



# The Changing Security Paradigm: The Post-Cold War World, Globalisation, Ethno-Nationalism and the Effect on Australia's Security

by Carl Oatley

## ABOUT THE AUTHOR

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## ABSTRACT

This paper analyses how global factors may influence the Australian national security policy and framework. It addresses Australia's outlook after the end of the Cold War and its initial conceptualisation of the 'New World Order'. In looking at what happened to the New World Order, it attempts to identify where Australia fits in to the new global security paradigm.

The paper goes on to assess the salient issues of the New World Order, such as globalisation and ethno-nationalism, that Australian policymakers need to address in their decision-making in the next decade. In doing so, it identifies the specific characteristics of globalisation and ethno-nationalism that Australian security planners need to comprehend in order to participate effectively in global security dynamics.

The exigencies of Australia's security are also briefly addressed in the context of the changes to the international order this decade. The paper also briefly situates Australia's position in regard to its critical bilateral alliance with the United States and its relationships in the region.

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## THE NEW SECURITY PARADIGM

*'In the new globalised world, security is being increasingly seen in human terms.'*<sup>1</sup>

The term security is ambiguous and, to some political analysts, ubiquitous. The Macquarie Dictionary offers a broad definition:

1. freedom from danger, risk, etc; safety [or]
2. freedom from care, apprehension or doubt; confidence.<sup>2</sup>

It generally refers to a state of being free from threat and, to most people, would have significant military connotations. Before the creation of modern secular states, it may have had more esoteric or spiritual meaning in religious contexts where the state was not so manifestly powerful in relation to the church. Whatever the case, it appears consistent and logical to refer to security when referring to the protection of the state.

Theorists such as Dalby,<sup>3</sup> however, see security in purely negative terms, being defined in reaction to threats. As these threats have been seen in historical terms, and specifically in military contexts, the study of such threats has been incorporated within the tradition of strategic studies. Here the main analysis has been devoted to ensuring the security of the state from military attack or the threat of military attack. Within this modern history context, security has become a political term. The state, rather than individual human beings, is seen as the major force in international politics. Survival of the state was seen as the prime motivation behind the search for security.

Security, therefore, has an historical base but this does not explain why it becomes such an important political issue. The essence is that security, and the desire for it to continue, lies at the very basis of people's core values and basic needs. With the modern nation-state, people have become encouraged to seek freedom and justice within the state. This has led to increased political involvement. As people become more involved in influencing their own destinies the nation-state apparatus has tended to become the focus of these aspirations. The desire for the continuance of this is a search for security that is state-based.

The search for a definition of this type of security has had a tendency to be restricted to Western or Eurocentric areas of learning. Starting from a theological base and moving into the strategic studies arena it is western thinkers that have tended to study the perception of security and the relationship between the state and national security. It is appropriate here to look at Ullman's definition of security. He states 'National Security is an action or sequence of events that:

1. threatens drastically and over a relatively brief span of time to degrade the quality of life for the inhabitants of the state, or
2. threatens significantly to narrow the range of policy choices available to the government of a state or to ... entities within the state.<sup>4</sup>

This clearly could take into account a number of factors, economic factors being one of the most important. Cost factors also can be starkly brought into the debate to highlight deficiencies in ideology.<sup>5</sup> More recent western

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1 Stuart, Nicholas, 'Cinderella lives on in the Army' in *The Canberra Times*, 31 August 1999, p. 9. Many other analysts have used the same phraseology.

2 Delbridge, A., ed., *Macquarie Encyclopedic Dictionary* (Macquarie University Press, 1990) p. 859

3 Dalby, S., 'Security, Modernity, Ecology: The Dilemmas of Post Cold War Security Discourse' in *Alternatives* (17, 1992) p. 97

4 Ullman, R.H., 'Redefining Security' in *International Security*, (8:1, 1983), p. 133.

5 Ullman uses a comparison of the preventative costs associated with societies trying to protect themselves from either earthquakes or nuclear attack. He argues that while there is a natural inevitability with the phenomenon of earthquakes and costs associated would logically be justified, the cost of preventing nuclear attack damage could be saved by removing the man-made threat in the first place.

liberal thinking has called into question the definition of security, or more accurately, the lack of a definition. It is now unsatisfactory to see security within the narrow sphere of military or national security context.

