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Seminar Series**

**ASSESSING THE HOWARD DOWNER FOREIGN
POLICY**

Transcript of an address by

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Assessing the Howard- Downer Foreign Policy
Transcript of an address by
Paul Kelly
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to the Menzies Research Centre
Canberra, 26 February 2007

Thanks very much Andrew. It's great to be here. It was great to listen to that introduction. I was going to say that, look, you can keep talking and I'll just sit in the audience and listen. But I'd like to thank Andrew Robb for that introduction. It's a pleasure to be talking to the Menzies Research Centre. I'd also like to congratulate Andrew on his recent ministerial elevation.

I should also just apologise for the way I look today. It's the consequences of running surgical repairs on my face.

I'm talking today about the Howard Government's foreign policy over 11 years. It's a complex subject so I have to be highly selective in these remarks and I note in passing, of course, that this is an uncompleted project and particularly in relation to the Australian involvement in the long war, Afghanistan and Iraq. It will be some time before we can make more measured assessments about how all that played out.

Like all good journalists, I'll start with some conclusions, and I want to argue four general propositions today in these remarks. The first is that, for much of the past decade, the Howard Government has challenged and changed the methods, the priorities and the style of Australian foreign and security policy. It's left its own distinctive imprint on the policy. There was an orthodoxy about how Australia should conduct itself in the world and Howard challenged that orthodoxy and offended it in many ways.

Secondly, I think the key to Howard's foreign policy lies in the depth of his attitudes; the attitudes that he carried into office in 1996. What changed over time was that his judgment improved and his policies were refined, yet his attitudes, essentially, have stayed the same. They've been remarkably untouched over the decade and, I think, on the big decisions, the big decisions come very much from these underlying and embedded Howard attitudes.

My third point is that I think, in analytical terms, Howard is best analysed as a response agent. That is, he responded to epic global and regional events on his watch; events that changed the world. And many of the policy changes or directions that Howard inaugurated, it seems to me, would have come to a certain extent anyway under another government, although this is concealed, to a great extent, by the nature of partisan political debate.

But after Suharto was deposed, Australia had to change policy on East Timor; after 9/11, any Australian government would have moved closer to the United States; the Asian financial crisis would have changed the regional dynamics in a way that would have assisted any Australian government. I think often we tend to underestimate these points.

The fourth point I'd make is that, for me, Howard's achievements, essentially, not universally of course, reinforce the continuity in Australian strategic policy. His main achievement has been to deepen ties with the United States and Asia simultaneously. This was also Paul Keating's main achievement.

In the Howard era policy discontinuity has been the news, day after day, year after year. But the story, I think, has been strategic continuity.

From the start, Howard dismissed the notion of foreign policy as an exotic art form. He felt foreign policy was an extension of politics, that it was an exercise in commonsense and core political judgment. He shunned elaborate intellectualisation. He distrusted Utopianism and loathed diplomatic gesture, at variance with public sentiment. For Howard, foreign policy was an exercise in practical politics based upon the national interest and Australian values. He has never changed that formula.

Howard came to the Prime Ministership in 1996 from outside the foreign policy community, and outside the foreign policy debate. This contributed, I think, partly to a series of mishaps and blunders in his early years, some of which were pretty spectacular.

Yet, much of the trouble also arose from Howard's own beliefs. Many of his beliefs offended the foreign policy orthodoxy, the orthodoxy, I think, essentially, that developed since 1972.

In the 24 years between 1972 and 1996 Labor governed for two-thirds of the time, including the 13 years before Howard came to power. The orthodoxy then, by definition, was very much a Labor orientated orthodoxy, and that's certainly how Howard saw the foreign policy orthodoxies that he inherited.

A couple of points to make about the approach overall. One of the really interesting features of the Government, of course, has been Cabinet unity. And despite really intense and divisive foreign policy decisions, the unity within the Cabinet has been remarkable and this has contributed on an issue like Iraq, unlike what we've seen in Washington and London, to the capacity of the Howard Government to minimise problems arising from Iraq.

The other important point to make has been this most unusual relationship between the Prime Minister and Foreign Minister, between Howard and Downer. I think, in many ways, this is the closest and most effective relationship over such a long period we've seen between a prime minister and foreign minister. And while, from time to time, they emphasise different aspects of the equation, they tend to understand one another implicitly and operate from the same page.

