

**PERSPECTIVES**

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**BARACK OBAMA, KEVIN RUDD AND THE  
ALLIANCE: AMERICAN AND AUSTRALIAN  
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**MICHAEL O'HANLON AND  
MICHAEL FULLILOVE**

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**AUGUST 2009**

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**Barack Obama, Kevin Rudd and the alliance:  
American and Australian perspectives**

**Michael O’Hanlon and Michael Fullilove**

A good deal of copy has been written about the Australia-US alliance over the past decade, but almost all of it, naturally enough, described the alliance as it developed under the stewardship of conservative leaders in Washington and Canberra. Now the alliance is in the hands of a Democratic president and a Labor prime minister. This paper sets out the views of two analysts, one American and one Australian, on the developing relationship between President Barack Obama and Prime Minister Kevin Rudd and the kind of alliance over which they will preside.

**Dr Michael O’Hanlon, The Brookings Institution**

There are pretty good reasons why, at least from my vantage point in Washington early in the Obama presidency, the Australia-US alliance tends to be very strong through thick and thin. Whether you are a dragon-slaying unilateralist who sees the world in Manichean black-and-white terms, like George Bush, or a new-age leader who wants to be loved by all and get along with all like Barack Obama (or Bill Clinton), Australians are your kind of people. They are tough enough to be of help in virtually any war, smart enough to be worth consulting on any big issue from the Middle East to the Korean peninsula, and (with apologies) small enough that at the end of the day they also accept the role of being an important yet clearly junior alliance partner. They provide multilateralist, internationalist cover for assertive American leaders like the one who just left the White House, and trusted confidants as well as a modest part of the nucleus of any broader coalition for those who want to build a new world order. I cannot predict whether Obama and Kevin Rudd will rival George Bush and John Howard for intimacy and rapport, but I am confident that the alliance will thrive in the new era. It would take poor leaders not to achieve this, and whatever else one thinks of them, Obama and Rudd both seem eminently competent and serious.

I do not claim that Obama himself has a clear view of Australia already. While he has handled himself very well to date including on matters of national security and alliance management, he probably has not yet developed a thoughtful view of the Australia-US alliance. We all know the other issues that have dominated his thinking and his work agenda to date. Moreover, his initial efforts at establishing a new tone in foreign affairs have focused on Europe during the April NATO summit; the broader Islamic world during his June trip; the so-called rogue or extremist states like Iran and North Korea; and the combat theatres of Iraq, Afghanistan, and Pakistan. His views on alliances in general have been pragmatic and moderate. He could have used his April trip to berate Europe for not doing more in Afghanistan, for example, and to warn those governments and publics that they will have to do more if his administration is to succeed. To put it directly, he could have warned the Obamaphilic Europeans that if they want him re-elected, they had better share more of the global burden in places like Afghanistan so that American voters will see the value of a multilateralist president. But Obama struck no such tone, suggesting that he prefers to operate within a certain alliance comfort zone rather than push the edges of what he asks America's partners to do around the world.

The administration's main foray into Asia to date was Secretary Clinton's initial foreign trip – which was a success on its own terms, but with a very limited agenda. And while Australia is important in how we handle most of the above issues, it is not decisive or crucial on many of them. As such, as an alliance partner for the new administration, its role will emerge from the aggregate effects of its input into various policies, more than from a grand concept of how it should be placed into the global power architecture. Its importance derives from its modest yet real role on numerous issues, not as a top-ten issue in its own right. That is not necessarily a bad thing. A country more inclined towards vanity would demand attention in the early months of an administration and want to know how it fit into the hoopla of a new administration like Obama's. Australians, however, are more reserved, more patient, and more mature than that. They can tolerate playing second fiddle, I believe, as long as they are respected, consulted, and given special deference on issues of particular importance to them.

Absent a huge crisis in Indonesia, the Taiwan Strait, or perhaps Korea, Australians are unlikely to become the key ally of the United States in handling a major issue. Unless the Obama administration winds up as isolated as the Bush administration, Australia is unlikely to be needed as an important yet relatively small country that can help rescue America from the perception of acting on its own in world affairs. And Obama probably will not wind up so

isolated. He will do better than Bush at maintaining some support around the world, especially among key democracies, and as such, Australia will be less desperately needed as a country willing to talk to Uncle Sam even when most others will not. This will be true whether Obama and Rudd hit it off swimmingly or not.

