

# Where in the world are we heading?

Terence O'Brien comments on New Zealand's approach to international affairs in light of the Defence white paper issued late last year.

Late in 2009 I suggested that the pendulum of international affairs in today's world is swinging in quite a pronounced fashion, and that adjustment to new reality is indispensable, for large and small countries alike. The past year has amplified the sense of change. This point is worth reiterating because in December 2010, after several postponements, New Zealand produced its first Defence white paper since 1997. The document actually provides the clearest indication available of current official New Zealand thinking about the state of the world over the next two or three decades. It is interesting, therefore, that the white paper suggests that the tectonic plates beneath the international landscape, as well as New Zealand's own national interests, tend to shift only slowly. It asserts, too, that while the challenges should not be taken lightly, the international system for co-operation that the world presently possesses is resilient.

As a first expression of official New Zealand opinion about the world and its security in the new century, the propositions about slow change are, taken at face value, dubious. They are explained, it seems, by the conclusions that the document wished to reach — namely, that New Zealand's traditional longstanding defence and security partnerships, which it specifies as lying essentially with the English speaking world of the United States, Australia, Britain and Canada, must and will remain the cornerstone for New Zealand engagement with the world in the high politics of international security for the next two or three decades. This 'Anglo-Saxon tight five', which embraces some 6.5 per cent of the world's population (Asia, by contrast, embraces some 60 per cent), has been elsewhere labelled by its most ardent advocates as 'the last best hope for mankind'.<sup>1</sup> There is a sense of this in the white paper language.

## Change pace

The notion of slow change to New Zealand interests and to the international landscape seems to be at odds with our modern experience. If one looks back, for example, 30 odd years from today, Britain had just joined the European



*A G20 meeting, representing 90 per cent of the world GDP, 80 per cent of world trade and two-thirds of the global population*

Common Market, forcing a prolonged and enduring effort to diversify New Zealand's trade and foreign policy connections; the Vietnam War was lurching towards its painful conclusion with US departure and the emergence of the first seeds of the Asian inspired regional co-operation that so captivates New Zealand today; the divide between the developed and the developing world was wide and deep, as were divisions between the Soviet-led communist bloc and the US-led West. Yet in the years that followed, the revolution in communications technology and the gathering forces of globalisation produced dramatic change with the collapse of the communist bloc, the end of the so-called Cold War, the disappearance of apartheid, and the striking economic and social advance by regions of the developing world — nowhere more dramatic than in East Asia, led first by Japan, and then by China. A lot of this was not predicted or indeed predictable; but it certainly tends to defy the notion of slow change to the international landscape and New Zealand interests.

The rise of East Asia is indeed reshaping the balance of New Zealand interests in the world. Over a very short period China has become New Zealand's second largest trade partner, and if present trends continue she will displace Australia to become our largest trade partner in five to ten years. Significant gains in trade relationships with other Asian countries also add to a vital transformation of New Zealand interests over a relatively brief span of time. This is shifting the foundations beneath New Zealand's strategic position in relation to our economic well-being. In the past our

---

Terence O'Brien is a senior fellow at the Centre for Strategic Studies at Victoria University of Wellington. This article is the edited text of an address he gave to the Pencarrow Rotary Club on 29 November 2010.

---

**The pendulum of international affairs in today's world has swung in quite pronounced fashion and will continue to do so. The rise of East Asia in particular is reshaping the balance of New Zealand's interests in the world, not least economically. And yet the Defence white paper issued in December 2010 seems locked in an outdated perception of both the world and those interests. The conclusion that the document reaches — that New Zealand's traditional longstanding defence and security partnerships will suffice as the cornerstone of New Zealand's engagement with the world — is of dubious validity. New Zealand's foreign and trade policies are clearly beginning to diverge.**

---

principal trade partners were indeed countries of the Anglo-Saxon tight five designated by the Defence white paper as the cornerstone for our defence and security interests. There was, therefore, in the past an essential symmetry between New Zealand's international security partnerships and New Zealand's trade and economic interests. That connection is being conclusively changed by the swift growth of trade/economic relations with East Asia, notably China.

