

# **The International Drivers of Australia's National Security**

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## **Introduction**

Australia's national security interests encompass a broad and growing list of risks and pressures in the international system.

As an Asia-Pacific, trade-dependent, Western-oriented middle power, Australia has enduring interests in a stable international order.

As a continental power facing three oceans we are particularly concerned about maritime security.

And our national security interests are tied to both regional and global developments, increasingly the latter.

But rather than focus on possible threats to Australia's security, I want to discuss the broader international drivers and trends that are likely to influence our external security environment over the next decade or so.

Ten years ago, when the Australian government undertook a similar exercise of identifying the forces that were most likely to shape Australia's external environment, they settled on the idea of two 'megatrends' – (1) the enduring benefits of economic globalisation and (2) the changing relativities of power and influence that flow from the rise of East Asia.

That was a selective exercise – but it reflected the general optimism of the 1990s when many analysts were proclaiming the triumph of liberal democracy, and the end of ideological conflict.

In Thomas Friedman's words the end of the Cold War represented the 'flattening of the world'.

In line with that judgment, both the DFAT White paper and the Defence Department's Strategic Policy Review of 1997 tended to dismiss the darker side of globalisation – including the potential for international terrorist networks to use the same processes of communications technology and ease of travel to inflict mass casualties.

Indeed, terrorism was mentioned only once in the DFAT White Paper, and that was in relation to the Arab-Israeli conflict. There was no indication that counter-terrorism

operations would become one of the principal war-fighting roles of the ADF within five years.

Since then, numerous views have been put forward on where current trends will take us.

Issues such as energy security, global warming, competition for scarce resources and population movements have been added to previous concerns about a possible clash of civilizations and the return of inter-state rivalries.

Such fears are amplified because the current approaches to defence, foreign affairs, intelligence and development assistance reflect a national security architecture that was created during a different historical order and designed for a different set of strategic problems.

So the international security environment today is characterised by a complex mix of trends, pressures and risks.

Recently ASPI undertook an analysis of the major issues identified in national security statements of comparable countries such as Canada, the United Kingdom and Japan.

Although the integrity of state sovereignty remains the bedrock of most security calculations, the range of new and emerging pressures in the international system that governments are trying to deal with seems unlimited.

For example, the UK national security statement published in March ranks the following issues in order of priority: challenges to the rules-based international order; terrorism; conflict in failed or fragile states; poverty; and transnational crime.

UK National Security Challenges ranked according to issue*
<i>The National Security Strategy of the United Kingdom: Security in an Interdependent World</i> (2008)
1. Challenges to the rules based international system
2. Terrorism
3. Global instability and conflict, and failed and fragile states
4. Poverty, inequality, and poor governance
5. Transnational Organised Crime
6. Weapons of Mass Destruction

7. Climate Change
8. Civil Emergencies
9. State-led threats to the United Kingdom
10. Competition for energy

Few, if any, of those issues would have been raised by national security planners ten years ago.

More recently, the British government published a ‘national risk register’ which ranked a pandemic influenza outbreak as the highest-consequence, most likely threat facing UK citizens.

As these analyses show, a series of important global undercurrents are currently driving national security assessments.

But there are divergent views about where these global trends will take us.

This is nowhere more evident than in the current debate over climate change.

The UK government has argued that ‘climate change is potentially the greatest challenge to global stability and security, and therefore to national security’.

This judgment follows a recent report by retired US army and navy commanders who recommended that the consequences of climate change should be fully integrated into national defence strategies.

Other analysts, including scientists at the Copenhagen Consensus, have argued that, although climate change is a serious problem, the potential security consequences have been greatly exaggerated.

One example given is the shifting estimates of rising sea levels – potentially a security concern to Australia, and especially to low-lying Pacific Island states in our region.

In the 1980s, the American Environmental Protection Agency estimated that the oceans would rise several meters by 2100. In the early 1990s, the UN Intergovernmental Panel on Climate Change (IPCC) suggested that sea levels would rise 67cms. In 2006, the IPCC revised this down to just 38.5cm on average.

Last year ASPI published a report examining some of the implications of climate change for the Australian Defence Force.

But aside from a possible increase in humanitarian operations to assist neighbouring countries from shifting weather patterns, I remain unconvinced that climate change will be a key driver of Australia’s national security over the next decade.

So what issues are more likely to drive national security interests?

Four key trends stand out for consideration: the role of ideology and identity politics; nationalism; continuing US primacy; and global demographics.

Although these trends are interconnected and at times overlapping, none of them is immutable. But together they constitute the forces which are likely to shape Australia's strategic environment in the period ahead.

