Defence White Paper: One American’s View

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Australia’s new Defence White Paper has its flaws, but the first thing that struck me about it was the hope that the Pentagon could produce as coherent a strategic document with the 2014 Quadrennial Defense Review (QDR).

As David Berteau and I noted in our congressionally mandated independent assessment of U.S. forward presence strategy for the Asia Pacific region, the Obama administration has not been able to articulate to Congress or the region what strategic assumptions and principles underline the so-called rebalance to the Asia Pacific. U.S. deputy secretary of defense Ashton Carter’s recent speech at CSIS was a major step forward in that regard, but I hope the Pentagon’s strategic planners read the Australian Defence White Paper for some further clues on how to do these things.

I liked the White Paper’s emphasis on the Indo-Pacific concept and the focus on protecting the maritime approaches to Australia. This broader framework, in the tradition of naval strategist Alfred Thayer Mahan, is probably more appropriate to Australia’s maritime setting than past Labor Party strategic concepts that seemed to rely too heavily on stopping the enemy at the beaches or in the Coral Sea.

The emphasis on preventing hostile powers from using coercion or intimidation in this Indo-Pacific zone is particularly relevant, given that
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Beijing arguably attempted just that in the East and South China Seas in recent years. This theme in the White Paper will resonate with evolving U.S. thinking and declaratory policy.

Other aspects of the White Paper may not be as compelling. I suspect the document will be seen elsewhere in the region as a partial repudiation of the 2009 White Paper, and therefore a retreat from attempting to maintain a favorable strategic equilibrium as Chinese power rises. The fact that Australian defense spending is at 1.56 percent of GDP, the lowest level since 1938, will only reinforce this view, despite aspirational assertions in the document that the government will eventually target defense spending at 2 percent of GDP.

The defense engagement section also struck me as a lost opportunity. Yes, the Australian Defence Force is doing a lot with a lot of countries (the list is actually quite impressive), but if the Indo-Pacific strategic space is so important and the objective of Australian strategy is to impair hostile coercion strategies in that space, why not explain how Australia will work with other like-minded maritime states facing the exact same challenge? It seems to me that countries like Japan and India merit a more ambitious vision for strategic levels of cooperation, but perhaps this is a case where good manners (not upsetting Beijing) prevented explicit discussion of what should be an obvious dimension of an effective Indo-Pacific strategy.

Overall, though, the White Paper holds together well. And if current political trends continue and the Liberal Party-led opposition coalition wins power in elections this year, the Pentagon might get yet another Defence White Paper to study.

All good homework as we prepare for the 2014 QDR. ▲

A version of this commentary originally appeared May 6, 2013, on the Lowy Institute for International Policy’s blog, The Interpreter, where it is part of a debate; click here to see how this debate started and developed. Reprinted with permission.
AUSTRALIA

**Australia releases Defence White Paper.** Australia’s government on May 3 released a highly anticipated Defence White Paper, which outlines the country’s strategic priorities and defense capabilities. The document appears more conciliatory toward China than its 2009 predecessor did. Prime Minister Julia Gillard, who announced a landmark currency swap deal with China in April, said Australia does not need to choose between a close relationship with Beijing and one with Washington. Gillard’s Labor Party, meanwhile, said it wants to increase defense spending to 2 percent of GDP, although budgetary constraints make that unlikely in the near term.

**Government to release federal budget.** Treasurer Wayne Swan will release Australia’s 2014 federal budget on May 14. Prime Minister Julia Gillard said on April 29 that “every reasonable option is on the table” to alleviate the government’s $12 billion revenue shortfall. Gillard’s Labor government will continue to fund two multibillion-dollar commitments: school funding reform and a national disability insurance scheme. The government has said the electorate will understand the need for a tight budget ahead of September elections, but the opposition coalition has criticized the ruling Labor Party for bad management.

**Government releases farm aid plan.** Australia’s government announced on April 27 that it is offering low-interest loans to aid debt-burdened farmers dealing with high costs, depreciating land values, and a strong currency. The country is one of the world’s largest exporters of wheat, sugar, and cotton. Australia hopes that its farming sector will help supply Asia’s growing food demand in the coming decades.

