

How will Australia's Strategic Culture Inform Its Engagement in the Indo-Pacific Region?¹

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If there is one enduring feature of international relations in the 21st Century, it is the rise of Asia as the economic, and increasingly political, heartland of the world. As the 2013 Australia defence white paper noted, "Australia's national security is intrinsically linked to the economic and strategic transformation in our region and the world."² This 'transformation' is unmatched globally, presenting both opportunities and threats for Australia. The 'transformations' explored in this article include a rapidly rising, and increasingly belligerent China, a Japan taking steps away from its post-war pacifism and questions over US decline and its commitment to the 'pivot' to Asia. For Australia, navigating these dynamics requires ambitious and flexible policy actions; ones guided by its strategic culture.

Strategic culture is a relatively recent academic concept. Jack Snyder introduced it in his 1977 work on the Soviet Union's nuclear policy.³ In it he defined strategic culture as:

The sum of total ideas, conditioned emotional responses, and patterns of behaviour that members of a national security community have acquired through instruction or imitation.⁴

Strategic culture is unique to each country. It is a response to a number of features, including history, geography, international and military relationships, the political system and culture, amongst others.⁵ Strategic culture is the lens through which events are interpreted, setting boundaries and "thus indicating the broad direction of strategic thinking rather than a specific set of policies."⁶ Moreover, decisions that fall

¹ The views in *The Culture Mandala* are those of the author(s) and do not necessarily reflect the views, position or policies of the *Centre for East-West Cultural and Economic Studies*. Bearing in mind the controversial debates now occurring in International Relations and East-West studies, the editors publish diverse, critical and dissenting views so long as these meet academic criteria.

² *Defence White Paper 2013* (Canberra: Australian Department of Defence, 2013), 44, <http://www.defence.gov.au/whitepaper2013/>.

³ Jack L. Snyder, *The Soviet Strategic Culture: Implications for Limited Nuclear Operations* (Rand, 1977).

⁴ *Ibid.*, 8.

⁵ Alan Bloomfield, "Time to Move On: Reconceptualizing the Strategic Culture Debate," *Contemporary Security Policy* 3, no. 33 (October 25, 2012): 439; John Baylis et al., *Strategy in the Contemporary World*, 4 edition (Oxford: Oxford University Press, 2013), 72–75.

⁶ David Kilcullen, "Australian Statecraft: The Challenge of Aligning Policy with Strategic Culture," *Security Challenges* 3, no. 4 (November 2007): 47.

outside of the strategic culture will likely be “doomed to irrelevance.”⁷ Thus an understanding of Australia’s strategic culture is of central importance in predicting how it will conduct its foreign policy over the coming years.

The ‘Indo-Pacific’ represents an extension of Australia’s traditional Asia-Pacific area of strategic engagement. To Medcalf, it marks the recognition “that the accelerating economic and security connections between the Western Pacific and Indian Ocean region are creating a single strategic system.”⁸ It represents a linkage between the countries of the Asia-Pacific with the Indian Ocean, through which 80% of total sea-born crude oil is transported;⁹ it has supplanted the Atlantic Ocean as the “globe’s busiest and most strategically significant trade corridor.”¹⁰ Its elevation has been a response to these changing regional dynamics; the 2013 Defence White Paper was the “first time any government in Asia or beyond had defined its region officially as the Indo-Pacific.”¹¹ It defined the region as “the arc extending from India through Southeast Asia to Northeast Asia, including the sea lines of communication on which the region depends.”¹²

In this article I will explore three areas of Australia’s strategic culture: its dependence on a ‘great and powerful friend,’ its military outlook of ‘forward defence,’ and its preference for ‘pragmatism’ over idealism when engaging economically with other countries. Idealism is “an optimistic doctrine” that focuses on the normative ability of states to further its principles to create a better world.¹³ Pragmatism, by contrast, seeks to address empirical realities, and not ideological guidelines, when crafting effective policies of engagement. I will address the question of how the three connected areas of Australia’s strategic culture will shape its strategy of Indo-Pacific engagement over the medium-term over the next 10 to 15 years. I will endeavour to do this in the context of Australia’s engagement with the United States, China and Japan.