Different definitions of security will depend on different assumptions about the nature of the international system and where states stand in the system. In recent history, the security of states has been through periods of balance of power (pre 1914–18 war), collective security (inter-war period) and deterrence (post war). As the world now settles into another period Australia will have to review its approach to the concept and actualities of security and the factors around it.

This paper does not attempt to address all the arguments for ‘rethinking security’ but it should be stressed that, as there is no one definition of the word security, there is also no single concept of security. The three major concepts of ‘National Security’, ‘International Security’ and ‘Global Security’ have evolved from three different broad historical and philosophical traditions.

National Security is based on the Hobbesian tradition<sup>6</sup> where the system of nation-states lacks common rules. Thus, safeguarding the state becomes the focus for security and the basis for the realist view of international relations.<sup>7</sup> Against this tradition is an idealist view, developed from Kantian philosophies, and based on an enlightened world order and a moral commitment by individuals to a community of mankind. In between these views, is a compromise view developed from De Grotius,<sup>8</sup> which accepts nation-states as major forces but emphasises coexistence and cooperation, most effectively, done through institution-building.

These three concepts reflect the historical difficulties in trying to come to terms with ‘security’ as a definition or a concept. They are important because they lay a basis for discussing new thoughts on security as the world readjusts to new state-based power relationships after the Cold War and in a developing unipolar globalised world. The new concepts of security which encompass social, political, environmental, economic and military security factors highlight the fact that states can no longer ensure their own security unilaterally. These concepts are often seen as part of the new security order. Globalisation influences are seen from within that order as being major driving factors of a new paradigm. The paradigm is not yet clearly determined, but may be with us for a considerable period.<sup>9</sup>

Globalisation and new orders are, however, not new for Australia. As has been demonstrated by many historians, ‘every considerable development in our past was greatly influenced by global developments’.<sup>10</sup> This is still the case in the post-Cold War world of globalisation, information revolution and ethno-nationalism.

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6 In his political theory Thomas Hobbes first analysed the conditions necessary for peace and security and then provided a recipe for constructing an ideal state in which these conditions could be satisfied. His precepts relied on the application of natural law and an overriding power to keep them in awe. See Hobbes, T., *Leviathan* Tuck, R., ed., Cambridge University Press, 1991.

7 ‘Realism’, and its modern reaffirmation ‘Neo-realism’, stress the primacy of states in the international system, and stress the subordinate power and role of ‘non-state’ actors. The primary tenets of the latter were laid out by Hedley Bull’s *The Anarchical Society* Oxford, Oxford University Press, 1977 and Kenneth Waltz’s *Theory of International Relations*, New York, Random House 1979. See Halliday, Fred, *Rethinking International Relations* Macmillan, London, 1994 for a comprehensive overview of the contending international relations theories.

8 Hugo De Grotius (1583–1645) was a Dutch jurist and scholar whose works made the first contribution towards modern international law.

9 New theories in international relations and thought processes such as ‘alternative futures’ are struggling with determining the character of this new paradigm.

10 Sheridan, Greg, ‘Bittersweet fruit of globalisation’ in *The Australian*, 8 May 1999, p. 6.

## AUSTRALIA IN THE POST-COLD WAR WORLD

*'Our influence in the world can be modest, peripheral, dependent on a favourable climate, and limited to things we really know about.'*<sup>11</sup>

The end of the Soviet Union brought forth expectations that a 'New World Order' would emerge from the Cold War and that a new, more effective global security regime would emerge. The idea of a 'New World Order' was not new. It had been used after the 1914–18 war, at the beginning and end of the 1939–45 war and now again at the end of the Cold War. In modern history, the 'New World Order' seems to have had a fleeting or temporary existence. This also proved to be the case in the immediate post-Cold War environment. The term itself, having been used extensively, also runs perilously close to being a hackneyed phrase. In this light, the impact of the term on the recent international agenda in the post-Cold War world seems disproportionate. The old world order was never the same in the Asia–Pacific as it was in Europe and the rest of the world. The differences of the two regions and the fallacy of the peace dividend being applied to the Asia–Pacific are significantly neglected areas of analysis. While the region is examined in the context of globalisation, a full analysis of the dichotomy in the immediate post-Cold War period is outside the scope of this paper.