**Australian manufacturing slumps.** The Australian Performance of Manufacturing Index, which measures conditions in production, employment, exports, and new orders, fell sharply in April to its lowest level in nearly four years. The chief of the Australian Industry Group, which released the index, cited the high Australian dollar and domestic costs. Manufacturing accounts for only about 7 percent of GDP, but its decline affects other trade-related industries. The manufacturing industry is looking for the government to include greater assistance for the sector in the country’s 2013–2014 budget.
Gillard to cochair health alliance. Prime Minister Julia Gillard announced on April 26 that she will cochair the newly formed Asia Pacific Leaders Malaria Alliance. The grouping is being established to implement regional leaders' commitments made at the 2012 East Asia Summit to deal with malaria control and growing resistance to antimalarial medicines. It will mobilize action in individual countries and review progress in the Asia Pacific, where over 42,000 people died from malaria in 2010. Gillard committed $1 million to establish the alliance, and Australia will spend another $100 million over four years to fight the disease.

Two hundred U.S. Marines arrive in Australia. U.S. ambassador to Australia Jeffrey Bleich greeted the second rotation of U.S. troops to Darwin in northern Australia on April 22. The 200 marines will spend their six-month deployment training with Australian and Indonesian troops. Prime Minister Julia Gillard and President Barack Obama announced the rotation of U.S. troops to Darwin during the latter's November 2011 visit to Australia. The United States plans to have up to 2,500 marines on rotation in Australia by 2016–2017.

NEW ZEALAND

China overtakes Australia as New Zealand’s biggest export market. For the first time, China buys more exports, including meat, dairy, and pine logs, from New Zealand than Australia does, according to an April 26 article in the New Zealand Herald. New Zealand’s exports to China have tripled since the two countries signed a free-trade agreement in 2008, while its exports to Australia have declined. Prime Minister John Key led the nation's largest-ever trade delegation to China in April and has focused on increasing the number of foreign students and tourists from China.

New Zealand dairy industry continues to boom. New Zealand companies are planning large-scale projects worth more than $1 billion to fill increased Asian demand for the country’s dairy products. Fonterra, New Zealand’s largest company and supplier of about 30 percent of the world’s exported dairy products, has begun building an ultra-heat-treated plant to meet overseas demand, according to an April 29 New Zealand Herald report. New Zealand’s baby formula exports, which account for just one subset of its dairy exports, total approximately $1 billion per year, indicating the enormous value of the sector as a whole.

Poll shows New Zealanders distrust spy agency. Fewer than one-third of New Zealanders trust the Government Communications Security Bureau (GCSB), according to a poll conducted less than a week after the government’s April 17 announcement of legal changes that would allow the agency to conduct domestic spying. A report in early April showed that the
GCSB had illegally spied on New Zealanders over the past decade. The public distrust of the spy agency appeared to blow back on Prime Minister John Key, with polls in April showing gains for the political opposition.

**New Zealand legalizes same-sex marriage.** New Zealand’s parliament passed legislation on April 17 allowing same-sex couples to marry, making New Zealand the 13th nation, and the first in the Asia Pacific, to do so. New Zealand has allowed civil unions since 2005, but the new law, which will take effect in late August, will allow same-sex couples the benefits of full marriage, including the right to jointly adopt children. In response, Julia Gillard, prime minister of neighboring Australia, said she would not reverse her opposition to legalizing same-sex marriage. Opposition leader Tony Abbott agreed that Australia should not hold a referendum on the issue before national elections in September.

**Opposition parties outline energy plan.** New Zealand’s Labour and Green Parties announced a plan the week of April 18 to set up a single electricity purchaser, called New Zealand Power, if elected in 2014. Labour leader David Shearer said the proposed single-buyer model would lower costs for consumers. New Zealand’s business leaders criticized the plan and called on the opposition to withdraw it. The ruling National Party, which is seeking to raise revenue by selling off state assets, also criticized the proposed monopoly. The Treasury is looking to sell up to 49 percent of state-owned Meridian Energy and Genesis Energy.

**PACIFIC ISLANDS**

**Three political parties register in Fiji.** Fiji’s government the week of May 1 re-registered two established political parties—the National Federation Party and the Labour Party—and one new party—the Social Democratic Liberal Party. Prime Minister Commodore Frank Bainimarama pointed to the registrations as proof that elections in September 2014, the first since 2006, will be free and fair. The registrations came a week after a deadline passed for the public to make submissions on the government’s draft constitution. Labour Party leader Mahendra Chaudhry said on May 2 that the government needs to lift restrictions on the media, which he said unfairly support Bainimarama.