As a result of this analysis, I argue that Australia, in response to the changing regional dynamics, will pursue its goals through adaptive policies, guided by its strategic culture. Australia will attempt to ensure the ongoing ‘security of the state’ and ‘economic wellbeing.’ The stability of these goals is contrasted, and indeed challenged, by the region’s dynamism. Australia will continue to favour pragmatism,

⁷ Ibid., 63.

⁸ Rory Medcalf, “In Defence of the Indo-Pacific: Australia’s New Strategic Map,” *Australian Journal of International Affairs* 68, no. 4 (August 8, 2014): 478.

⁹ Sergei DeSilva-Ranasinghe, “Why the Indian Ocean Matters,” *The Diplomat*, March 2, 2011, <http://thediplomat.com/2011/03/why-the-indian-ocean-matters/>.

¹⁰ Medcalf, “In Defence of the Indo-Pacific,” 472.

¹¹ Rory Medcalf, ‘In Defence of the Indo-Pacific: Australia’s New Strategic Map’, *Australian Journal of International Affairs*, 68 (2014), 470–83 (p. 470).

¹² *Defence White Paper 2013* (Canberra: Australian Department of Defence, 2013) <<http://www.defence.gov.au/whitepaper2013/>> [accessed 2 July 2014].

¹³ Keith Dowding, *Encyclopedia of Power*, 1st Edition (Thousand Oaks, Calif: SAGE Publications, 2011), 323.

which characterises its strategic culture. The nexus between this pragmatism and regional dynamism will further shape the direction of Australia's adaptive strategic culture.

Australia's 'Great and Powerful Friend,' the United States

A reliance on a 'great and powerful friend' has been a central tenet of Australia's strategic culture, one that will continue into the future. First it was Britain, and since World War II, the United States. It has sought to leverage the benefits and opportunities of this relationship, to further its own security objectives, specifically the security of the state. It is a reflection of Australia's geo-strategic impediments, namely a comparatively small population inhabiting the sixth largest country.¹⁴ Moreover, 85% of Australia's population and 90% of its key infrastructure are located within 50km of the sea, leaving it vulnerable to a sea-born attack.¹⁵ A self-reliant defence policy would be unacceptably expensive for the government and the populace. The alliance provides Australia with an extended nuclear-deterrence (underwritten by the US) and access to the 'five-eyes' intelligence sharing dialogue. The latter is an intelligence-sharing agreement between the United States, Canada, Britain, Australia and New Zealand.

This alliance with the United States was engrained with the signing of the ANZUS treaty in 1952 and further sustained through the ongoing Australia-United States Ministerial Consultations (AUSMIN) since 1985. The alliance has enjoyed bipartisan¹⁶ and popular support. Indeed, public support for this alliance was 87% in 2012, up from 67% in 2007; the same poll concluded that Barack Obama is "first in the list of Australia's most admired leaders."¹⁷ Australia's strategic culture will continue to see it strongly align itself with the United States. Foreign Minister, Julie Bishop, reinforced this in a recent speech on the Australia-US alliance:

The alliance is at the very heart of Australian foreign and security policy. It is the very cornerstone of our strategic architecture, built on by our shared values and priorities – our commitment to freedom and democracy, peace and prosperity, and a rules-based international order.¹⁸

She continued by alluding to the pragmatic character of the alliance built on "shared values" under changing conditions:

¹⁴ Kilcullen, "Australian Statecraft: The Challenge of Aligning Policy with Strategic Culture," 49.

¹⁵ Ibid.

¹⁶ Opposition leader Mark Latham was the only leader of a major party who openly challenged this orthodoxy.

¹⁷ "The Lowdown," *The Economist*, June 4, 2014,

<http://www.economist.com/blogs/banyan/2014/06/polling-australians?zid=306&ah=1b164dbd43b0cb27ba0d4c3b12a5e227>.