Much confusion also surrounds the meaning of the New World Order and this, in itself, would tend to create the impression that the term is mere rhetoric. But there are fundamental events and changes that have spurred its use. In this section, I will look at the immediate post-Cold War environment, assess whether there has been fundamental change to the world and Australia's place in it. I will also examine the regional implications of any new order and how Australian national policy has addressed the new global political order and try to determine if Australia's security has been enhanced or made worse in real or imagined terms.

## WHAT HAPPENED TO THE NEW WORLD ORDER?

*'George Bush talked about a new world order, but it was never more than talk, which makes it the most dishonest sound bite of them all.'*<sup>12</sup>

As several commentators pointed out when President Bush and Brent Scowcroft of the US National Security Council revived the phrase 'New World Order' at the end of the Cold War 'they had coined a phrase in search of a meaning'.<sup>13</sup> The meaning was subsequently, and as Robert Manne suggests, accidentally, supplied by events in the Persian Gulf. However, initially the adoption of the term New World Order by the United States can, according to Paul Keal, 'be regarded as an aspect of the United States perceiving a need to redefine its role in the world'.<sup>14</sup> In addition, it is a reflection and a product of the major preoccupation of US intellectuals with order in international relations study. The United States, particularly in light of popular declinist literature,<sup>15</sup> could see a necessity in redefining its role in the world as the clear bipolarity of the Cold War gave way to an element of unknown with crises already emerging from within this future unknown.

On 13 September 1990 in a speech to Congress, in light of the Iraqi invasion of Kuwait and the Gulf Crisis, President Bush stated that:

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11 Miller, J.D.B., 'Conclusions' in Ball, D., ed., *Australia and the World: Prologue and Prospects*, SDSC, ANU, Canberra, 1990, p. 427.

12 Anderson, Bruce 'Omagh was expected, and should have been anticipated' in *The Spectator*, 22 August 1999, p. 8.

13 Manne, R., Editorial 'The Old World Disorder' in *Quadrant* (Melbourne, September 1992) p. 2.

14 Keal, P., Draft Paper *International Society and the World after the Cold War* (August 1992?) p. 19.

15 See for a prime example, Kennedy, P., *The Rise and Fall of the Great Powers* (New York, 1987).

out of the crisis a New World Order can emerge: a new era — freer from the threat of terror, stronger in the pursuit of justice, and more secure in the quest of peace. An era in which the nations of the world, East and West, North and South, can prosper and live in harmony. A world where the rule of law supplants the rule of the jungle ... in which nations recognise the shared responsibility for freedom and justice ... [and] where the strong respect the rights of the weak.

Specifically addressing the Iraqi invasion of Kuwait, he said that it was ‘the first assault on the New World Order we seek’.<sup>16</sup>

In his State of the Union Address in January 1991, President Bush amplified his previous remarks and referred specifically to the New World Order. He looked towards

a New World Order — where diverse nations are drawn together in common cause, to achieve the universal aspirations of mankind: peace and security, freedom, and the rule of law.<sup>17</sup>

In looking at the address, Keal linked several other subsequent statements in the speech to the above. ‘First [Bush] expressed the desire to continue to build a lasting basis for US–Soviet cooperation, for a more peaceful future for all mankind.’ Second, he asserted that, ‘American leadership is indispensable’ that the United States is ‘the nation that can shape the future’. In an effort ‘to fulfil the long held promise of New World Order — the United States bears a major share of the leadership effort. Among the nations of the world, only the United States of America has had both the moral standing, and the means to back it up. We are the only nation on this earth that could assemble the forces of peace’. Third, with reference to the Gulf War he asserted that, ‘the leadership of the United Nations, once only a hoped for ideal, is now confirming its founders vision’. Finally, he claimed, as on other occasions, that ‘the New World Order ... [would] emerge from the defeat of aggression in the Persian Gulf’.<sup>18</sup>