When he came to power, Howard rejected key aspects of the foreign policy orthodoxy, some of the fundamental principles which were seen as essential for an effective Australian foreign policy. He disagreed with the view that Australia succeeds in Asia by adapting itself to the region, to Asian norms and to Asian sensibilities. He disagreed with the view that the United States alliance, while enduring, was of declining importance to Australia and should be managed with a

growing independent discretion and distance from the US, as Australia adapted to East Asia. He disagreed with the view that Australia primarily operated as a multi-lateralist middle power, whose diplomacy should be multi-lateral, whose military intervention should be sanctioned by the UN, and whose trade policy should be conducted essentially through WTO liberalisation.

Finally, Howard rejected the idea that foreign policy success needed a discrete separation from those beastly and elemental forces of domestic politics. He came to office to inject Australian values into foreign policy.

The distinctive hallmark of Howard's foreign policy was, in fact, its nexus to domestic politics. Howard, even more than Bob Hawke, saw the people as the legitimising authority of his prime ministership. In Howard's hands, the notion of popular will became an instrument of both domestic and foreign policy.

He said, foreign policy cannot be conducted over the heads of the people. And he was prone to a populist rhetoric that often threatened sensible policy responses. Howard acknowledged the classic argument advanced by figures such as Alex de Tocqueville and George Kennan that pandering to popular opinion threatened sound foreign policy, but he disagreed with them. Howard insisted instead that the elected leader's responsibility was to promote the values of the people, and he spent more time discussing foreign policy and the values underpinning foreign policy with the people than any other leader.

I'm going, in these remarks today, to look at Howard's foreign policy under three main headings: policy towards Asia, to the US alliance and towards China.

Howard had a different view of Asian engagement to Paul Keating. He believed in Asian engagement. He went to Asia first. The first leader he spoke to was from Asia, but he had a different sense of the chemistry of Asian engagement. He rejected the rules of the game, best described, I think, by Dick Woolcott in his memoirs, arising from the problem of Australia being the odd man out.

Woolcott wrote of Australia, and I quote: Our background: the ugly legacies of the white Australia policy and the treatment of the indigenous inhabitants of this continent, as well as asylum seekers, meant that Asian regional neighbours tend to be watchful of our attitudes and policies. We are on a sort of good behaviour bond and they still ask themselves whether we seriously want to engage with them or are more comfortable as an Anglo-American outpost on the fringe of Asia.

Howard wanted to eliminate the mindset of the good behaviour bond from Australian policy. He saw it as demeaning. When Paul Keating said, as he often did, that Australia had to change itself to succeed in Asia, Howard said, we must be ourselves to succeed in Asia and not pretend to be somebody else.

Howard wanted to change the Keating/Woolcott rules. He wanted a different form of engagement, and this was a fundamental fault line in the culture war. To be precise: Howard wanted to destroy Labor's linkage where it said that strategic success in Asia was tied to a changing Australian identity. This meant Howard approached Asia as a cultural traditionalist. This was the ideological underpinning of his foreign policy and

it was also a fundamental domestic tactic to win the votes at home of the Howard battlers, to undermine the Labor Party, and to establish Howard's credentials with middle Australia. The culture war ran through Australian domestic policy, but it also ran very much through Australian foreign policy. For Howard, this thinking, this conviction was visceral.

This stance created a lot of problems for the Howard Government in Asia and a lot of difficulties for Howard in Asia. It was the assertive trigger for a host of problems: the reluctance to challenge Pauline Hanson; the rhetorical defence of regional pre-emption; the patronising distaste towards accepting the conventions of Asian regionalism displayed in Howard's pretty much open contempt for ASEAN's Treaty of Amity and Cooperation, and his insistence during the East Timor crisis in 1999 that Australia's intervention was all about asserting our values against Indonesia. There were a lot of difficulties involved in Howard's approach to Asia as a cultural traditionalist. It confused the region, and sometimes it left the Government itself in a state of confusion.