¹⁸ Julie Bishop, "US-Australia: The Alliance in an Emerging Asia" (Speech presented at the Canberra Conference, Canberra, June 18, 2014),

http://foreignminister.gov.au/speeches/Pages/2014/jb_sp_140618b.aspx?ministerid=4.

This commitment to values is not abstract, but a real and tangible force - a commitment to action when required. That's why it's so important that our Alliance strengthens and evolves as our nations and the geopolitical environment evolve.¹⁹

It is through this prism that Australia will engage other regional allies (such as Japan, South Korea and the Philippines), and will strongly shape how those outside this alliance view it, including China.

In spite of the certainty over Canberra's continued ties with Washington in the medium-term, questions over continued regional engagement by the United States and its relative decline could weaken the utility of this relationship for Australia in achieving its strategic objectives. In 2012, Asian defence spending exceeded European defence spending for the first time.²⁰ Asia is quickly becoming, in the words of Hillary Clinton, "the key driver of global politics."²¹ Thus, the 2011 'Pivot' to Asia announced by President Obama reflected the rising importance of the region. It should have meant a deepening of the Australia-United States strategic relationship, thus providing a 'stabilising' force in the region. To Sheridan it "was a way of reinforcing and indeed represents a further US commitment to Australian security."²² The Pivot targeted an increase in US naval assets to the region, increasing to 60%, up from 50%.²³ For Australia it would see a permanent troop rotation of 2500 marines based in Darwin.²⁴

However, the utility of this policy in contribution to Australian security is increasingly under question in view of current (and planned) cutbacks in US military expenditure. The Pentagon is facing \$1trillion of cuts over the next 10 years;²⁵ indeed, its cuts in 2012-13 amounted to "52.1% of the total composition of real defence spending reductions," worldwide.²⁶ Realising that Australia needs to be less dependent on US military assistance, Tony Abbott has pledged to return defence spending back to 2% of GDP, up from its post-WWII historical lows. Moreover he has sought to further engage US allies in the Indo-Pacific region.

¹⁹ Ibid.

²⁰ Seth Cropsey, *The Rebalance to Asia: What Are Its Security Aims and What Is Required of U.S. Policy?*, Briefing Paper (Hudson Institute, June 2014), 8.

²¹ Hillary Clinton, "America's Pacific Century," *Foreign Policy*, October 11, 2011, http://www.foreignpolicy.com/articles/2011/10/11/americas_pacific_century.

²² Greg Sheridan, "New Vim in Pacific Posture," *The Australian*, June 14, 2014, sec. Opinon, <http://www.theaustralian.com.au/opinion/columnists/new-vim-in-pacific-posture/story-e6frg76f-1226953819109>.

²³ Cropsey, *The Rebalance to Asia: What Are Its Security Aims and What Is Required of U.S. Policy?*, 8.

²⁴ Ibid.

²⁵ Dion Nissenbaum and Julian E. Barnes, "Hagel's Military Budget Focuses on Changing Threats," *Wall Street Journal*, February 25, 2014, sec. US, <http://online.wsj.com/news/articles/SB10001424052702303880604579403053470965422>.

²⁶ *The Military Balance 2014: The Annual Assessment of Global Military Capabilities and Defence Economics* (Washington, DC: International Institute for Strategic Studies, February 2014), 24.

Australia's strategic culture will ensure that the alliance with the United States remains a "cornerstone of its strategic policy."²⁷ This was demonstrated as recently as September 2014 when Australia responded positively to US calls for military assistance in Iraq and also agreed to provide "non-lethal military assistance" to Ukraine.²⁸ But in the medium-term Canberra will need to adjust its strategic outlook and policies to take into account the uncertainty of continued US engagement in the region, especially with the return of the Middle East and Europe in US strategic priorities, and the reality of a relative decline in its power in Asia.

Australia-China Relations

Australia's relationship with China is complex and compartmentalised. A successful economic association is characterised by an uneasy (and indeed worsening) strategic relationship. Australia's strategic policy needs to address the challenges that stem from a China that is more predisposed to military posturing in disputed maritime zones.

