

Associate Paper

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China's Rise: South Pacific Perspectives – New Zealand and Australian Security Perceptions of China

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Key Points

- New Zealand and Australia have a common interest in a peaceful relationship between the United States and a rising China, but their relationships with each are not identical.
- Perceptions of harder Australian and softer New Zealand views of China are not necessarily correct.
- New Zealand, like Australia, seeks a continued strong US presence in the Asia-Pacific region.
- The gap between New Zealand and Australian defence capabilities will colour the way in which both countries may seek to respond to a rising China in military terms.

Summary

New Zealand and Australia both see China's rise as the leading factor in Asia's emerging security landscape. Both also share an interest in peaceful major power relations between a stronger China and a still powerful United States, but their respective relationships with these two leading regional powers are not identical. It is possible to overplay these differences: Australia's strategic view of China is not as uncompromising as some New Zealanders may be tempted to think, and New Zealand's view is not as soft as some Australians might imagine it to be. Canberra and Wellington will find opportunities to work together on managing the effects of Asia's power transition. But differences in their abilities to engage in some areas, including their readiness for advanced military operations in Asia's maritime domains, will also continue to be evident.

Analysis

While Australia and New Zealand may not always see eye to eye on every international issue, there are some strong points of similarity in their attitudes towards what is happening in the Asia-Pacific region as China rises. These common Australasian perceptions include the judgments that:

- The balance of power in the Asia-Pacific region is shifting.
- China's rise is the leading feature in that changing balance.
- The interactions between China and the other major regional powers, especially the United States, are the main shapers of Asia's future security order.
- The region's smaller and medium powers, including the ASEAN countries, Australia and New Zealand, need to adjust to whatever new security order the China-US interaction – and the influences of other major players such as India – will help produce.
- The regional security order in which we operate is affected by other unrelated factors, among them the weakness and vulnerability of certain political systems, including in the South Pacific.
- But, even in that immediate region, the influence of the larger powers, including China, will be felt.
- We need to see how the region's emerging institutions can be made ready to help sustain positive major power relations, including those involving a rising China.

Yet, it might also be argued that because of some differences in our relative positions, interests, resources and relationships, Australia and New Zealand view the security implications of China's rise rather differently. Among these trans-Tasman differences, we might consider:

- Australia's closer proximity to East Asia, and its more intense historical experience of Japan's rise in power in the Second World War period versus New Zealand's sense of relative isolation and the protection New Zealand automatically gets from the Australian continent.
- Australia's size and its sense of itself as a medium power with a greater stake in the balance of power versus New Zealand's sense of itself as a smaller player and a consumer of the Asia-Pacific balance that others produce.
- Australia's longstanding and very close alliance relationship with the United States versus New Zealand's less intimate, but nonetheless warming, security relationship with Washington.
- The scale and scope of the Australian Defence Force, including its continuing efforts to maintain a qualitative edge in maritime combat capabilities, versus New Zealand's

smaller defence force whose capabilities are being shaped rather more around South Pacific security needs.

- The fact that while both Australia and New Zealand depend heavily on China's economic rise for their future economic performance, security concerns have greater relative prominence in Australia than they do in New Zealand, where trading priorities and concerns about economic survival sit very firmly at the top of the pile.

These factors would seem to add up to the conclusion that Australia has more to lose than New Zealand from a changing regional balance in which China's strategic position is strengthened, including in the distribution of power between China and the United States. We might find evidence of these stronger concerns in Australia's 2009 Defence White Paper, which tells us fairly bluntly that:

A major power of China's stature can be expected to develop a globally significant military capability befitting its size. But the pace, scope and structure of China's military modernisation has the potential to give its neighbours cause for concern if not carefully explained, and if China does not reach out to others to build confidence regarding its military plans. China has begun to do this in recent years, but needs to do more. If it does not, there is likely to be a question in the minds of regional states about the long-term strategic purpose of its force development plans, particularly as the modernisation appears potentially to be beyond the scope of what would be required for a conflict over Taiwan.¹

