

Keating is right on AUKUS and China

16 Nov.—With the Morrison Liberal government’s warmongering against China becoming more unhinged almost by the day, and the Labor “opposition” either in full agreement or just too spineless to speak against it, it has fallen to former Labor Prime Minister Paul Keating to inject some sanity into Australia’s mainstream strategic policy debate. In a 10 November [address](#) to the Australian National Press Club, Keating laid out the home truths that many Australians do not want, but absolutely need, to hear:

China is not our enemy; our “alliance” with the USA is good for little more than getting us into trouble; and the latter’s latest expansion, the so-called AUKUS (AustraliaUnited Kingdom-United States) trilateral security pact, is the act of a frightened, insecure Anglo-American colony, not the sovereign Asia-Pacific nation we purport to be.

Pundits and politicians from both nominal “sides” of the political mainstream have sought to dismiss Keating’s intervention as the ramblings of an old man



Paul Keating speaking to Laura Tingle at the National Press Club. Photo: Screenshot

out of touch with modern strategic realities, and/or an “apologist” for China; but anyone who listens to his address will soon find that despite being 25 years out of office, he has a better grasp on contemporary geopolitics than has been demonstrated by anyone in government today—not to mention more backbone than all his inheritors in the Labor Party put together. As Keating himself put it, “I’m here to say that the [major] parties, in respect of their current policies, are fundamentally not up to it. ... And the Australian people are entitled to know that China is *not* going to try and rip up the system; China is *not* going to be attacking people; it doesn’t take contiguous states. We can have a civil relationship with them, even though we disagree on a range of other issues.”

As our long-time readers will know, the *Australian Alert Service* has always been highly critical of Keating’s performance as treasurer in 1983-91 and PM in 1991-96, in which time he initiated the deregulation, privatisation and other radical free-market “reforms” that are primarily responsible for turning Australia’s once productive and virtually self-sufficient economy into the mining- and financial services-dominated moonscape it is today.

One thing he was not, though, was a fawning AngloAmerican sycophant, as all his successors have been. For all his faults, Keating was the last Australian leader to pursue anything resembling an independent foreign policy designed to promote what he saw as Australia’s national interest, the primary feature of which was greater engagement, and eventual economic and strategic integration, with the other countries in our region rather than their (and our) erstwhile colonial overlords on the far side of the world. As Keating put it, “the area that matters most to Australia, the area that should be our strategic habitat, is the Indonesian archipelago: 250 million people, in an arc across the northern reaches of Australia; a central part of ASEAN [the Association of Southeast Asian Nations]. ... But no; we’re not happy to be in the region. We’re still trying to find our security *from* Asia, rather than *in* Asia.” Hence AUKUS.

AUKUS counterproductive

Prime Minister Scott Morrison, his UK counterpart Boris Johnson and US President Joe Biden announced the AUKUS pact on 16 September, having reportedly sealed the deal at the Group of Seven (G7) summit (to which Australia had been invited as an observer) in Cornwall, England on 11-13 June.¹ “So here we had the Prime Minister going back to Cornwall, where James Cook had left 245 years earlier, and where Arthur Phillip and the First Fleet had left 233 years earlier—here we are back there, to find our security from Asia”, Keating said. “I mean, the ignominy of it! The appalling ignominy of it speaks volumes about our incapacity to ... be part of the region.”

The first and thus far only publicly announced product of the pact was the scrapping of Australia’s contract with French state-controlled shipbuilder Naval Group for a fleet of 12 new conventional (diesel-electric) submarines based on the French navy’s nuclear-powered *Barracuda*-class design, in favour of “at least eight” of an unspecified American or British nuclear-powered model. The Morrison government claimed in a statement that nuclear subs were needed because “[the] security challenges in the IndoPacific region have grown significantly” since 2016 when the deal with France was signed, in light of which “it is necessary for Australia to have access to the most capable submarine technology available”.

Keating posed the obvious question, during his conversation with Press Club president Laura Tingle following his opening remarks: “If we were unhappy about the fact that we were having trouble trying to stuff a *diesel engine* into the hull of a French nuclear submarine, why didn’t we at least inquire about their most modern *nuclear* submarine?” The most likely candidate for Australia to acquire under AUKUS, in Keating’s and many other qualified observers’ opinion, is the USA’s *Virginia*-class fast-attack subs. Yet as Keating pointed out, the *Virginia* was designed in the 1990s, and “by the time we have half a dozen of them, it’ll be 2045 or ’50. They’ll be 50 or 60 years old. In other words, our ‘new’ submarines will be old tech. ... We’re going to wait 20-odd years to get the first one, and 35 or 40 years to get the lot, for what will then be very old boats.” France’s *Barracuda*, by contrast, is the most modern nuclear submarine in the world, having been designed in 2007 and entered service with the French navy only last year.

Ironically, by spurning France and buying US boats instead, Morrison has actually hampered another attempted exercise in “containing” China: the Quadrilateral Security Dialogue, or “Quad”, comprising Australia, India, Japan and the USA. The chances of Australia (or the USA) building sufficiently strong relations with India that it would abandon its non-aligned status and convert the Quad into a formal alliance are slim to none; but in any case, according to Keating Canberra’s only inroad even to attempt to do so was via France. “When [French President Charles] de Gaulle turned his back on NATO and went independent [in 1966], they developed a relationship with India”, which persists to this day. “The French were introducing us into that relationship; in fact, a third meeting of India, France and Australia was to have been held the week the submarine was cancelled, and so the meeting got cancelled.”

