

The View North From Down Under

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Australian Prime Minister Julia Gillard's ongoing visit to Northeast Asia highlights the dilemma facing countries all around Asia: At the same time as their economic dependence on China is growing, so too are their fears about its military muscle-flexing and its increasingly assertive regional diplomacy.

Ms. Gillard's stops on this trip, China, Japan and South Korea, are first, second and fourth in the ranking of Australia's top trading partners as of 2009 (America is third). Every year Australia does more than A\$170 billion (\$182 billion) in two-way trade with them; China alone absorbs one-quarter of Australia's goods exports. Both of Ms. Gillard's other destinations before she arrives in Beijing -- Japan and South Korea -- also count China as their major trading partner.

Australians recognize that these economic ties, including with China, are important for their well-being. Polling just released by the Lowy Institute shows that three-quarters of Australians agree that China's growth has been good for Australia. No wonder then that Ms. Gillard is keen to keep the focus on this rather rosy "win-win" story.

Unfortunately, however, the darker side of China's rise is also casting its shadow over the prime minister's visit. Appropriately, she has already said that she will be raising Australia's concerns about Beijing's crackdown on political dissent following the "Arab Spring," including recent reports of at least one Australian national being detained. With China now Australia's largest annual source of migrants and a growing number of Australian citizens of Chinese descent traveling back and forth, it was perhaps only a matter of time before an Australian got caught in the Communist Party's security dragnet.

China's rapid military build-up and recent posturing over maritime boundaries also have colored Ms. Gillard's Japan visit and featured when she arrived in South Korea. Beijing's failure to condemn Pyongyang's March 2010 sinking of a South Korean warship and November's shelling of Yeonpyeong Island soured Korean public opinion against China. The entire region has been put on edge by China's sporadic but increasing assertiveness in maritime disputes in the South China Sea and with Japan.

It's no coincidence that the most substantial outcome from Ms. Gillard's talks with her Japanese counterpart Naoto Kan was an agreement to boost Australia-Japan defense cooperation. Defense ties have been building quietly over the past decade but accelerated when Japanese and Australian forces worked together in southern Iraq in 2005-06.

Australian military transport planes were quick to go to Japan's aid following the earthquake disaster last month, operating out of U.S. air bases and making Australia the only country beside the United States to make a military contribution to the relief effort -- a useful dividend from their trilateral strategic dialog. A bilateral logistics agreement between Australia and Japan has been signed and discussions are under way on arrangements to facilitate closer intelligence sharing.

Defense ties, past and future, are also featuring during Ms. Gillard's stop in South Korea. Today she is attending a dawn service to mark ANZAC Day, Australia's main national day of military commemoration. She has recognized the battle of Kapyong, north of Seoul, where Australian soldiers stoutly defended their positions against an onslaught by waves of Chinese attackers in April 1951. In an echo of that occasion when Australia last went to South Korea's assistance against its bellicose northern neighbor, closer defense links with South Korea reportedly are also on the prime minister's agenda in her talks with President Lee Myung-bak.

In a sense, the timing of this trip is fortuitous. Ms. Gillard's visit coincides with a mounting awareness on the part of the Australian public of what is at stake in North Asia, and a wide belief that Australia has a role to play in regional security. A majority of 52% are in favor of Australia joining allies like the

U.S. in sending military forces to defend South Korea in the event of North Korea provoking a full-scale war. And if China were to intervene in support of North Korea the proportion in favor of sending Australian forces increases to 56%.

This points to a growing undercurrent of concern about China's rise. Australia is much further from Northeast Asia's security hotspots than Japan or South Korea, but even so nearly half of Australians believe that China will become a military threat during the next 20 years. Of those, nearly 90% consider China and the United States are likely to come into conflict in the future and that Australia will end up being drawn in through its alliance with America.

It's not what China's proud yet insecure leaders want to hear, but much of the onus for reversing these sentiments falls on Beijing. Asia has enjoyed 60 years of relative peace and prosperity because of America's Asian alliances, its forward military presence and its support for an open international economy. China's military rise, accompanied as it is by secrecy over Beijing's strategic aims and a general sense that China is trying to position itself in opposition to, instead of cooperation with, other forces for stability in the region, is a source of unease.

So China would be well advised to take down the temperature, reining in its maritime forces to prevent further incidents with U.S. and allied vessels, abandoning its forceful diplomacy of recent months and committing to full freedom of navigation. For their part the United States and its allies and friends need to work together and stick up for each other. They should continue to encourage responsible Chinese behavior while at the same time boosting their own defense capabilities to maintain a favorable regional balance of power.

Ms. Gillard's tour is also an opportunity to consider what Australia and other countries in the region should not do: They should not rest on their laurels, or bask complacently in the shade of America's security umbrella in the region. Australia, Japan, Korea and other allies should develop networks of cooperation to ensure they can work together seamlessly to keep the seas open and trade flowing. Ms. Gillard's visit has helped bolster important intra-regional ties. That way perhaps Asia can enjoy another 60 years of stability and growth.

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