**Papua New Guinea to implement death penalty.** Papua New Guinea prime minister Peter O’Neill said on April 30 that immediate implementation of the death penalty is necessary to deal with deteriorating law and order, particularly increases in rape cases, in the country. Amnesty International the next day condemned O’Neill’s statement. The organization said that the death penalty, which is already legal but not used in Papua New Guinea, will not address the country’s underlying governance and security issues.
Pacific parliament idea gains traction at New Zealand forum. More than 70 leaders from the Pacific region gathered in Wellington April 18-22 for the Pacific Parliamentary and Leaders Forum. The gathering, which sought to promote greater cooperation between the Pacific Islands and New Zealand, also witnessed increasing support from attendees for a permanent Pacific parliament. The idea dates to the early 1980s and has gained increasing traction as an alternative vehicle to the Pacific Islands Forum, with which many Pacific leaders are dissatisfied.

Five die of dengue fever in Solomon Islands. Almost 4,000 people have recently contracted dengue fever in the Solomon Islands and 5 have died, all in the capital city of Honiara. The infectious tropical disease is transmitted by several species of mosquito. Australian and New Zealand health teams are lending assistance at the city’s National Referral Hospital. Australian Agency for International Development director general Peter Baxter visited the hospital during the week of May 1, and also signed an agreement with the Solomon Islands’ government to ensure Australian aid is protected from fraud or misuse.
Seminar on role of United States and Japan in economic integration. The Japan Chair at CSIS and the Japan External Trade Organization will host an Asia-Pacific Economic Integration Seminar on May 14. The event will feature discussions on progress toward economic integration in the Asia Pacific and the roles of the United States and Japan. The seminar will be held from 8:45 a.m. to 1:30 p.m. at the CSIS B1 Conference Center, 1800 K St., NW. Please RSVP here by May 10.

The Indonesia Conference @ CSIS. The Sumitro Chair for Southeast Asia Studies at CSIS will host an all-day conference May 16 on the security, political, economic, and sociocultural opportunities and challenges in U.S.-Indonesia relations. Indonesian foreign minister Marty Natalegawa will offer keynote remarks, followed by speeches and panels by Indonesian and U.S. officials, thought leaders, business executives, and media. The event will be held from 9:00 a.m. to 5:30 p.m. at the Four Seasons Hotel, 2800 Pennsylvania Ave., NW. More information, including registration, is available here.

U.S.-New Zealand Partnership Forum. The New Zealand Embassy in Washington will host more than 250 guests for the fifth U.S.-New Zealand Partnership Forum May 19–21. The embassy plans to bring a large number of New Zealand officials, business leaders, and students to the event. The forum will be held at the Grand Hyatt Hotel, 1000 H St., NW. For information, please click here.

Chief of Naval Operations on the U.S. rebalance to the Asia Pacific. The Center for a New American Security will host a discussion on May 21 with Chief of Naval Operations Adm. Jonathan Greenert. The event, titled “Asia-Pacific Rebalance: Strengthening Regional Maritime Security and Partnerships,” will take place at 5:45 p.m. at the Willard InterContinental Hotel’s Crystal Room, 1401 Pennsylvania Ave., NW. Please RSVP here or by phone at (202) 292-4196.

Annual CSIS South China Sea conference. The Sumitro Chair for Southeast Asia Studies at CSIS will host its third annual South China Sea conference on June 5–6. The event will feature speeches by congressional and senior administration officials and remarks and discussion by an all-star lineup of South China Sea experts, including representatives from China, Japan, the Philippines, and Vietnam. It will take place in the B1 Conference Center at CSIS, 1800 K St., NW. Registration is not yet open, but details will follow.
Center for a New American Security’s annual conference. The Center for a New American Security will host its annual conference on June 12. The conference focuses on national security issues facing the United States. Participants on a series of panels will speak on a range of security topics, including “The Future Rebalancing to Asia: A Conversation with Former State Department and National Security Council Asia Hands.” The conference will take place from 8:30 a.m. to 5:30 p.m. at the Willard InterContinental Hotel, 1401 Pennsylvania Ave., NW. More information is available here. ▲