This perspective is not intended to be dismissive of the potential role of an Asian-Pacific democracy with more than 20 million people, a feel for China and India and Indonesia, an important economy, and a willingness to take some military risks when needed. Australia is quite important, and its size while modest is not so small as to be negligible. But Australia's actual role in the wars of the day, while useful, is modest – perhaps more modest than it need be.

This is nothing new for the United States; we are used to allies doing a bit less than they really could or should. But in theory, if America can muster 200,000 troops for two wars, a country of Australia's size should proportionately be able to find 5,000 troops. Of course, Australia's present contribution in Afghanistan – about 1,100 troops set to rise soon to about 1,550 – puts it in the top ten troop contributors among the more than forty coalition partners. But it is still punching beneath its weight, if America or Britain or Canada is viewed as the standard when adjusted for size of population.

This situation should be addressed seriously by Australians. If they consider the Afghanistan war to be a reasonable enterprise with reasonable goals and a true importance, they should not be content with their current contribution. Admittedly, asking for 5,000 troops is a lot, and as noted above, Obama will probably be too polite to ask for another increase of any size. But a figure closer to Canada's 2,800 soldiers in Afghanistan should be within Canberra's reach. Moreover, were Australia to aim for this goal, it could partially replace Canada when the latter leaves Afghanistan as scheduled in early 2011. Not only would that help the mission in Afghanistan, it would cement the visibility and importance of the Australia-US alliance as Obama reaches the halfway point of his first term.

Alas, as things stand, Australia is not an obvious key to solving any particular problem for Obama, be it Afghanistan or anything else. As such, it is not the talk of the town in Washington, and it probably will not become so anytime soon. Depending on the future issue agenda, however, things need not stay this way indefinitely. Perhaps in a second Obama term, perhaps even sooner, the international focus will move a bit from Iraq and Iran, Afghanistan

and Pakistan, Israel and the Palestinians to Korea and even more to China, to global warming, to management of natural resources like the oceans, to nuclear disarmament, and the like. The recent confusion concerning the proposed Rio-Chinalco deal – specifically, whether Australians would allow a Chinese firm to take a large share in one of their largest mining companies – points to many future tough choices among Western states about how, if at all, to limit China’s growing economic and strategic power in the coming decades. Given its location and the nature of its economy, Australia could be a bellwether and a trendsetter. To put it differently, Australia will probably set the upper bound on what Western countries will consider a reasonable degree of involvement by China in their economies in the coming decades. As such, it will have an unusually significant role as major states wrestle with the inevitable question of how much Chinese control of their prized assets and key industries is too much.

In this regard, my own view – not necessarily shared by other American analysts – is that Australia need not worry about upsetting Americans due to a close Australia-China relationship. To be sure, there are real US sensitivities on this subject. I once heard a US ambassador complain about getting the second best seat at a state dinner in Australia because the Chinese ambassador got the preferred location. But even his complaint was made with levity, and more to make a point about strategic realities that we Americans simply will have to accept (not that China outranks the US among Australian friends, but that the two countries are now both centrally important in Canberra). Not only Australia, but Korea and even to an extent Japan will have to wrestle with their respective relationships with the United States and China in the coming decades. Among other things that makes the possible role of all three U.S. allies in any future Taiwan Strait crisis hard to predict. This is a fact of life, not something we in the United States can wish away.

Moreover, it is not necessarily a bad thing. It can temper any American overconfidence that its global alliance system will automatically intimidate China into a deferential strategic role in the 21<sup>st</sup> century, and avoid American overconfidence about possible military solutions to future crises. To be sure, this could go too far – Australia could not only prove reluctant to fight against China in a future war, for example, but even prove unwilling to contemplate severe multilateral economic sanctions should the PRC attack Taiwan. But as long as Australians are careful to avoid complete economic dependency on China and other possible paths to a Pacific version of Finlandisation, we should be okay. Thankfully, both Aussie pride and Aussie values probably work in our favour on this central matter.

Because of its huge open spaces, natural resources, and location, Australia could play a major role in global environmental issues, too – in ways that could include everything from leading the charge to solar energy, to managing fisheries, to turning saltwater into fresh water on a large scale. Any and all of these technology developments could be of huge interest to the United States and the rest of the world.