And yet, Howard had a point, and Keating knew it. Before he left office, Keating was no longer prepared to subjugate Australia to Dr Mahathir's veto by seeking further entry into Asian regional forums. Howard, in effect, believed in Australia's hard power, establishing our credentials in the region: economic, trade, diplomatic, foreign policy, military and educational. And he found support from senior officers such as Ashton Calvert and Michael Thorley, who believed that South-East Asian sentiment had carried far too much weight in Australian policy for far too long, and that priorities needed to be readjusted towards the sources of Australia's hard power and towards the power centres of North East Asia and North America.

This approach was, of course, tied into another fundamental Howard belief, that bilateralism and state-to-state relations were much more important than emphasis on multi-lateralism and regionalism, and I think, given events in the last 10 years, his judgment on that issue has been vindicated.

During the period of the Howard Government, there more... there were more returns to Australia from re-weighting to bilateral ties.

Much of the tensions about Asian engagement were over the means and the mechanism, not the ends. They were about how Australia should present itself to the region. Many of the critics, I think, of the Prime Minister, when one looks back on the criticism of his foreign policy in relation to effectiveness in Asia over the last decade, many of the critics, and I include myself in this, don't look too good in retrospect. And I think one of the lessons we should have learned is that there are many different ways for Australia to approach Asia. There's not just one received wisdom or one way forward.

For a political leader, legitimacy is established by winning elections, and as Howard won more elections in Australia, this had a profound impact on the region and upon the Asian leaders dealing with him. And with Howard's repeated election successes, many of the points of friction between Australia and the region faded away. Gareth Evans said that Howard's Asian policy became more successful when he began to follow the Labor model. Well, what else would Gareth say? I don't think this is right.

What happened, I think, is that Howard pretty much stuck to his Asian model and that events in the region and in the world made Howard's policies more successful and eventually gave Australia more leverage.

This began with the Asian financial crisis which changed the dynamics between Australia and the region, in Australia's favour, and it also gave the Howard Government a deeper sense of foreign policy confidence.

The Asian financial crisis destroyed the Suharto regime, it accentuated the rise of China in Asia, it undermined Asia's regional hubris, and it highlighted Australia's hard power strengths, and any Australian government would have benefited from this situation and responded to it.

But as the region changed on Howard's watch, Howard felt and developed a sense of ownership, a sense of his own personal ownership on engagement with an evolving and changed Asia and with new leaders in Asia, with leaders that had come to power on Howard's watch.

We saw a democratic Indonesia, a Japan moving towards normalisation, an emerging India, and a China whose economic complementarity with Australia presents Australian governments with immense opportunities.

From the viewpoint of 2007, Howard's Asian policies seem to have established a highly effective platform for bilateral relations with the major powers in Asia, while Australia, of course, has joined the East Asian summit, thereby ending much of the domestic debate about Asian regionalism.

In short, while the path to 2007 was a windy and turbulent path, the situation at the moment, in terms of relations with Asia, looks to be well established, and also seems to reflect the Australian tradition.

Let me move on and make some comments about the US alliance. I think Howard's attitudes towards the United States represent a fusion of national interest, Realpolitik and his priority on shared values.

Howard, I think, takes a simple but long-range view of United States ties. He believes that in 100 years' time, America will still be the number one global power, that shared values between Australia and the United States are an enduring and binding force, and that Australia, in strategic terms, will gain far more in the world by being closely associated with the United States over a long period of time, rather than by keeping its distance and being a Canada or a New Zealand.

I think Howard would argue privately that there will be periodic downsides in the closeness of the relationship which he champions with the United States, downsides such as what we see in Iraq at the moment. But that such setbacks need to be seen in a broader context, the broader context being that the closer, long-term relationship between Australia and the United States works in Australia's interests rather than choosing the path of being a Canada or a New Zealand.

Howard's attitude towards the United States is highly political and highly opportunistic. He came to power wanting to bring Australia closer to America, but frankly, not a lot happened in the first four years.

Howard knew he couldn't realign with Clinton's America the way he wanted. But he sensed, as a politician, that he could with Bush. Howard saw Bush coming. The initiative for closer ties before Bush won the election came from Australia, and the initial approach, of course, was about the FTA. This was founded in a belief that Howard and Bush would have a shared political vision, and strike a personal concord. Howard and Downer were partisan backers in the 2000 US presidential election for Bush against Gore.

In fact, I can hardly recollect an American election in my lifetime in which the Australian government of the day was so privately committed to one presidential candidate against the other. And, of course, the judgment was right. Howard and Bush did get on. Their relationship was sealed on 10 September 2001, during their very lengthy talks that saw a normally reticent Howard break out and declare that he and Bush, and I quote, are very close friends.