Australia overwhelmingly depends on Chinese trade to drive its goal of economic wellbeing, defined as the stable growth of per-capita gross domestic product. While pragmatic in its economic relations, the same cannot be said of the 'strategic' relationship. Australia's values and its strong alliance with the United States have left the Sino-Australian strategic relationship fractured and underdeveloped. Australia will need to engage in adaptive policy measures. If Australia alienates China there is a threat it could sever, or weaken economic relations, with disastrous economic consequences for Australia, underscoring the importance of a beneficial relationship with China. When John Howard took office in 1996, Australia's exports to China constituted less than five per cent of Australia's total exports;²⁹ in 2013 this figure had reached 31.9%.³⁰

Indeed, the value of trade with China is larger than Australia's next four largest trading partners combined.³¹ Since the mid-1990s, this relationship has largely followed John Howard's policy formula of "common interests and mutual respect."³²

²⁷ Bishop, "US-Australia: The Alliance in an Emerging Asia."

²⁸ Phillip Coorey and John Kerin, "PM Weighs Sending Military to Iraq, Ukraine," *The Australian Financial Review*, September 3, 2014,

http://www.afr.com/p/national/pm_weighs_sending_military_to_iraq_AgcEdGa73rcatX6x9JyiI

²⁹ Linda Jakobson, *Australia - China Ties: In Search of Political Trust*, Policy Brief (Sydney: Lowy Institute for International Policy, June 2012), 4, <http://www.lowyinstitute.org/publications/australia-china-ties-search-political-trust>.

³⁰ "Australia's Trade in Goods and Services 2013," *Australian Government Department of Foreign Affairs and Trade*, 2013, <http://www.dfat.gov.au/publications/tgs/index.html>.

³¹ *Ibid.*

³² Peter Jennings et al., *Agenda for Change: Strategic Choices for the next Government*, Strategy (Australian Strategic Policy Institute) (Canberra, Australia: Australian Strategic Policy Institute), 42, accessed June 26, 2014, <https://www.aspi.org.au/publications/agenda-for-change-strategic-choices-for-the-next-government>.

Thus it has focused on areas of agreement and mutual benefit, and shied away from publicly addressing its concerns over issues including human rights and Tibet.³³ To Bisley, this “Howard playbook of compartmentalisation,”³⁴ is a pragmatic outlook that the Abbott government has embraced. This ‘pragmatic’ outlook is shared by China also. Its four largest trading partners (Australia is sixth in terms of PRC’s imports) – the United States, Japan, South Korea and Taiwan – are no strangers to political disputes with Beijing.³⁵ Australia’s government needs to sustain and deepen its beneficial relationship. Prime Minister Tony Abbott’s pledge to hasten a free trade agreement with China represents a step in this direction.³⁶

However, as China continues to rise, maintaining a beneficial ‘compartmentalised’ relationship with China will become increasingly difficult for Australia. China’s military spending increased 30-fold since 1990.³⁷ Some projections suggest that it could surpass the United States as soon as 2025.³⁸ This will have a profound impact on the regional balance of power, particularly in view of the US maintaining a globally dispersed force compared to China’s regional concentration of military capabilities. In late 2013, the Abbott government expressed its opposition to China’s establishment of the Air Defence Identification Zone that projected over the East China.³⁹ In response, Australia’s Minister for Foreign Affairs, Julie Bishop, received a public rebuke by her Chinese counterpart in her first official visit to the country in December.⁴⁰ A senior Department of Foreign Affairs and Trade official told a Senate Estimates hearing “I have never in 30 years encountered such rudeness.”⁴¹ Clearly, as China becomes more assertive, it will become increasingly difficult for Australia to manage the beneficial relationship it has with both China and the United States. Australia’s overwhelming trade dependence on China significantly complicates its

³³ There has been an ongoing, but little publicized, Australia-China Human Rights Dialogue since 1997, with the 15th round held in February 2014, DFAT, “15th Australia-China Human Rights Dialogue”, Media Release, Canberra, Department of Foreign Affairs and Trade, 20 February 2014, <http://www.dfat.gov.au/media/releases/department/2014/dfat-release-20140220.html>

³⁴ Nick Bisley, “Strategic Policy after the Northern Tour,” *ASPI Strategist*, April 29, 2014, <http://www.aspi.org.au/australias-strategic-policy-after-the-northern-tour/>.