## **Global Drivers**

### *Ideology and Identity*

After the Cold War, it was common for strategic analysts to declare the end of ideological conflict – but that was only partly true. It was the end of one particular battle of ideas.

Today Western liberalism faces competition from other sources, not just fascism or communism.

Increasingly, identity is defined in more belligerent ways – with words like jihadist, separatist, or just nationalist.

The distinguishing feature is often religious, but it also includes ethnicity, tribal linkages or even family ties.

Whereas the disciplines of the Cold War had subsumed many of these factions within the boundaries of the state, globalization has opened up both the opportunity and means by which some of these identities can have a global effect.

The most visible and strategically significant of this manifestation has been the rise of radical Islamism across Africa, the Middle East and Asia and its ability to have a transnational influence on the actions of young men living in modern Western cities.

But its not just Al-Qaeda's brand of mass casualty terrorism that is of concern to security analysts.

The intersection of radical extremism with political power in the Middle East – such the role of Hizbollah in Southern Lebanon or Hamas in the Palestinian territories – is also a concern, especially when these groups are used as proxies by foreign countries.

Recent polling data in Indonesia showed that only 8 percent of the population supports the extremist views of terrorist groups like Jemaah Islamiyah.

And this is interpreted as a sign that the Indonesia polity, overall, is committed to the idea of a democratic, secular society based on the rule of law.

But 8 percent of 230 million people is about the same size as the population of Australia.

And Islamist political parties in Indonesia, and elsewhere throughout South and Southeast Asia, continue to attract strong support. [eg. success of Parti Islam se-Malaysia (PAS) at the March 2008 elections.]

This shift towards ideologically-based politics in the region has the potential to complicate our foreign and security policy interests, particularly in relation to joint counter-terrorism efforts.

### *Nationalism*

Another trend, one that is closely associated with identity politics, is the rise of a more strident nationalism.

After the Second World War, the Wilsonian principles of self-determination and decolonization were important drivers of statehood.

But most national and ethnic conflicts that remain today will not be resolved by changing the existing state boundaries to give every national community a state of its own.

These conflicts will continue to complicate international security relations – not just in places like Iraq and Georgia, but also in Australia's own neighbourhood in places like West Papua, the Solomon Islands and the Southern Philippines.

Nationalism is also evident in the more assertive policies of the emerging major powers in Asia.

The Hindu nationalism of the BJP party in India which gave us the nuclear weapons tests a decade ago, remains a potent political force, although it has suffered more recently at the ballot box.

In Japan, there is a sort of national obsession with what the Japanese call 'Nihonjinron' or 'theories of national character' which are often reproduced in populist writings.

And China's ability to mobilize its diaspora communities during the contentious Olympic torch relay demonstrated simultaneously the ease of travel and communication in a globalised world and the continuing centripetal pull of nationalism.

In a region where numerous territorial disputes remain unresolved, nationalism can exacerbate inter-state rivalries.

It may also force regional countries such as Australia to make hard choices between support for principle of self-determination and our security interests in a stable regional order.

### *Continuing US primacy*

A third trend concerns the nature of American primacy and the structure of the international order in the wake of bipolarity.

It has become common among strategic analysts to assert that we are witnessing the inexorable rise of the new Asian great powers, China and India, and that by 2020 Australia will be 'living among giants'.

More importantly, the relativities of power in the region are changing, with the erosion of America's margin of superiority in economic, military and 'soft power' terms.

Goldman Sach's predicts that China will overtake the US economy in 2020, and India may overtake the US by 2050.

But investment banks don't have a good track record of late, and this assessment should be tempered with a bit of prudential doubt.

Linear projections of current growth in equity markets are just one measure of economic and strategic weight.

In my view, there should more room in the strategic policy debate for the argument that, although some relative decline in American power is to be expected, American primacy and leadership will remain the dominant force in the region.

The evidence for this is pretty clear.