In light of these statements, Keal argued that the rhetoric of the New World Order that was made possible by the end of the Cold War should not be allowed to obscure the fact that no fundamental changes in the structure of the international system occurred. Some consider that, while the structures have not changed, perceptions and actors have. The New World Order, as many people perceive, was a dynamic thing, or simply, whatever comes to pass after the Cold War. For others, it was the dream of collective security that had eluded the Cold War world for forty years or a combination of all of the above. It was this latter dream that gave real promise to the textbook instance of collective security that was the Gulf War, and it was the Gulf War that gave popular substance to the Bush–Scowcroft promise of the New World Order.

For the world and Australia, the rhetoric now seems a little shallow and there are several reasons why the Gulf War ideal of the New World Order was relatively short-lived. It is now clear that the end of the Cold War brought forth a unipolar rather than multipolar system of international relations. A full account of the multipolarity versus unipolarity debate is outside the scope of this paper, but history tells us that either of these unbalanced systems can be inherently unstable.<sup>19</sup> For all its tension, the bipolarity centred on Europe produced a degree of stability. This was not the case for the rest of the world.

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16 Bush, President G., Speech to the Congress of the United States, United States Information Service (13 September 1990).

17 Bush, President G., State of the Union Address, United States Information Service (29 January 1991).

18 Quoted in Keal, P., *Draft Paper International Society and the World after the Cold War* (August 1992?), pp. 19–20.

19 See for instance Mearsheimer, J., ‘Back to the future: Instability in Europe after the Cold War’ in *International Security* (Vol 15, No 1, Summer 1990) pp. 13–18.

In Asia, the old post-World War Two order was in greater distress than in Europe.<sup>20</sup> Countries were emerging from colonial pasts, their infrastructure was basic or destroyed and they lacked everything from basic foods to foreign investment capital. Ironically, their recovery was driven by cold and hot wars starting with the Korean War in 1950. By the 1980s, the recovery of most of the countries in the region had reached such a stage as to easily credit the region with its own economic status. As Richard Stubbs suggests: ‘The combination of America’s commitment to containing Asian Communism and Japanese companies use of the region as an export platform to maintain their world-wide competitiveness has resulted in the emergence of an increasingly interdependent set of economies that may be set alongside the European Community and the North American Free Trade Area as a key region in the rapidly changing global economy.’<sup>21</sup> With the growth and stabilisation of this region in the 1980s and 1990s, the ambitions of a new global order could be espoused much more convincingly.

In addition, the initial success of the New World Order was a product of a particularly unique array of circumstances that led to the collaborative action of 1990–91. Firstly, the unprecedented manner in which one of the superpowers, the Soviet Union, allowed its sphere of influence to contract.<sup>22</sup> Secondly, the Chinese wished to gain some credibility for good behaviour after Tiananmen Square had caused its temporary ‘pariahdom’. Thirdly, Iraq had amassed plentiful Arab enemies, willing to work with the USA for the detriment of Iraq. Finally, Europe and Japan were more than a little interested in the occupation of such a significant sovereign state as the oil producing feudal Kuwait.<sup>23</sup>

Other events and trends since the Gulf War have also indicated how fleeting this new order could be. The crisis in Former Yugoslavia and the Balkans continues to defy any mediation let alone UN, the EEC or US-led peace talks or NATO air campaigns. The congruence of leaders at the 1992 Earth Summit proved how close, yet far apart, nations of the world remained. In particular, the US was itself isolated within a world arena partly of its own creation.

The US has itself emphasised the shared responsibility all nations must have in regard to security. On the other hand, the US is now openly demanding other nations share in the care of global security. At the same time, the US retains an overwhelming military superiority and a latent unipolar essence of control over significant global institutions. Finally, the economic trading system of the world continues to defy suitable management and, at the same time, may be setting up new blocs, which run against traditional political spheres of influence. These trends do not bode well for an enlightened world led by the US, where the role of middle powers such as Australia is still unclear.