³⁵ See John Lee, “Hard Words Won’t Shatter China-Australia Relations,” *Business Spectator*, April 9, 2014, <http://www.businessspectator.com.au/article/2014/4/9/china/hard-words-wont-shatter-china-australia-relations>.

³⁶ See Nick Bisley, “Japan and Australia Join Forces in Asia’s Brave New World,” *The Conversation*, July 7, 2014, <http://theconversation.com/japan-and-australia-join-forces-in-asias-brave-new-world-28726>.

³⁷ Shinzo Abe, “Japan Is Back,” *Foreign Affairs*, May 16, 2013, <http://www.foreignaffairs.com/print/136586>.

³⁸ David Hale, *China’s New Dream: How Will Australia and the World Cope with the Re-Emergence of China as a Great Power* (Australian Strategic Policy Institute, February 2014), 14, <https://www.aspi.org.au/publications/chinas-new-dream-how-will-australia-and-the-world-cope-with-the-re-emergence-of-china-as-a-great-power>.

³⁹ Linda Jakobson, “Australia’s Relations with China in Turbulence,” *The ASAN Forum*, January 25, 2014, <http://www.theasanforum.org/australias-relations-with-china-in-turbulence/>.

⁴⁰ “Julie Bishop Faced Unprecedented Rudeness from China, Says Diplomat,” *The Guardian*, February 27, 2014, sec. World, <http://www.theguardian.com/world/2014/feb/27/julie-bishop-faced-unprecedented-rudeness-from-china-says-diplomat>.

⁴¹ *Ibid.*

policy options. In an interview, former US Secretary of State, Hillary Clinton, warned Tony Abbott that his drive for deeper trade “makes you dependent...to an extent that can undermine your freedom of movement and your sovereignty” and that it was a “mistake” to “put all your eggs in one basket.”⁴² Maintaining a status-quo in engagement is not a viable policy option; Australia needs to deepen its relations with China whilst not alienating the US.

Australia’s 2013 Defence White Paper stated that “a stable Indo-Pacific” was an ‘interest’ to uphold.⁴³ A coherent and bi-partisan strategy of engagement with China, like that with the United States, is not present. Yet, the last two ‘White Papers’ have largely taken contradictory views. The 2009 White Paper suggested that China’s military modernisation was “a cause for concern,” whereas the 2013 White Paper softened this, likely overcorrecting, saying “it welcomes China’s rise.”⁴⁴ The Abbott government has taken a middle path along this continuum, leaning more towards the 2009 interpretation. As Hugh White recently argued, “the Abbott government now accepts there is serious strategic competition underway in Asia, as China challenges US primacy.”⁴⁵ Cooperation between China’s People’s Liberation Army (PLA) and the Australian Defence Force (ADF), whilst present, is underdeveloped. There have been annual talks between the PLA’s and ADF’s respective Chief of Staff since 1997; moreover the two forces have participated in six joint exercises together since 2004, “albeit most were naval exercises limited in scope.”⁴⁶ The most recent exercise – comprising Australia, China, New Zealand and the United States – was announced on the 30 July 2014 and would focus on disaster relief.⁴⁷ Deeper strategic engagement will help improve the relationship between the two countries; greater communication offers leaders an opportunity to “shape their counterpart’s perceptions.”⁴⁸ It also can help to reduce the apparent zero-sum approach China has taken to Australia’s relations with itself and the United States.

Strategic culture is a fluid construct, with its various aspects overlapping; so too is their relative importance. Balancing a ‘pragmatic’ economic relationship with China and a ‘great and powerful friend’ security relationship with the United States is

⁴² Paul McGeough, “Hillary Clinton Criticises Australia for Two-Timing America with China,” *The Sydney Morning Herald*, June 28, 2014, sec. World, <http://www.smh.com.au/world/hillary-clinton-criticises-australia-for-twotiming-america-with-china-20140627-zso6c.html>.