While its recommendations for actual New Zealand military capability are fair and square, there is little sense in the Defence white paper of the way in which this previous symmetry of New Zealand's overall strategic interest is being transformed. The document does constructively avoid any direct suggestion of China as a military threat (thus providing a contrast to Australia's equivalent document). But it does not actually advocate fashioning new defence connections, even modest ones, with Beijing or other individual Asian countries (for example, Vietnam or Indonesia). India is the only slight exception. This is odd at a time when several Asian governments are themselves notably more active in international peace support under the United Nations. That must surely provide a greater opportunity for New Zealand interaction with Asian militaries.

Common values, traditions, experiences and ideals amongst the Anglo-Saxon tight five are quoted to explain why defence partnerships for New Zealand with those countries will remain an unalterable external security priority for the 21st century. They provide the essential justification for New Zealand remaining 'an engaged, active and stalwart partner of the US'; for 'adding to Australia's strategic weight'; for 'new and strengthening cooperation with NATO'; and for an expectation that New Zealand will contribute 'to future regional stability operations in the Middle East'. No one can, of course, dispute the importance of values driven external policy, nor the proposition that small countries should remain on good terms always with the powerful; but balanced interests-driven policy is of equivalent importance. The paper is correct, therefore, when it notes that New Zealand must be prepared to recognise and understand the interests and perspectives of its partners and friends 'both old and new'.

### **China factor**

That is very important. The white paper makes the case abundantly for our heeding the interests of traditional partners. In the Asia-Pacific region, however, the legitimate security concerns and dilemmas of China as well as other Asian governments must also preoccupy New Zealand alongside those interests shared with and amongst the Anglo-Saxon tight five. The uneasy consequences for regional stability from new missile defence systems, and from assertions of unfettered freedom for naval deployments and joint military exercising in the region that are an integral part of US engagement, need to be judged carefully and impartially by New Zealand.

The largely peaceable advance by East Asia over the past 30 years actually owes its achievement principally to Asian governments themselves. They have renounced military means to secure their political, economic and social improvement. There is no evidence that China threatens war, is bent upon overthrowing the international system, or trying to change the world in its own image. But just how smoothly



*US Army General John Galvin welcomes Soviet General Moiseyev during his historic visit to SHAPE in 1990*

China's emergence will proceed does still substantively depend upon how the United States and others adjust to new reality; and upon how China itself respects and relates to the interests of its neighbours.

Changes in the Asia-Pacific region essentially reflect wider global trends, where the manifold accomplishments of many newly emergent economies signal two things:

- that for a country to be successful and modern in the 21st century no longer necessarily means that it must be 'Western';
- that a more representative, but hybrid international order is therefore indispensable to replace that which shaped the 20th century.

The emergence of the G20 summit in the wake of the 2008 global financial and economic crisis is the clearest evidence that a new way of managing world affairs may now be emerging, but the disparate nature of G20 membership means it will not necessarily be easy to agree about how collectively to address present challenges. It signals, nonetheless, that space must be created and traditional monopolies of influence conceded, most particularly by important members of the Anglo-Saxon tight five, if the successful newly emerging countries are to be engaged in discharging their obligation to uphold an effective rules-based international system.

On top of this, the way in which the G20 relates to non-members, the global majority, as well as to existing international institutions, especially the United Nations, holds the key to its legitimacy. Along with that global majority, New Zealand possesses a vital interest in G20 accountability, legitimacy and effective links with non-members. Amongst the Anglo-Saxon tight five, New Zealand is the only non-G20 member — and its basic priorities in the area of international governance, therefore, differ from those of other tight five members.

### **New architecture**

The United States has committed itself to leadership in the establishment of new global architecture for this changing world. What this actually means remains unclear. Leadership in international affairs is, in the normal course, either asserted

or it is bestowed. The United Nations and other major institutions now stand all in need of serious revitalisation to be made more representative of the world as it is now. But there is no evident readiness by major powers to endow the United Nations with more authority, nor compel greater accountability to the United Nations by the membership. Yet America's influence, which has rested upon the tripod of great military superiority, on undisputed economic strength and upon the attractions of its soft power, has been diluted by the damage to its economy from prolonged addiction to massive debt; and the corrosive impact of the 2008 economic crisis created by inadequate supervision of excessive speculation by its financial sector.

