Overbalancing:
The Folly of Trying to Contain China
By Malcolm Fraser

As the US reorients its foreign policy toward Asia, with the attendant redeployment of military assets to the region, fears are spreading that the American pivot is really aimed at containing the rise of China.

Former Australian Prime Minister Malcolm Fraser warns that countries such as Australia, where US Marines are now deployed, should strongly resist being drawn into a potential dangerous American strategy.

AFTER THE SECOND WORLD WAR there was a consensus that the defense of Australia was not viable with 7 million people. In response, the great migration program was launched. Hundreds of thousands came from around the world and changed us into a stronger, more interesting and creative nation.

That Australia was one of vision and courage. The migration program through the 1950s was substantial, a far larger burden on 7 million people with the infrastructure and resources then available to Australia than migration has been in recent years. Politicians spoke of investing in the future. We then said, “We cannot use all today’s wealth for personal consumption, but for making sure there would be a better life for more citizens in years ahead.” We wanted to broaden the base of our society. In those days we achieved much. In the 1970s, the first major Asian immigration since the days of the gold rushes more than a century earlier was undertaken. That too has contributed to and diversified our society and strengthened it culturally and economically.

POST-WAR AND COLD WAR
While building a stronger nation, we also wanted some protection from a larger power. The Second World War ended British power east of Suez. During that conflict, we had looked to America and after the war we continued to do so, as indeed we do to this day. We got the Americans to agree to the Australia, New Zealand, United States Security Treaty (ANZUS), a condition of our signing the peace treaty with Japan. ANZUS provides for consultation if there were any danger of attack, limited in geography to the territory or forces of the United States, Australia and New Zealand in the Pacific theater. The commitment to consult could lead to military support, but it is not a NATO-type defense guarantee.

Australians like to think we are in a special position with the US, but ANZUS was only one of a string of defense arrangements entered into by the US in East Asia and the Pacific after the peace treaty with Japan and also in the wake of the Korean War. It was clear from our experience that ANZUS was not seen by the US as creating an obligation on their part to support us in local and regional issues, and that attitude had special reference to Indonesia. As Australia positions itself for the future, it is vital that we understand the reality of our position with the US.

Through all this period, the Cold War continued. ANZUS helped us to demonstrate cohesion with the US and other countries. It was a central tenet of Soviet Communism that the world’s greatest democracy had to be broken — and that if it were broken, other democracies would surely follow. The Soviets sought to dominate Europe and exploit situations elsewhere.

This concern led to the establishment of the North Atlantic Treaty Organization and to cooperative arrangements throughout the West. The policy of containment to prevent the further spread of an aggressive outward thrusting power was successful. It was appropriate for the time.

Eventually, the Soviet Union disintegrated, and disappeared. The Cold War was over, and many thought the world could relax. Many hoped that from 1990 on, we would be able co-operatively to build a fairer and more just world, alleviate poverty worldwide and help nations in all regions enhance their self-esteem and dignity.

The opportunities that opened to the West generally were brushed aside. Nations became mired in the present and did not look to the future and seize the chance to create something lasting and better. NATO behaved as if the Cold War were still on. It should have proclaimed a bloodless victory and made it clear that NATO’s work was done. Instead, NATO pushed to embrace all the countries of Eastern Europe and even sought to include the Ukraine and Georgia within NATO — two regions historically part of Russia’s sphere of interest. These mistakes were to have implications for policy in many fields, especially throughout the Middle East, especially during the War on Terror. The West is still paying the price for those mistakes.

In Asia and the Pacific also, great change was starting to gather pace. A number of Asian countries had developed their economies with remarkable speed, order and strength. China, the sleeping giant that in earlier years had supported overseas insurgencies, was starting to awaken. The extent to which China opened her society and her economy to the world, the way in which she has managed her own economic progress with stability and a sense of purpose, is remarkable indeed.