And the new, old idea of nuclear abolition that Australia has done so much to put back on the international diplomatic agenda could play to its strengths too. Australians are idealistic enough to really want abolition at one level, yet realistic enough to know how hard it would be to accomplish at another. They are resolute enough as allies not to push an agenda that would hurt American security (or their own), yet independent enough to challenge Washington if it proves too stodgy and bull-headed even to consider the idea of getting rid of all nuclear weapons from the planet. This agenda, like most of the other issues just noted above, probably will not go very far very fast now. But Obama could be around for 7 ½ more years, so there is time. The alliance may have a relatively slow, unspectacular start under the new American president, if I am right, but it will still be a steady start, and a very important relationship – as always.

**Dr Michael Fullilove, Lowy Institute for International Policy**

I am a supporter of the alliance between the United States and Australia. The alliance's benefits to Australia include the promise that we would be protected from a strategic threat; interactions with US military forces and technologies that keep the Australian Defence Force sharp; intelligence estimates that help our officials to make sense of the world; and privileged access to and influence on the thinking of the sole superpower. In my view, an alliance with a like-minded superpower is a pragmatic move for a middle power such as Australia which is intent on improving the world. Unlike Britain, for example, we are not a member of the UN Security Council, the nuclear weapons club or NATO. In order to influence global events, we need to use all the means at our disposal, including close relations with our neighbours and sustained engagement with international institutions such as the UN and the G-20 – but also skilful dealings with and upon the Americans.

The alliance is currently being managed by a Labor prime minister and a Democratic president – a situation that has not existed since the period 1993-1996, under Prime Minister Paul Keating and President Bill Clinton.

The election of the Rudd Government in November 2007 was good news for the alliance. President George Bush and Prime Minister John Howard had a famously intimate relationship, which afforded Australia privileged access to the inner councils of Bush's Washington. That was not replicated during the Bush-Rudd interregnum. However, by the time of the Australian election, Bush was a lame duck, and power and influence had already begun to migrate toward the Democratic Party. Howard was wildly out of synch with the new regime in Washington and his regrettable comment in February 2007 that Al-Qaeda in Iraq should pray for a victory by Obama and the Democrats might have presented us with real diplomatic difficulties had he been re-elected. (Apart from being impolitic, that comment was quite wrong: Obama's election did not provide succour to America's enemies, it widened the circle of America's friends.)

Labor's entry into government also meant that anti-alliance forces are now largely without a parliamentary voice in Canberra, except in the form of the Greens. The ALP contains a broad diversity of views on the United States' role in the world. During its periods in opposition, sceptical elements of the party can have a prominent say. Indeed, former Labor leader Mark Latham described the alliance in his diary as 'the last manifestation of the White Australia mentality' – a characterisation that would bemuse US foreign policy makers such as Colin Powell, Condoleezza Rice and now Barack Obama. However, the disciplines of office and the realities of diplomacy – not to mention Rudd's own pro-American inclinations – have quietened any such feelings. The net effect has been to take the domestic political sting out of the alliance.

On the other hand, Labor governments face their own particular alliance challenges. Because conservative voters are, by and large, supporters of America's role in the world, Coalition governments which act in concert with Washington are pushing on an open door. When Labor is in power, public debates about US actions can develop in a more hostile fashion, which helps explain the relatively gentle domestic treatment Howard received over the Iraq war compared to the savageries inflicted on British Labour Prime Minister Tony Blair.



This is where the identity and policies of the US president come roaring in. To my mind, Barack Obama's presidency offers at least five advantages for Australia.

First, it is good news for Australia when our strategic ally is well-liked rather than disliked. In its first term, the Bush Administration pursued a muscular grand strategy designed to impose America's will on the world, an approach which proved deeply unpopular almost everywhere. Over time, President Bush moderated his policies, but it was too late – the early impression of his presidency had already been seared onto the world's cortex. President Obama, by contrast, enjoys remarkable international prestige abroad, as measured in opinion polls as well as the public response to his visits to Europe, Africa and the Middle East. It is very much to our benefit when the incumbent US president is catching bouquets rather than dodging shoes.

Second, given that Australians supported Obama's election by a ratio of nearly five-to-one, his administration will be good for the health of the alliance, which had been drooping in popularity. It is notable that, with Bush gone, critics on the Australian left are no longer succumbing to the temptation always to put the worst possible interpretation on American conduct. Alliance bashers no longer argue, as they did during Bush's time, that the US is a 'rogue state' and 'the world's most dangerous nation' or that Australia is 'hooked on dependence'.