The next day, 9/11, was the opportunity for Howard to achieve the deeper strategic bond he'd wanted with the US but which he had not known how to realise. Osama bin Laden did the job for him.

Within 48 hours of the attack, Howard pledged Australia to open-ended retaliatory military action with the United States. He knew exactly what he was saying, but he did not know the import of the commitment. But at this stage, of course, Howard was a seasoned prime minister. He was not carried away by the event. He was very deliberate, and this statement is one which he repeated on many occasions.

This statement in the first 48 hours after 9/11 is the origin of Australia's intervention in both Afghanistan and Iraq. Howard gave his word; he honoured his word.

Despite the contentious nature of the Iraq decision, staying aloof would have defied Howard's values, his strategic instincts, his beliefs and his political character. Given the disaster that we see unfolding in Iraq, which may only get worse, future historians may ponder how on earth the Howard Government took this decision. It's the wrong question. Howard was always going.

The logic of going to Iraq fitted into every aspect of the Howard political persona. Think about it. John Howard was not going to be the first Australian Prime Minister to absent this country from a major war of global significance undertaken by the United States. That was a mantle Howard had no intention of accepting.

Howard believed that Saddam Hussein was a problem. He believed after 9/11 that America could not tolerate the risk from WMD and rogue states. He was very aware of the extent to which the margin for error in the United States in relation to WMD had evaporated.

He was sympathetic to Bush and Cheney as a politician. I think one of the really important points to make about his response after 9/11 is that he responded more as a

politician than as a strategist. One senior Australian official said to me about the Iraq decision, and I quote: Even if advisers had mounted strong arguments against the war, Howard would not have been swayed, unquote. And, of course, most senior Australian advisers were not sufficiently opposed to the war anyway; indeed, most of them, on balance, endorsed the Government's action.

For Howard, Iraq was not just an issue in its own right, but the means to a greater end. Iraq was the price Australia paid not for the United States alliance but for Howard's more ambitious attitude towards the United States alliance.

The central problem for Howard post-9/11 became the radical, revolutionary and incompetent nature of the Bush administration and its foreign policy. Bush embraced regime change, the doctrine of preventative war, and dismissed deterrence and containment as obsolete concepts.

This is where Howard's approach to foreign policy as a political exercise rather than a strategic exercise got him into trouble. He approached Iraq as a calculating Australian Prime Minister, making a limited military commitment to fight another war under the US alliance banner.

I think he underestimated the dangers arising from the Bush doctrine, and as far as I know, the Australian Government made no proper assessment of the situation in Iraq or the nature of the war that was likely to unfold in Iraq. I see this as a great irony, given that Howard has never recanted on Vietnam.

The issues the Howard Government in 2003 should have considered were very similar to those the Menzies Government should have considered in 1965: observe the list. The need for a proper appreciation of the real enemy in Iraq; an understanding of Iraq's history to assess its reaction to foreign intervention; the viability of US war aims; the linkage between political and military aims; the capacity to bring democracy to a damaged society; the extent of popular support for our Iraqi allies; and for Australia, an assessment of the consequences of any US defeat or failure to realise its complete aims. The checklist is almost identical with Vietnam from four decades earlier, yet the Liberal Party historically had refused to concede the errors of the Vietnam intervention. The Howard Liberal Party in 2003 was defined not by 1960s introspection over Vietnam, but by 1990s triumphalism over the west's Cold War victory.

Drawing upon the Howard legacy, what is the likely outlook for the alliance in future years? I think one of the great challenges here is to assess what will be the impact of Iraq on Australian attitudes towards the alliance. But let me run through some checkpoints. Howard and Bush have institutionalised their new intimacy in significant ways. We have an FTA agreement with America, closer intelligence cooperation and, most significantly, greater military inter-operability and closer military cooperation with Australians involved in US command and a much closer arrangement in terms of procurement decisions.

I think most of those institutional arrangements are likely to be bipartisan. I think they increase Australia's profile as an ally, likely to fight with America and expected to fight with America, and I would suggest that most of these institutional arrangements

will survive a change of government, particularly if Kevin Rudd comes to power as the next Prime Minister.