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20 While the distress in Europe was great, the essential identity of most nation-states was clear. In Asia, the mix of colonial, post colonial and national structures, poor living standards, post war destruction and concurrent hot conflicts made the region a lot less predictable.

21 Stubbs, Richard, ‘The Political Economy of the Asia-Pacific Region’ in *Political Economy and the Changing Global Order* Stubbs, R., and Underhill G., eds., Macmillan, London, 1994. p. 366.

22 Richardson, J., *Questions about a post Cold War International Order*, paper given at Australasian Political Studies Association Conference (Griffith University, 17N19 July 1991) p. 16.

23 Manne, R., Extract from Address given in Canberra concerning Post Cold War World, (2 July 1992) p. 6.

## AUSTRALIA IN THE WORLD ORDER OF THE NEW MILLENNIUM

*'The challenge for Australian policy managers will be to adjust to an international environment where political relationships are more fluid, where alliances become less encompassing, where security and prosperity are determined by transnational processes largely beyond Australia's control.'*<sup>24</sup>

Such was the view at the beginning of the 1990s from Fedor Mediansky. So how does Australia fit into this maze of rhetoric in the new complex but unipolar world at the end of the 1990s and moving into the new millennium?

Perhaps it would be most appropriate to begin with the former Government view as elicited by Gareth Evans. He fortuitously expressed in his book the view that the decade of the 1990s was to be 'fluid, dynamic and uncertain'.<sup>25</sup> Evans and Grant believe that Australia has, through its status as a middle power, some attributes to bring to future international diplomacy. Being alongside the developing powerhouse of the Asia-Pacific region will benefit our middle power style of diplomacy. In addition, Australias traditional alliance relationship with the US partly draws it into the aura of a western-sponsored democratic order. Much of the rhetoric used by Evans paralleled the words of President Bush. For example, Evans has stated that: 'Australia, like most other countries, has a self interested preference for the peaceful resolution of conflict, acceptance of international law, protection of the weak against the strong, and the free exchange of ideas, people and goods'.<sup>26</sup>

Australia also has some unique attributes to contribute to world order. It generally has a capacity to talk comfortably to most nations without undue great power influence or ideological baggage. In doing so it can express, in line with western liberal tradition, its genuine desire for the end of conflict and the promotion of regional stability. Yet I sense, in reviewing various ministerial statements, that Australias approach to the New World Order has varied depending on the facet to be addressed. Australia, in regard to the attributes above, sees its role in the region as clear and quantifiable. It sees strong, middle power style, regional input as its contribution to world order. At the same time, niche issues such as chemical weapon disarmament can also be taken up as opportunities arise. In other areas, however, the approach to the New World Order must be different. Australia is keen to focus on regional issues but, in the economic domain, it cannot ignore the globalisation of technology, communications and finance.<sup>27</sup>

Thus, the dynamics of the world are no more evident than in the economic sphere of 'great power relativities' which are likely to be increasingly fluid in the next decade. (This was described as a 'transitional phase' by Evans in his statement on regional security.) However, there is also strong evidence to suggest that the US will not only retain its predominant military role, but anti-declinst literature<sup>28</sup> argues that it will retain its economic position as the largest single economic power (in line with Presidential rhetoric). A non-declining, non-isolationist USA will therefore retain a prime influence on world order and Australia's place in it.

In diplomatic terms, the official Australian position appears to have judged the new post-Cold War world to be a multipolar environment.<sup>29</sup> Australia hopes the world will become a different and more productive environment brought about by 'reduced East-West tension, the decline of ideological rhetoric and a growing tendency to compromise agreements'.<sup>30</sup> This should be reflected in increased effectiveness of the UN machinery and international forums.

24 Mediansky, F, 'Australia's Foreign Policy in a changing World' in Mediansky, F, ed., *Australia in a Changing World new Foreign Policy Directions*, Maxwell Macmillan Australia, 1992, p.317.

25 Evans, G., and Grant, B., *Australia's Foreign Relations in the World of the 1990s* (Melbourne University Press, 1992) p. 321.

26 *Ibid.*, p. 322.

27 Evans, G., 'Ministerial Statement', December 1989 in Fry, G., ed., *Australia's Regional Security* (Allen and Unwin, Sydney, 1991) p. 171.