I saw the beginnings of these changes when I first visited China in 1976. Everyone, men and women, wore grey Mao uniforms. When next I was in China, Deng Xiaoping was Paramount Leader and Zhao Ziyang was his Premier. People wore suits and colored dresses. The public manifestation was of change, of a remarkably different society, and that change has gathered pace in the years since. It is a remarkable achievement. And while China is still communist, it is very different from Soviet communism or North Korean communism.

During the Cold War, China was not part of the global economic equation. Her markets were small, her influence meager. In today’s world, China dominates markets for many products worldwide and has become wealthy on a world scale. China is the largest trading partner of every country in the Asia-Pacific area, including Australia. Her trade and investment weight in Africa and South America are growing pace. China has also for some time been the largest buyer of US treasury bills.

STUCK IN THE PAST?
Even though the Cold War is over, America’s defense spending is still more than 41 percent of the world’s total. Where is America’s potential adversary to justify this scale of defense spending? China’s defense spending is about 8.2 percent of the world’s total. As it increases — as inevitably it will — we get alarmist reports as though China were arming to become a danger to coun-
tries worldwide. We take no note of the fact that China has difficult borders. There is unpredict-
able North Korea. There is Russia, historically competing for territory but with whom most terri-
torial disputes have in recent years been resolved without conflict. There is India, with whom she
has had quite recent wars. And there is Pakistan, unstable and fragile. Both India and Pakistan are
nuclear-armed states. Iran and Iraq, meanwhile, are not so far away, nor is Syria or Afghanistan.
If the US were surrounded by a band of such un-
stable countries, the American people would be
concerned to the point of paranoia. So, of course,
China wishes to strengthen its military. They also need to strengthen their ocean defenses.
I was last in Beijing in May this year, speak-
ing with senior ministers during the time when
US Secretary of State Hillary Clinton led the 4th
round of the annual China-US Strategic and Eco-

domic Dialogue. The dialogue seemed to go well.

There was talk of peaceful resolution of disputes,
of discussion enabling the two countries to get to
know each other better and to understand and
work through differences. That policy should have
the strongest support from Australia.

However, the US is not content with that pol-
icy. She has a second policy in relation to China:
a policy of containment, which is now masked in
the so-called US “pivot to Asia.” More use of naval
facilities in the Philippines, Singapore and poten-
tially Vietnam; Marines based in Darwin; more
use of air force facilities, surveillance and com-

munications facilities and military exercises in
Australia; spy planes based in Cocos Island; Sti-
irling Harbour perhaps to become a home base for
an Indian Ocean aircraft carrier taskforce, and

strategic discussions with India.

We should also note a report published in June
by the Center for Strategic and International
Studies (CSIS), which feeds off of a close rela-
tionship with the US Department of Defense. It
may not be American policy yet, but the CSIS
report points clearly to the direction of policy. It
is worth looking at the extracts concerning Aus-

tralia. They are written as though we are a stra-
tegic colony, taken for granted, totally supportive
of whatever the US may do.

This policy of containment seems to suggest
that the US does not understand the difference
between the former Soviet Union and today’s
China. One was a formidable, ideological, aggres-
sive military opponent with whom there were
minimal economic or trade links. With China,
there is no evidence of the imperialism practiced
by Russia or by most European states and indeed
by the US. A policy of containment also ignores
the fact that China and America’s economy are
closely interlinked by debt, by capital investment
and by markets, all of which are important to
both countries. In addition, there are no territo-
rial disputes between China and the US.

At a conference in Singapore a few months
ago, the 11th International Institute for Strategic
Studies Asia Security Summit, Indonesian Presi-
dent Susilo Bambang Yudhoyono made by far the
best speech. He spoke of the way in which Asian
countries had been able to overcome problems
— many of which have been substantial — and
his clear message was, if left to ourselves, we will
overcome future problems in our way.