Serious Americans themselves are gravely disturbed by forecasts that within ten years US federal debt could total 90 per cent of annual US GDP, which presently stands at \$13 trillion per annum. It is estimated the United States will need to borrow \$5 trillion every year solely to finance the growing deficit and to refinance maturing debt. The forecast numbers are astronomical. The impact upon the costs of the conduct of US foreign policy and of defence policy, as well of America's standing in the world, would seem unavoidable.

### **Co-operative security**

So how resilient then is the system for international co-operation as claimed by the New Zealand Defence white paper? The United States now seeks to extract itself from military entanglements in wars of choice in Afghanistan and Iraq. The question remains whether the United States will be ready or willing in future to repeat those experiences elsewhere and carry the burdens involved? What alternative international security frameworks are there anyway to help mitigate modern threats from instability created by state failure, insurgency and radicalism? There seem to be two possibilities. First, there is the globalisation of NATO, which is favoured by Washington and other, but not all, NATO members. This would involve the extension of NATO's mandate and reach well beyond its original European boundaries, and equipping it, in addition to unrivalled war-fighting prowess, with capacity for post-conflict reconstruction. Such a global mandate means NATO would effectively substitute for, or displace, the United Nations.

Second, the alternative is to reinvigorate the depleted UN system with new resources and mandates to discharge effectively its designated roles of peace support and reconstruction/development; and to streamline the whole process for decision-taking and authorising deployment. Such a makeover must implicate those newly emerging successful economies, which are not NATO members, but which now possess capacity for improving their own efforts and that of the United Nations in the whole peace support and development area; and whose commitment to the UN-based international rules-based system is vital.

All this is itself a strong argument from New Zealand's standpoint for actually making revitalisation of the UN system the first priority. With its considerable array of experienced specialised agencies dedicated to economic and social improvement and a long record in the field, the United Nations is manifestly better equipped than NATO to lead reconstruction efforts. In addition the United States is the

more likely to enjoy bestowed leadership if it mediates that leadership through a reinvigorated UN system rather than a beefed up regional military alliance over which it exercises sole command. Military alliances are, moreover, instruments of competitive security, rather than of co-operative security — which is the absolute first need in present times.

### **Unclear perspective**

The New Zealand white paper is not clear about where exactly New Zealand might line up on these two alternatives. The authors are clearly impressed by the new-found connections with NATO, and they emphasise how important NATO military doctrine is to the New Zealand Defence Force. But they also pay due account New Zealand's vital interest in the rule of international law, although the document is studiously ambiguous when push comes to shove about which actual international authority can and should legitimise the use of military force. In places it put its money upon the United Nations; elsewhere it implies that coalitions of the willing or regional institutions might provide sufficient legal cover. New Zealand should remain very cautious indeed about diluting the basic legitimisation that the United Nations and its charter supply to the business of international affairs, including the use of military force.

A globalised NATO would, moreover, only ever operate in terms of Atlantic world priorities, which may or may not be New Zealand or Asian priorities; and as a permanent fixture on the wider global landscape as a fully-fledged military alliance, it would magnify militarisation of international affairs. And although the white paper authors obscure the point when discussing non-proliferation of weapons of mass destruction by omitting all reference to New Zealand's non-nuclear policy (which is flagrant in a document intended to define overall New Zealand international security policy), a global NATO would, as its recent Lisbon summit confirmed, still operate as a nuclear weapon alliance with first strike provisions. However one cuts this mustard there remains a basic incompatibility here for New Zealand in a NATO relationship.

On the strength of this white paper, there is now more than a chink of light emerging between New Zealand foreign and trade policy, with the self-evident commitment to moving the country forward in new directions to seize new opportunities, and defence/security policy, where, as the 2010 white paper reveals, the inclination is to 'step backwards into the future'. In an era when the prospect of great power conflict has receded, the NZDF is a prized national asset to be sustained and improved in order to serve New Zealand interests, including changing interests. We are promised a more regularised sequence of defence reviews — the next one in five years' time. The opportunity to think afresh about the right balance in New Zealand's place on the international security landscape will again present itself, and the eventual first ever New Zealand national security statement now proposed by the government will provide a similar framework for reassessment.

### **NOTE**

1. A. Roberts, *A History of the English Speaking Peoples since 1900* (Phoenix, 2006), p.597. 