28 See Nau, H., *The Myth of America's Decline*, (New York, 1990).

29 Multilateralism in the 1990s *Background* (Vol 1., No 26, 5 October 1990) p. 3.

30 *Ibid.*, p. 3.

However, a problem arises out of this reduced East–West tension. Increasingly, the divide between North and South will be highlighted, replacing one focus of bipolarity with another. The proliferation of regional blocs and new style alliances may inadvertently raise tensions in this new multipolar world. The superpowers will be increasingly less inclined to lead spheres of influence but will demand that institutions, such as the UN, be used to ameliorate conflict and crisis issues. Greater scope and idealism therefore may not necessarily, or automatically, lead to improved security and living standards in the short term. The replacement of East–West tension by North–South tension may increase instability in a number of areas as the old institutions seek to struggle with new relationships. Alternatively, the core capitalist powers will increasingly be distanced from those nations on the periphery of development. Developing countries will not move quickly into the core of powerful nations despite the outward appearance of economic miracles. In the middle version of the new order<sup>31</sup> the centres of power will remain with Europe, the US and Japan and, while other states will be on the periphery, disorder will be prevented from descending on the new international system.

In a regional sense, Australia may have more success in reducing tension. Despite disparaging comments on the New World Order rhetoric being common, Australia has, in reality, grasped the nettle of the New World Order in a regional sense. In doing so, it accepts the US as a central and decisive player in the world and the Asia–Pacific, and believes the US provides an element of certainty and predictability on which to build a positive security environment. Certainly, Australia has had few qualms in providing official, approving statements of the United States place in the New World Order. Former Prime Minister Hawke in 1991 typically stating that:

... within the possibility of that New World Order Australia as much as any nation within the world wanted to have assurances ... that an aggressor would not be tolerated and that the forces of the world community would be available ... There have been many people since I have assumed the Prime Ministership who have questioned the commitment I have to the United States ... those people should be doing some serious rethinking.<sup>32</sup>

The Howard Government has gone a step further by restating the importance of the US alliance and remoulding the Asian focus to be ‘Asia first’ as opposed to ‘Asia only’.<sup>33</sup> Our most recent Strategic Policy also reaffirms the US Alliance as ‘our most important strategic relationship’.<sup>34</sup> In addition, the DFAT White Paper states: ‘The United States will thus continue to be an indispensable element in any configuration of peace ... The success of Australian objectives in key areas ... is greatly influenced by the economic strength and political influence of the United States’.<sup>35</sup>

The relationship with the US is also strongly influenced by both countries’ respective relationships to China and Japan. Australia sees itself as having a unique relationship with China influenced by the ethnic Chinese in-country and a non-threatening foreign and defence posture. The government sees ‘engagement with China as the greatest issue for the Asia–Pacific’.<sup>36</sup> Australian influence with China when the US–China relationship is poor increases Australia’s influence. The Japanese relationship will also need to be nurtured well as the relationship

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31 Between the unipolar world led by the US and the total disintegration of the world economic structure into a miasma of competing protectionist or rival trade blocs.

32 Partial transcript of television interview quoted in *Sydney Morning Herald* (8 March 1991) p. 34.

33 Excerpt from speech given by the Prime Minister, The Hon John Howard MP to the Western Australia Liberal Party Division’s State Council, Hotel Rendezvous, Western Australia, 31 Jul 99, p. 4, accessed from PM’s media centre E-mail release [info@pm.gov.au](mailto:info@pm.gov.au) of 31 Jul 99, p. 4.

34 *Australia’s Strategic Policy*, Department of Defence, Commonwealth of Australia, 1997, p.18.

35 *In The National Interest* Department of Foreign Affairs and Trade White Paper Chapter 4, p.5 <http://www.dfat.gov.au> accessed 5 Nov 1998.

36 Kelly, P., ‘Ground set for historic Sino summit’ in *The Australian*, 18 August 1999, p. 13.

with China grows. Managing Japanese and Chinese mutual concern may well be the key to the long-term stability of the Asia-Pacific.