Meanwhile, the decision to buy US nuclear submarines— and, as Australia’s Ambassador to the USA Arthur Sinodinos proclaimed in a 9 November speech in Washington, to operate them off China’s coast alongside the US Navy—is tantamount to a declaration of war on China. “[Then-Defence Minister] Kim Beazley and I built the *Collins*-class submarines ... [and] the ANZAC-class frigates. They were built for the defence of Australia”, he reminded Tingle. “Their range was to stop any incoming military vessels against us. What Sinodinos is talking about are attack submarines, to attack, to contain Chinese submarines. Hunter-killer submarines, to attack them and knock them out. What’s that got to do with the defence of Australia? ... The whole point of these hunter-killer submarines is to round up the Chinese nuclear submarines, and keep them in the shallow waters on the



Australia’s Collins-class submarine. Photo: Wikipedia

Chinese continental shelf, before they can get into the Mariana Trench and become invisible. In other words, *to stop the Chinese having a second-strike nuclear capability against the United States.*” (Emphasis added.) Obviously, he said, “This changes our whole relationship ... [because] when you start attacking Chinese naval assets, you’re in a different state. See, look, the Chinese, hard-nosed as they are, would have said ‘Look, Australia’s got these Collinsclass submarines. They’re effective; they’re quiet; but they’re not in our field, they’re in theirs. We’re not going down there; we don’t care.’ But we’re saying ‘Oh, no, no, tsk, tsk. We’ve got a better story for you: we’re going to get American nuclear attack-class submarines that can stay on station, and you know what we’ll do? We’ll hunt your submarines down in the shallow waters of your continental plate.’ Beauty!”

Where to from here?

And for all that, Keating added, a paltry eight submarines would make no difference anyway—“like throwing a handful of toothpicks at a mountain”—given China has 63 subs of its own even now, let alone in 20 or more years when we eventually get ours. Yet there is no need for any of it, because China is not and does not intend to be a military threat to Australia, unless we force it. “Our foreign policy debate, now, in Canberra, is informed by the security agencies”, he said. “So you’re not getting a macro view of China as it really is. I mean, China wants its front doorstep, and its front porch—that is, Taiwan, [and] its seas—it doesn’t want American naval forces influencing that.” Nor are we obliged to help the USA defend Taiwan from a putative Chinese invasion, should it attempt to do so. “Taiwan is not a vital Australian interest”, he said. “We have no alliance with Taipei, none. There is no document you can find. We do not recognise it as a sovereign state.” And the 1951 Australia-New Zealand-United States (ANZUS) security treaty, he pointed out, “commits us to consult in the event of an attack on US forces—but *not* an attack *by* US forces.”

Nor, he added, does China intend to upend the current international order, only reform it. “It signed up to the WTO [World Trade Organisation]. It signed up to the IMF [International Monetary Fund]. It signed up to the World Bank. It signed up to the WHO, the World Health Organisation. And as you’d have read recently, now it wants to sign up to the TPP. ... It wants to be in the existing order, has

signed up to the existing order; but wants it reformed, so it's fair." An October 2020 IMF report whose findings, he noted, were endorsed by the US Central Intelligence Agency (CIA), found that the USA's gross domestic product that financial year was US\$20 trillion, compared to China's US\$24 trillion—that is, China's economy is already 20 per cent larger than the USA's. And with China's GDP per capita projected to double from the current US\$10,000 to US\$20,000 in about a decade, Keating noted, it would then be approaching 2.5 times the size. "To which the United States says, "Well that's all very interesting; but if you behave yourself, you Chinese, you can be a stakeholder in *our* system." ... And look, you wouldn't have to be Xi Jinping or anybody to take the view, if you're a Chinese national, to say, 'Well, hang on, let me get this right: we are already one-and-a-quarter times bigger than you; we'll soon be twice as big as you; and we may be two-and-a-half times as big as you—but we can be a "stakeholder" in *your* system? Is that it?!' I mean, it'd make a cat laugh! ... Our central proposition should be that the rise of China is entirely valid. What were we to leave them? To be hanging around in poverty, five families to a little house, with bad sanitation, no education, for 20 per cent of humanity? ... I think what the Chinese want is the acknowledgement of the validity of what they have done, and what they have created. The legitimacy of the rise of China from its colonial past, and from its poverty."

Asked what Australia's engagement with our region ought to look like, Keating recalled: "I put together, as you know, a security treaty with President Suharto and the government of Indonesia, and the army of Indonesia, with ANZUS wording. It was the last thing I did as prime minister, in November 1995. John Howard lost that with President [Bacharuddin Jusuf] Habibie, over our skiting over Timor. ... But you just imagine, if we'd have spent the last 25 years putting Indonesian officers through our staff colleges; 25 years, in security terms, with Indonesia and its army, instead of Iraq and Afghanistan—instead of Howard's little escapades. ... If we'd have played our cards properly, and weren't running off to Iraq, but focussing on where we live, on our geography, we would either be in the secretariat of ASEAN, or at least a member. And where are we now? Nowhere."

Footnote

1. "[AUSMIN/AUKUS make Australia staging point for WWII](#)", AAS, 22 Sept. 2021.

By Richard Bardon, Australian Alert Service, 17 November 2021