Strong Words

These are fairly strong words, although one wonders if some of the interpretations of the Australian White Paper's views of China were egged on by the tone which had been set a few days before its release by a speech given in Queensland by then Prime Minister Rudd. In any case, it is still instructive to make a comparison with the corresponding – and rather more circumspect – section in New Zealand's Defence White Paper, which came out late last year:

The strategic balance in North Asia is shifting. China both benefits from and contributes to regional stability and prosperity, but there will be a natural tendency for it to define and pursue its interests in a more forthright way on the back of growing wealth and power. The pace of China's military modernisation and force projection programme, and the response this could prompt from neighbouring states, may test the relationships of the major regional powers.²

These are somewhat gentler words. And so we might just stop there, confirming our preconceived notions that there is a gap between Australian and New Zealand security perceptions of China. We New Zealanders could remain comforted in the knowledge that

¹ Department of Defence, 2009, *Defending Asia in the Asia Pacific Century: Force 2030*, Commonwealth of Australia: Canberra, p. 34.

² Ministry of Defence, 2010, *Defence White Paper 2010*, Government of New Zealand: Wellington, p. 30.

our Australian friends can sometimes get ahead of themselves in their concerns about changes to the strategic balance in Asia. Perhaps some in Australia could be led to think that New Zealand was being a little soft on the great dragon which is growing and flexing its muscles further north.

But we should not stop here, as tempting as this is. While New Zealand's defence policy-makers do not seem nearly as fixated as their Australian counterparts on the China question, some other parts of New Zealand's declaratory policy are also worthy of our attention. For example, considerable importance is attached in the 2010 white paper to New Zealand's traditional military relationships – especially with Australia, and the United States, but also the United Kingdom and Canada, and, in Asia, our two Commonwealth partners in the Five Power Defence Arrangements, Malaysia and Singapore. The emphasis on these traditional partnerships and, especially, relationships with “like-minded states” that can help ‘reinforce shared international norms’,³ leaves China (amongst some others) off to one side. There may be some quiet but potentially important signalling going on here.

Evident Concern

Moreover, in some of the background documents to the white paper, we see a fuller version of New Zealand's evaluation of China coming through, in which notes of concern are a bit more evident.⁴ For example, the Defence Assessment, completed a few months earlier, had argued that:

There is an outside possibility of conflict in North Asia in the timeframe of this Assessment. This could be precipitated by a dispute in China's maritime periphery.⁵

A summary of that Defence Assessment presented to the External Relations and Defence Committee of Cabinet in mid-2010 argued that:

The rise of China is changing the strategic balance, particularly in the Asia-Pacific region. New and evolving international and regional institutions will come under pressure as they try to accommodate a more prominent China.⁶

Of course, the idea of accommodation portrays China as a legitimate and important participant in regional affairs whose rising power needs to be factored into regional processes. As Prime Minister John Key noted last year during a major address on foreign policy, which was later published in the *New Zealand International Review*, New Zealand

³ *Ibid.*, p. 18.

⁴ For a fuller treatment of these documents, see Robert Ayson, ‘Force and Statecraft: Strategic Objectives and Relationships in New Zealand's 2010 Defence White Paper’, *Security Challenges*, Vol. 7, No 1, (2011), pp. 11-29.

⁵ Ministry of Defence, July 2010, *Defence Assessment*, Government of New Zealand: Wellington, p. 18. <<http://www.defence.govt.nz/pdfs/defence-review-2009-released-defence-assessment-july-2010.pdf>>.

⁶ Office of the Minister of Defence, *Defence Assessment: Summary Report*, p. 3, attached to Cabinet External Relations and Defence Committee, *Defence Assessment: Summary Report*, ERD Min 10 (30), 28 June 2010. <www.defence.govt.nz/pdfs/defence-review-2009-released-defence-review-white-paper-cabinet-combined-papers.pdf>.

sees no reason to be frightened about the emergence of a region of two super-powers: China, as well as the United States.⁷ But this does not mean that New Zealand would be comfortable with a region of one super-power if that solitary tall tree happened to be China.