⁴³ *Defence White Paper 2013*, 25. Medcalf, “In Defence of the Indo-Pacific,” 479.

⁴⁴ John Lee, “Australia’s 2015 Defence White Paper: Seeking Strategic Opportunities in Southeast Asia to Help Manage China’s Peaceful Rise,” *Contemporary Southeast Asia* 35, no. 3 (December 2013): 398.

⁴⁵ Hugh White, “Does Abbott Understand the China Challenge?,” *Lowy Interpreter*, July 14, 2014, <http://www.lowyinterpreter.org/post/2014/07/14/Does-Abbott-understand-China-challenge.aspx>.

⁴⁶ Linda Jakobson, *Australia - China Ties: In Search of Political Trust* (Sydney: Lowy Institute for International Policy, June 2012) <<http://www.lowyinstitute.org/publications/australia-china-ties-search-political-trust>> [accessed 30 June 2014], p.8.

⁴⁷ Brendan Nicholson, “ADF Is All the Way with the PLA,” *The Australian*, August 1, 2014, sec. National Affairs, <http://www.theaustralian.com.au/national-affairs/policy/adf-is-all-the-way-with-the-pla/story-e6frg8yo-1227009348978>.

⁴⁸ Jakobson, *Australia - China Ties*.

becoming increasingly difficult; a trend that will only continue. In Hugh White's words, "Australia is caught between two poles... [its] position between them becomes ever more delicate."⁴⁹ It must attempt at all costs to avoid a 'China Choice.' Rather, Canberra needs to manage the increasing rivalry between these two powers.⁵⁰

Australia- Japan Relations

It is not only Australia that is engaging in adaptive policies as a response to the changing regional dynamics. Japan has sought to 'normalise' its defence posture in the face of a more assertive China and uncertainty over US power. This presents a significant strategic opportunity for Australia, one that it has embraced. Australia's renewed "strategic commitment to a Japan that is in a period of significant transformation"⁵¹ was reinforced in 2013 when Tony Abbott labelled Japan as "Australia's best friend in Asia" – much to the public displeasure of China.⁵² A deepening engagement with regional allies represents the 'forward defence' school of Australian strategic culture. The logic here is that by supporting its allies strategically and operationally beyond its immediate borders, Australia stands to benefit directly in its security.⁵³ Thakur is correct in pointing out that "Australia is so isolated in geography that it cannot be isolated in its foreign policy."⁵⁴ A changing regional-security outlook is only heightening the importance of forward defence.

Central to this has been Japan's move to 'reinterpret' Article Nine of its Constitution. For the first time since the end of WWII, it would allow Japanese 'Self Defence Forces' to come to the defence of its allies, including Australia, if they were under attack.⁵⁵ The caveat to this is that currently the 'reinterpretation' does not allow Japan to engage in offensive or combat missions overseas if Japan is not under direct threat.⁵⁶ This 'reinterpretation' has been accompanied by the first increase in Japan's defence budget in 11 years. Expansion over the medium-term, however, will be limited by Japan's significant public debt and the task of persuading an unsupportive

⁴⁹ Hugh White, "Australia's Choice," *Foreign Affairs*, September 4, 2013, <http://www.foreignaffairs.com/articles/139902/hugh-white/australias-choice>.

⁵⁰ Ibid.

⁵¹ Bisley, "Japan and Australia Join Forces in Asia's Brave New World."

⁵² Lee, "Hard Words Won't Shatter China-Australia Relations."

⁵³ See Stephen Fruhling, "What Is Forward Defence These Days?," *Lowy Institute for International Policy*, 2010, <http://www.lowyinterpreter.org/post/2010/07/21/What-is-Forward-defence-these-days.aspx>.

⁵⁴ Ramesh Thakur, "Australia's Engagement with Asia: Strategic or Transactional?," *India Quarterly: A Journal of International Affairs* 69, no. 4 (December 1, 2013): 347, doi:10.1177/0974928413503746.

⁵⁵ "Moment of Reckoning; Japanese Politics," *The Economist*, June 7, 2014, <http://search.proquest.com.ezproxy.bond.edu.au/docview/1534131265?pq-origsite=summon>.