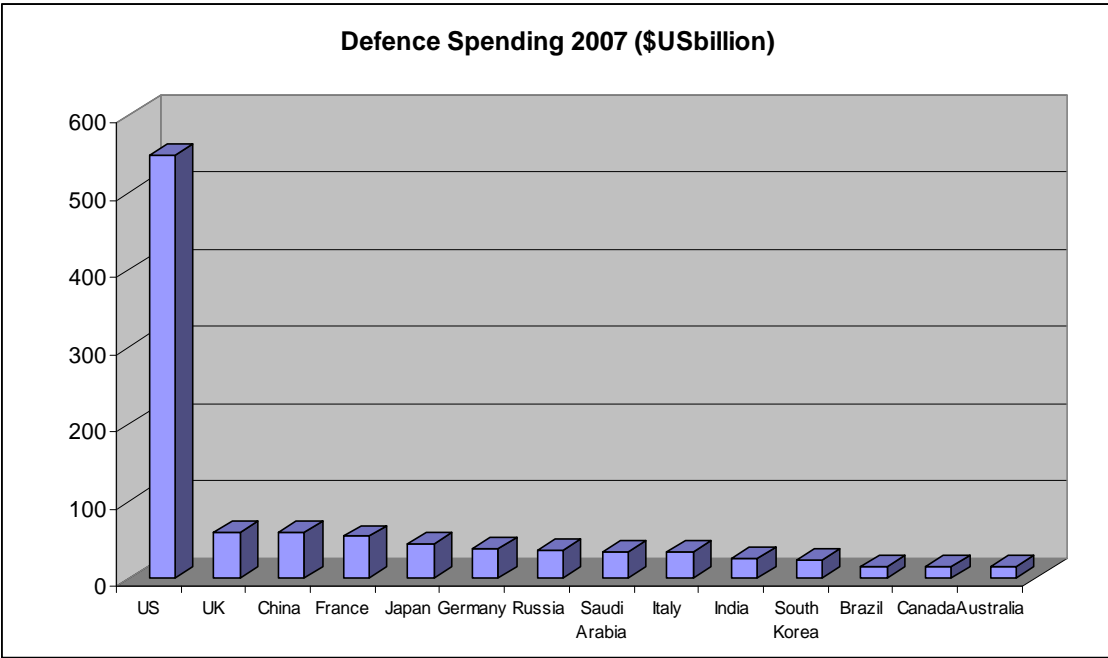
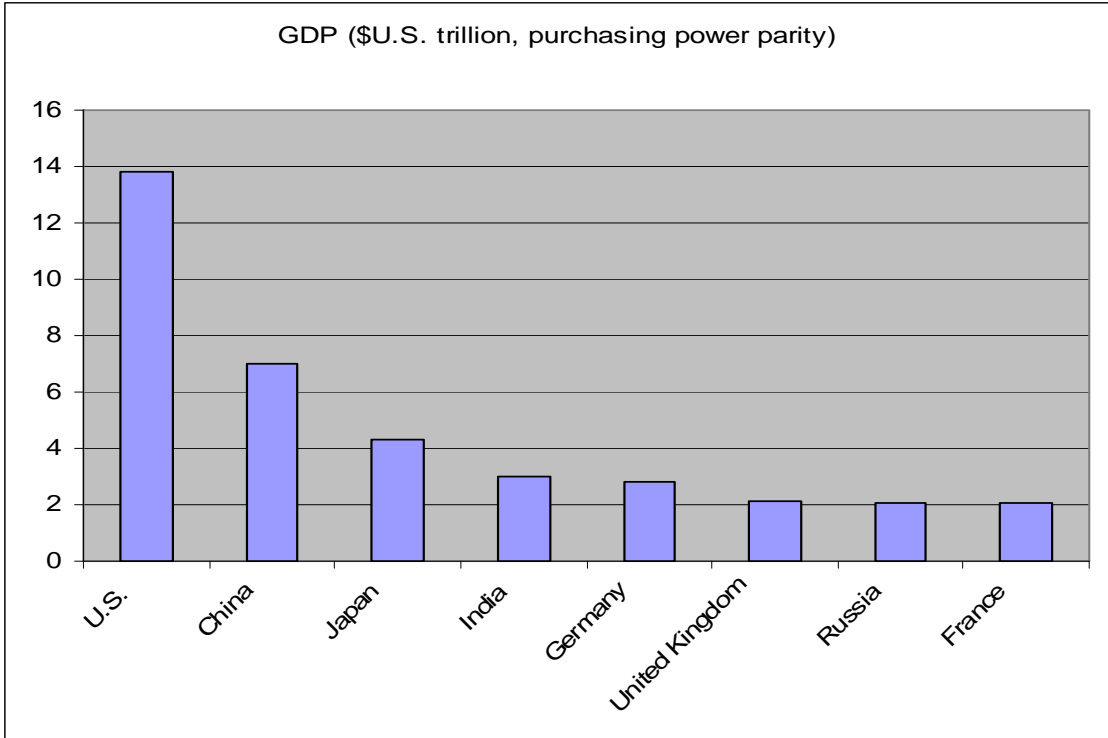
Earlier this year, the US Secretary of Defense, Robert Gates, described America as a 'resident power' in Asia. He argued that Washington has strong and enduring interests in Asia that will continue regardless of which political party occupies the White House.