Third, Obama has bucked up the American people and removed some of the self-doubt that accrued with the Bush administration's failures. Fourth, although John McCain and Hillary Clinton can both attest to Obama's toughness, Obama is likely to be a cautious and prudent commander-in-chief – which is to our benefit, given our record of supporting US military operations. Finally, in a number of other respects Obama's policies as president have furthered our interests, for example the ending of Washington's macabre dance of climate change denial, scepticism and delay.

However, Obama's victory also poses new challenges for Australia. Canberra will need to be smarter and work harder in order to maintain its influence in Obama's Washington. The diplomatic competition in the US capital at present is frenzied. Such is the president's global popularity that Australia risks getting lost in the crush – not something we needed to worry about during the Bush years. Furthermore, many other countries have stronger claims on Obama's time than we do. Obama does not know Australia well; indeed, for the first time in

history, the US president has thicker personal connections to our near neighbour Indonesia than to Australia.

Finally, Obama is not really an alliance man (although some of his advisers are). It is a gross exaggeration to say, as Bush's UN ambassador John Bolton does, that Obama has 'a post-alliance policy'. However, he is the first president to have come of age politically after the end of the Cold War. For generational reasons, then, he may view alliances as less 'special'. During the campaign, he bracketed them with other, less intimate relationships, writing of his intention to rebuild 'alliances, partnerships and institutions'. In his discussions of Asia, there were fewer references to treaty allies such as Japan, South Korea and Australia and more references to the rise of China. There was none of the 'band of brothers' tone one sometimes found in John McCain's pronouncements on alliances.

It is unsurprising, therefore, that as president, Obama has not yet asked a great deal of US allies. The flipside is that he may not be prepared to offer them a great deal either.

In this context, the personal relationship between Obama and Rudd assumes unusual importance. These two men are very different, but both are policy wonks from the centre-left. Both are newly-elected, which means they have an interest in building a long-term relationship. Both have exerted personal control over their national foreign policy-making processes. Both are strikingly ambitious: Obama aims to bring peace to the Holy Land and avert a climate catastrophe at the same time that he kick-starts a global economic recovery; Rudd intends not only to dominate the domestic political scene but single-handedly to elevate Australia's international profile, as seen in his initiatives on the G-20, Asia-Pacific architecture and nuclear weapons. (Some of Rudd's policy work, for example on nuclear non-proliferation and climate change, chimes with Obama's own priorities.) Yet both are also instinctive pragmatists, with more than a hint of ruthlessness about them.

This synchronicity seems to be reflected in the early contacts between the two leaders. White House aides have told me that the relationship is unusually close: that they have 'good chemistry' and 'similar senses of irony and understatement'. They pick up the phone to call each other and their conversations are mainly unscripted. Obama cited Rudd at a presidential press conference and brought him on stage for a star turn at the G8 conference in L'Aquila.

Rudd's work in the G-20 in particular has impressed important figures in Washington. Bob Zoellick, the President of the World Bank, observed to me that by reasoning through the problems flowing from the global financial crisis and reaching out to fellow heads of government, 'Kevin established himself as a catalyst for better multilateral policy-making. Much of this work was behind the scenes, a combination of smarts, humour, and attention to personalities. He has the respect of US leaders. European capitals pay attention to his views. And he takes time to build ties to developing country leaders. By putting these networks together, he leverages the influence of what Australia says and does.'

The portents of a good personal relationship between Obama and Rudd, therefore, are strong. Rudd is right to set to one side the familiar incantations of Australian loyalty that were a feature of the last era, and to focus instead on the advocacy of Australian ideas, not just to the executive and the Congress but also to the new class of influencers to which the administration is listening. He signaled our reliability as an ally by taking the initiative and deploying additional troops to Afghanistan at a time when withdrawals were more the norm – a decision that was noted and appreciated in the White House. His instinct to engage the administration right across the global agenda – and not just in relation to our usual hot-button issues of trade, Southeast Asia, the Pacific and so on – is also correct. The alliance is not, after all, an end in itself but rather a means of protecting Australian security and furthering Australian interests.