⁵⁶ For ongoing debates concerning Collective Self Defence roles for Japan, see Bryce Wakefield & Craig Martin, "Rexamining 'Myths' About Japan's Collective Self-Defence Change – What Critics (and the Japanese Public) Do Understand About Japan's Constitutional Reinterpretation", *The Asia-Pacific Journal: Japan Focus*, 8 September 2014, <http://www.japanfocus.org/events/view/227>

public of the strategic utility of constitutional reinterpretation.⁵⁷ Still, Japan is bringing greater resources to regional security. Australian Defence Minister David Johnston underscored this in a speech where he stated “Australia welcomes Japan’s efforts to re-examine its security and defence policies so that it can make a greater contribution to regional peace and security.”⁵⁸

These sentiments do not mark a movement away from the American strategic orbit but greater linkages within the US alliance system in Asia. President Shinzo Abe’s visit to Australia in July 2014 was marked by the signing of a defence technology agreement, which gives the potential for the two countries to work together in replacing Australia’s ageing Collins Class submarine. The significance of this deal is such that, as Cameron Stewart points out, it is “being driven at the highest political level rather than through the respective defence bureaucracies.”⁵⁹

Why Japan and not a rising India, one may well ask? How is strategic culture reflected in this behaviour which, when considering the negative impact on the local ship-building industry (and hence domestic sentiment), is remarkable? While China has been the centrepiece of Australia’s foreign and strategic policy, as the decade progresses India will indeed rise in its relative importance. But this remains a longer-term project. India’s defence spending is a quarter of China’s and less than Japan’s.⁶⁰ Thus, it is Japan that presents a greater medium-term opportunity for Australia in helping it achieve its strategic objectives. Australia has embraced these opportunities; it is a continuation of its strategic culture of forward defence. In this light, the desire to draw closer to Japan strategically, and even purchase its submarines, makes sense.

Conclusion

Regional dynamism requires adaptive responses by Australia; the status quo is not an option. Following the pattern of its strategic culture – most notably, reliance on a great and powerful friend, a posture of forward defence and economic pragmatism – Australia should endeavour (where it can) to de-escalate tensions between the United States and China. This would avoid the costs inflicted by any need to make a ‘choice’ between the two. Australia also needs to diversify its Indo-Pacific engagement, hedging against the potential of a more inward-looking America. This diversification is becoming evident in closer ties with Japan. However, Canberra remains overwhelmingly dependent on Washington for its security and China for its economic

⁵⁷ “Japan and America: Closer Allies,” *The Economist*, May 17, 2014, <http://www.economist.com/news/asia/21602267-shinzo-abe-inches-closer-reinterpreting-pacifist-constitution-and-strengthening-japans>.

⁵⁸ Greg Sheridan, “Sabre-Rattling Imbues Shangri-La with a Growing Sense of Menace,” *The Australian*, June 5, 2014, <http://www.theaustralian.com.au/opinion/columnists/sabrerattling-imbues-shangrila-with-a-growing-sense-of-menace/story-e6frg76f-1226943493522>.

⁵⁹ Cameron Stewart, “Defence’s Japanese Lifeline,” *The Australian*, September 10, 2014, <http://www.theaustralian.com.au/news/defences-japanese-lifeline/story-e6frg6n6-1227053066435>

⁶⁰ “Military Might,” *The Economist*, April 15, 2013, <http://www.economist.com/blogs/graphicdetail/2013/04/daily-chart-9>.

growth. Its strategic culture has guided these relations, through a reliance on a ‘great and powerful friend’ and ‘economic pragmatism’. Such an arrangement should not mean stagnation but encourage evolution. Strategic culture is not static. By placing a different emphasis on features of its strategic culture, Australian policy-makers can meet the demands of the changing times. Greater pragmatism and ambitious adaptive policy would help secure the Defence White Paper’s stated goal of a “stable Indo-Pacific.” This, in the final analysis, is critical to the economic wellbeing and security of Australia. Strategic culture affords the framework out of which creative policy may evolve.

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