At US\$13.8 trillion dollars, the US economy remains larger than China, Japan and India put together.

But economic power is not just about the overall size of the economy.

Despite the recent crisis in financial markets, the US economy remains resilient and adaptive.

Companies like Microsoft, Apple and Google are better placed to shape the future of global economic activity than a toy factory in Guangzhou.

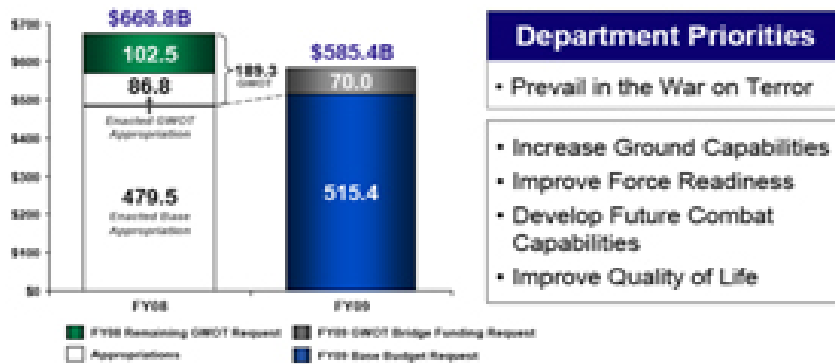


The military comparison is even clearer.

This year the US defence budget will again be around US\$600 billion which is larger than the next ten countries combined. If all national security spending was included, that figure would rise to around US\$800 billion.

## FY 2009 President's Budget for Defense

(Dollars in Billions)



**Base budget increases by \$35.9B (7.5%) from FY 2008 to FY 2009**

Source: FY 2009 (EnD) Budget Request; FY 2008 (EnD) Appropriations and OMDOT Request

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As a country with a formal military alliance with the US, it matters to us what the shape of regional leadership and power will look like in the next 20 years.

In terms of achieving our national security policy outcomes – from closer intelligence cooperation to counter-proliferation initiatives – American primacy will remain a key force multiplier for Australia.

So sustaining America’s ‘unipolar moment’ and maintaining even closer alliance relations is directly in Australia’s national interests.

### *Global demographics*

The final trend concerns changing demographic patterns.

Putting aside some of the more hysterical assessments of late, this issue still has a number of implications for national security interests.

Population growth, migration patterns, urbanization and ageing will influence both national capabilities and affect regional security dynamics.

In its recent publication, *The Graying of the Great Powers*, the Center for Strategic and International Studies in Washington has argued that demographic trends will influence the location of future conflict and the types of missions that militaries will be called upon to execute.

For the first time in history, urbanization is producing a world where the majority of people will live in cities. Asia and Africa will have the highest concentrations of urban populations.

The UN estimates that by the end of this year, half of the world's 6.7 billion people will live in urban areas.

A growing number of megacities – with populations over 10 million – may even begin to have strategic personality of their own.

Among the developed countries, the US is the only country whose aggregate economic size and population ranking will remain unchanged in 2050.

In other developed countries, particularly in Europe and Japan, low birth rates will lead to populations that are older and declining in numbers.

The demographic transformation in some countries is predicted to be so extreme (such as in Russia) or so sudden (such as in China) that it could trigger economic and political crises.

Contrast this with sub-Saharan Africa where one-half of the population is under 20; it's a region of teenagers.

Several Muslim-majority countries including Afghanistan, Iraq, the Palestinian territories, Somalia, and Yemen are experiencing similar youth bulges.

The correlation between high fertility rates and high poverty could result in chronic unrest and violence.

Religious conflict is expected to intensify because nine-tenth's of the world's population growth between now and 2050 will occur in developing countries.

Within those regions, moreover, the disproportionate fertility of devoutly religious families will ensure that younger generations will be, if anything, more committed to their faiths.

## **Conclusion**

The global system is increasingly interconnected, but it is far from integrated.

As John Ralston Saul said in a recent book, globalisation is in serious trouble.

The 'Washington Consensus' vision of converging markets and politics appears to be floundering on the reality that in places such as China, Russia and India globalisation doesn't necessarily create free markets or liberal democracies.

For Australia's national security interests, the four international drivers listed above suggest that conflict in the international system is not going to go away anytime soon.

Preserving Australia's freedom of action and ability to pursue national objectives without external coercion is likely to become more not less of a policy challenge.