If any single factor has threatened to derail the alliance train for our Mandarin-speaking prime minister, it is the rise of China and the demands this places on Australian diplomacy. A good deal of skill will be required to manage the Canberra-Washington-Beijing strategic triangle in the future. Yet I am not persuaded that our alliance with the United States will be threatened by our relationship with China, for reasons to do with both countries. First, I am more sanguine than many analysts about America's enduring geopolitical strength. It is difficult to reconcile claims of American decline with the continuing magnetic power of American culture and American leadership. At the very least, a newly-confident Washington is going to be less jealous about allies such as Australia forming close ties with other great powers such as China. Second, the Uighur uprising in July highlighted internal fragilities that China's boosters may not have fully considered, and the imbroglio regarding the imprisonment of Stern Hu reveals the limits of intimacy that can realistically be achieved between democracies such as Australia and non-democracies such as China.

In sum, it is hard to fault Kevin Rudd's management of the Australia-US alliance since Barack Obama's election. That does not mean that the alliance will not be tested in future by unforeseen events such as severe difficulties in Afghanistan, trade shenanigans or even a crisis between the United States and China – but so far, so good. By balancing reliability with new ideas and a more independent bearing, Rudd has done the alliance an important service.

Of course, there are two parties to this alliance. When I lived in Washington last year, I was sometimes asked by my more sensitive American colleagues whether the election of a China wonk indicated some shakiness on Australia's part. Was Canberra still a reliable ally? I turned the question around: will Washington still be a reliable and trustworthy partner for Australia now that the Vulcan mind-meld between George Bush and John Howard had been broken? Most Australians, including Kevin Rudd, accept that as the smaller party, the task of tending to the alliance falls principally to us – but we also expect consideration and reciprocity from our American partners.

## ABOUT THE AUTHORS

**Dr Michael O'Hanlon** is a Senior Fellow in Foreign Policy at the Brookings Institution in Washington, DC, where he specialises in US defence strategy, the use of military force, homeland security and American foreign policy. He is a visiting lecturer at Princeton University, and a member of the International Institute for Strategic Studies and the Council on Foreign Relations. He was also the director of Brookings' Opportunity 08 project on the 2008 presidential race. He is a member of the Secretary of State's international security advisory board. He has also been involved in various public commentary on the Iraq and Afghanistan wars and made several research trips to these theatres in recent years.

Dr O'Hanlon's current research projects include a book coauthored with Hassina Sherjan on the Afghanistan war and a book on the future of nuclear weapons including the Global Zero concept. His latest published books are *Budgeting for Hard Power*, as well as *Hard Power: The New Politics of National Security* (with Kurt Campbell) and *A War Like No Other*, about the US-China relationship and the Taiwan issue, with Richard Bush. His previous books include a multi-author volume, *Protecting the Homeland 2006/2007* (Brookings, 2006); *Defense Strategy for the Post-Saddam Era* (Brookings, 2005); *The Future of Arms Control* (Brookings, 2005), co-authored with Michael Levi; and a related book, *Neither Star Wars nor Sanctuary: Constraining the Military Uses of Space* (Brookings, 2004). Together with Mike Mochizuki, he wrote *Crisis on the Korean Peninsula* (McGraw-Hill) in 2003; he also wrote *Expanding Global Military Capacity for Humanitarian Intervention* (Brookings) that same year.

**Dr Michael Fullilove** is the Director of the Global Issues program at the Lowy Institute for International Policy and a Nonresident Senior Fellow in Foreign Policy at the Brookings Institution in Washington, DC. He writes widely on Australian and US foreign policy, the UN and international institutions, Asia and the Pacific, and global diasporas. Previously, he worked as a lawyer and as a consultant to Frank Lowy AC on the establishment of the Lowy Institute. He was an adviser to Prime Minister Paul Keating during the last period in which the alliance was managed by a Labor prime minister and a Democratic president.

Dr Fullilove graduated in international relations and law from the Universities of Sydney and New South Wales, with dual university medals. He also studied as a Rhodes Scholar at the University of Oxford, where he took a master's degree in international relations and wrote his doctorate on Franklin D. Roosevelt's foreign policy. He has published more than one hundred articles in publications including *The New York Times*, the *Financial Times*, *The Washington Post*, the *International Herald Tribune*, *Slate*, *The Daily Beast*, the *Los Angeles Times*, *The Christian Science Monitor*, *The Sydney Morning Herald*, *The Age*, *The Australian*, the *Australian Financial Review*, *The National Interest* and *Foreign Affairs*. He is a frequent commentator for the Australian Broadcasting Corporation and CNN and an invited contributor to *Arena*, a daily debate among policy makers and commentators on the influential US website Politico. Dr Fullilove's first book, *'Men and Women of Australia!' Our Greatest Modern Speeches*, was published by Vintage.

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