One notes in this context the comments from Foreign Minister Murray McCully following his address to the New Zealand Institute of International Affairs in early April 2011 welcoming the expansion of the East Asian Summit to include both the United States and Russia. The minister reiterated this theme in opening the China symposium at Victoria University two days later. The comparison with Australia's encouragement for this development is informative. In an interview during her recent visit to the United States, Prime Minister Gillard noted that:

'We are frank when we need to be, but we want to see China take its proper place in the rules-based order in our world and we were very passionate about making sure the US sat down ... [at the table of] ... the East Asia Summit.'⁸

US-China Balance

New Zealand's interest in a strong US presence in the region which is being increasingly influenced by a rising China, is evident in a chart prepared for Cabinet's consideration in August 2009 as an early part of the Defence Review process. One discovers an especially interesting group of objectives guiding the New Zealand Defence Force's role to 'support strategic stability and promote New Zealand's interests in the Asia-Pacific region with military assets.' The fourth of these is the objective that reads: 'China's increasing power managed constructively.' At the top of the list stands what appears to be the necessary condition for this outcome: 'US strategic position in the region maintained'.⁹ An active and committed United States seems in New Zealand eyes to be an essential part of the balance of power which can help "accommodate" or perhaps even help "manage" a rising China. This is at least one of the reasons why the subsequent White Paper argues for 'a continuing US security presence as a contribution to regional security' in the Asia-Pacific region.¹⁰

Of course, one might do the same digging in the Australian case and find rather firmer depictions of China in background documentation than those that appeared in the 2009 White Paper. We do not have the advantage of these: the 16 December 2010 release of background papers for the New Zealand equivalent is a rather significant and very welcome exception to the normal rule that these sorts of things do not see the light of day. But we occasionally get the sense that some of the thinking in Canberra on China, or at least in some of the conversations that Kevin Rudd is reported to have had with Hillary Clinton, is more robust than what is officially published.

⁷ Key, Rt. Hon. J., 'New Zealand in the World', *New Zealand International Review*, Vol. 35, No 6, (2010), p. 5.

⁸ Gillard, Hon. J., Transcript of interview with Erin Burnett, CNBC. <www.pm.gov.au/press-office/transcript-interview-erin-burnett>.

⁹ 'Defence Policies, Global Considerations', 14 August 2009, attached to Cabinet External Relations and Defence Committee, *Defence Assessment: Summary Report*, ERD Min 10 (30), 28 June 2010. <www.defence.govt.nz/pdfs/defence-review-2009-released-defence-review-white-paper-cabinet-combined-papers.pdf>.

¹⁰ NZ Government, *Defence White Paper 2010*, p. 39.

But if we were able to do this behind the scenes spade-work in the Australian case, I doubt that what we would find would allow us to conclude that New Zealand is from Mars and Australia is from Venus in terms of our security perceptions of China's rise. Our impressions may not be identical, but, as I hope I have demonstrated, they may be a little more similar than some assume.

Major Difference

Yet, there is a fundamental difference in our approach that no amount of documentary evidence can overcome: this is in the way we do respond, and in the way we are able to respond, to a rising China in military terms. The 2010 White Paper makes clear that the New Zealand Government seeks a defence force that is able to deploy beyond our immediate region – that is, it wants to send a message that Asia matters. But there remains a big gap between New Zealand and Australian defence capabilities in terms of their respective relevance for advanced combat operations in maritime East Asia.

This is perhaps why Australia might have a reason to be a bit more concerned than New Zealand about the changing strategic balance in Asia in which China's rise is the number one factor. For it is rather more likely that Australia's forces will be called on to contribute to any stoush in East Asia involving the interests of the major powers than would New Zealand's. This difference in capability is amplified by a political fact: that even in the heady days after the signing of the Wellington Declaration, Australia's strategic relationship with the United States remains more intense than New Zealand's. In turn, of course, the way in which New Zealand may want to develop its security relationship further with the United States, and trilateral security relations involving both the United States and Australia, will say at least a little about Wellington's security perceptions of China.

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