US Secretary of Defense Leon Panetta spoke
next, and to any non-American in the audience,
he talked as though the Western Pacific is really
America’s backyard. He said America has always
been interested in and concerned with peace
and stability in the Western Pacific. America
has always contributed to the wellbeing of this
region and will continue to do so, he said, add-
ing that the US plans to station 60 percent of its
naval forces and related support facilities in the
Pacific, implying Western Pacific areas. It should
have been called “the new Cold War speech.” It
was totally at odds with everything that came out
of the Clinton mission to Beijing. If that mission
meant anything, such a speech was extraordinar-
ily inappropriate.

The fact that Panetta then went to Vietnam,
where he visited Cam Ranh Bay, a major US naval
base during the Vietnam War, and talked with the
Vietnamese about using that for American naval
ships, was further provocation.

China has refused to be provoked, and that is
not surprising because they are well aware that
this was an election year in the US. We need to be
aware that China can behave in profoundly meas-
ured ways in international affairs.

Obama’s inappropriate speech to the Austral-
ian Parliament in November 2011 implied that
Australia fully supports American militarisation
of the Western Pacific and the policies of contain-
ment that this implies.

In that speech, Obama spoke of most of the
countries in the Western Pacific and South Asia
either as strategic allies or as close friends of the
United States, but he spoke in quite different
terms of China. He spoke of the need for China to
uphold international laws and respect universal
human rights. Instead, he could have said some-
thing about the way living standards in China
have been raised and, more importantly, how
China’s own economic strength has contributed
greatly to peace and prosperity not only in the
Western Pacific, but indeed, worldwide. But he
did not. Instead, he spoke of the second Ameri-
can policy, a policy of containment.

Senior Chinese officials have said that they do
don’t want the US to withdraw from the Western
Pacific, because some of her neighbors were nerv-
ous about China’s growing strength. If America
were to withdraw from the Western Pacific, that
would make smaller countries even more nervous.

This shows that China is a country with a realis-
tic view of the world. But can we imagine China
knocking down to a US policy of containment?

In light of recent events, can we say that the US
is a country with a realistic view of the world?

TIME FOR VISIONARY THINKING

One of the problems that America will have to
deal with is the growing ideological divide within
the US itself. In other ways as well, it is not an
easy time for America. The last thing that America
needs is friends and allies who succumb to ideas
and policies that endanger us all.

The US that managed the Cold War to its suc-
cessful conclusion, the US that under President
Richard Nixon opened the doors to China, in
many ways no longer exists. In those days, there
was often a broad consensus between Democrats
and Republicans concerning the international
dimensions of American policy.
I mentioned earlier the opportunities lost when the Cold War ended. Australia also lost a great opportunity to become more independent, less tied to American policy, more active in diplomacy to advance peace and understanding throughout our own region. Instead, at that time, we allowed ourselves to be more enmeshed by the American military and intelligence machine, in ways that had not occurred on earlier occasions. Our leaders failed to grasp the significance of the fact that the Cold War was over.

Not many people know that at the height of the Cold War in 1956, when China was shelling the offshore islands Quemoy and Matsu and people feared an invasion of Taiwan, then Australian Prime Minister Robert Menzies exercised an independence of mind, a capacity for judgement in Australia’s interest, which the last three Australian governments have dismally failed to do. At that time, Menzies advised US President Dwight Eisenhower that if the US had a war with China over Taiwan, we would not be part of it. He recognized that there were limits to an alliance and to the obligations it created. He had a vision of an independent Australia. That vision has been lost for some time, and the urgent question now is, how can we regain it? That is the kind of independence we need from Australia in today’s world. We need confidence in our own wisdom and diplomacy, we need to be vigilant and farsighted about our own independence, we need to think and speak for our own interests.

The Australian government, especially the current Defense Minister, says there are no American bases on Australian soil and there will not be. This is straight political spin of the worst kind. Being subservient to no one. Certainly, we need to advance Australia’s interests. The US does not need this military build-up in Asia. She does not need a policy to contain China. She does not need to enmesh allies like Australia in policies that are fraught with danger.

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Malcolm Fraser was Prime Minister of Australia from 1975 to 1983.