has been dealt a harsh lesson in the [limits](#) of its economic coercion.

And, of course, Treasury’s forecasts of Chinese economic growth might prove to be overly rosy. Still, at a minimum, they suggest that a premium ought to be placed on a diplomatic handling of relations with Beijing by Canberra.

Further, there ought to be far more debate and contestation in Australia’s foreign policy settings than the suffocating orthodoxy evinced in political circles and reinforced in mainstream media discussion. A [report](#) released this month by the Australia-China Relations Institute, for example, documented that across 16 different policy questions involving China, the Coalition and Labor were in lockstep on all.

A [new paper](#) published in the *Australian Journal of International Affairs* seeks to shake things up, with the six authors from five different local universities making the case for a foreign policy approach they describe as ‘progressive realism.’ The ‘realism’ acknowledges rather than pretends away analysis like that produced by Treasury. But rather than stopping there, they reject the prescription of right-wing movements that have gained political clout from the US to Hungary to the Philippines, which ‘points towards a strategy of ‘militarist isolationism’ in which a hostility to multilateral institutions is matched by a preference for increased military spending and the pursuit of militarised competition as an end in itself.’ Instead, they argue for one that centres on redistribution, both within and between countries.

The strategy they sketch is a reminder that Prime Minister Scott Morrison’s [warning](#) in June 2020 of a region that is ‘poorer, more dangerous and more disorderly’ need not be destiny.

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