The Iraq war, I assume, will be a cautionary and negative experience for Australia and a warning in terms of future alliance decisions. Iraq is going badly, and the region is deteriorating because of this misconceived intervention. However, I think the impact of Iraq on Australia's strategic outlook may be less significant than many people assume. The Iraq war is a decisive moment for the United States. It is not so far for Australia in strategic terms, as far as I can see. Howard ensured this with his limited commitment. Iraq is the supreme test of Bush's foreign policy. I don't think it's the supreme test of Howard's foreign policy. Iraq does, however, show that the new Howard-Bush intimacy and the closer ties between Australia and America are polarising in this country at the moment. Iraq is divisive precisely because of the radical and revolutionary nature of Bush's foreign policy.

While Howard is pro-US, he is not a foreign policy revolutionary, an important difference with Bush that Howard has disguised so far. One of the big questions will be the extent to which events in Iraq terminate or modify the Bush doctrine. I think this is likely if it happens to restore a better basis for US-Australian strategic and military cooperation. The pivotal point, however, is that Australia needs its senior ally to engage in military operations where the United States enjoys more international support and legitimacy than what we saw in Iraq and military operations which are more successful than what we've seen in Iraq.

Remember, that in 1991 in the first Gulf War, the Hawke Government was in the happy position of upholding the alliance and acting under UN authorisation.

The second Gulf War saw a split between the alliance and UN authorisation. Howard chose the alliance; Labor chose the UN. Howard went to war; Labor opposed the war. Such bipartisan ruptures in Australia are hostage to the prudence of US military policy and the extent to which the United States can rethink its strategy on the war on terror.

I think that one of the fundamental issues which I won't have time to go into here is the extent to which, in the long war against terror, United States and Australian interests are as harmonised as what they were during the Cold War.

Let me move quickly now to the final section of these remarks, which is dealing with China.

I think Howard's China diplomacy is the centrepiece of his success in Asia. And I think China policy represents one of his decisive learning curves as Prime Minister. His Government, as we know, got into a real mess with China in 1996, and Howard then took a series, I think, of fundamental decisions. He decided that good relations with China were not just necessary for a successful Australian foreign policy; I think he decided good relations with China were necessary for a successful Howard prime ministership.

One of his most important overseas visits was to China in early 1997 when Howard and President Jiang Zemin confirmed that bilateral relations would be based on mutual

interest and mutual respect. In effect, they formulated a framework for relations, and that framework has endured to the present day.

Howard signalled an independent Australian discretion towards China as a United States ally. He had a deep belief in the economic partnership... in the benefits to Australia from the economic partnership with China, and presented this to the Australian people as a positive force. He was assisted by events: the China boom, the Asian financial crisis, 9/11, which improved US-China ties.

Within Australian politics, China policy has been bipartisan for a long period in contrast to the more traditional divisions we see in United States politics about China.

In 2003, China relations scaled a new pinnacle, with President Hu Jintao's visit to Australia and his speech to the Australian Parliament. This coincided with Bush's visit. Once again, Howard was sending a deliberate message, and the message was that Australia was enjoying successful ties with the two nations likely to dominate the next century.

I think one of the features of Howard-Downer foreign policy in recent years has been their stress in dealing with China and in dealing with the United States on Australia's capacity to integrate successfully these two relationships.

Howard incorporated into the United States alliance framework a more independent discretion for Australia's China policy. There is no doubt his close ties with the Bush administration purchased him a political immunity in this task. Indeed, the same China policy followed by another Australian Government without Howard's level of trust with Washington - maybe a Labor Government that opposed the Iraq war - would, I believe, have provoked US concerns.

Howard's achievements on China, I think, need to be interpreted in terms of the actions of a conservative Australian prime minister who upholds the United States alliance but knows that successive Australian governments must develop an independent flexibility to succeed with China.

History may yet judge that Howard's most important foreign policy legacy is establishing within the Liberal Party the doctrine of successful relations with China consistent with the US alliance.

This, for me, is a reminder that Howard ultimately has operated within, and not against, Australia's foreign policy tradition. His principal achievement has been to deepen Australia's ties with Asia and the United States simultaneously, and in particular, to entrench on the conservative side of Australian politics the idea and the method of integrating Australia's ties with both America and China. Thanks very much.