Australia's global link with the New World Order would have been more substantial if it proved to be a real revival of UN mechanisms, but the anticipated post-Gulf War empowerment of the UN has not occurred. For the previous government, the UN focus fitted in with Labor Party mythology, (H. V. Evatt being a powerful proponent of the notion of international organisation and law)<sup>37</sup> but a strong emphasis on the UN, peacekeeping and regional security has now turned into a virtually bipartisan policy. Labor, despite quibbling from some of the anti-US inspired Left, could quite truthfully say that the revival of such international structures is much more in line with its policy assumptions than that of the Liberals. As Gareth Evans has stated:

Cooperation replacing old habits of suspicion and confrontation must be the hallmark of the emerging New World Order [and later] ... we are taking initiatives to give effect to principles reflecting the New World Order ... and to realise practical measures which will foster the consolidation of the New World Order.<sup>38</sup>

Notwithstanding this, the current Howard government, while not taking an activist approach or placing significantly greater emphasis on the UN, has overseen an increase in practical measures of Australian security involvement in foreign affairs.<sup>39</sup> This is, however, more likely a reflection of global and regional trends in security and emergence of regional crises than a more dedicated effort by Australia to be 'activist' or involved in UN mechanisms.

At the beginning of the 1990s, the security environment was seen as more complex, with the military dimension probably waning and the various regional relationships being sensitive to new developments. There was, however, some doubt over the future of the great game between the superpowers and the major powers. Few were brave enough to predict how this may turn.<sup>40</sup> The security trends in the late 1990s saw, however, the consolidation of US unipolarity despite predictions of US decline, the emergence of regional blocs and ethno-nationalist disorder. If anything, the military and economic strength of the US has been reinforced and its former competitor, Russia, has continued to deteriorate. While it is far from perfect, no other power can match the US in all the major security arenas: political, military, social, economic and environmental.

Australia's relationships with the US and Asia are therefore critical to its future and security. These two relationships are not just based on historical and geographical principles. Australia's formal military alliance with the US continues. It is based on mutual understanding and the post-World War Two and Cold War dimensions. It is not backed by similar formal arrangements in the economic and trade spheres. In the new order, the future relationship needs to be more credible. It needs to be redefined accounting for the values in the new global system. Australia must contribute more to any future partnership and trade on its regional nexus. As Paul Kelly argues, the US will see the importance of the bilateral relationship in Australia's 'influence and insight'<sup>41</sup> in the region. If this is not backed by increasing economic influence, Australia may be at a disadvantage as Australia's

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37 Bell, C., Reflections on the 'New World Order' The end of the Cold War and the Gulf in *Quadrant* (March 1992) p. 35.

38 Evans, G., 'Towards the formation of a new world order in Asia-Pacific' in *Backgrounders* (DFAT, Vol 3, No 1, 31 Jan 92) p. 4.

39 The Howard Government has by coincidence overseen an increasingly busy time in ADF and DFAT practical involvement in international affairs. The ADF has been deployed on numerous peacekeeping, humanitarian and environmental operations (Persian Gulf, Irian Jaya, PNG, Bougainville, Southern Ocean, and various UN operations on a small scale) and the DFAT have been very actively involved in close neighbour regional crises and humanitarian legal issues in PNG, Bougainville, and East Timor.

40 For discussion on the security environment facing Australia at the beginning of the 1990s see Ball, D., ed., *Australia and the World: Prologue and Prospects* Strategic and Defence Studies Centre ANU, Canberra, Australia, 1990.

41 Kelly, P., 'ANZUS is a special kind of loving' in *The Australian*, 25 August 1999, p. 13.

future military influence may be limited. Australia's support for coalition operations will always be limited in anything short of total war.

There is, however, some economic and technological good news about the future relationship. Both the US and Australian economies have performed well and in unison in the 1990s. Both economies are increasingly reliant on technological acceptance in a global environment for their success. If this can be sustained, both nations can be viewed to be on a parallel course even if it is seen in different dimensions. On the financial side, the philosophies of both nations also run broadly parallel. While there are competitive trade issues, especially in the agricultural sector, the avenues of cooperation remain significant. If the economic and financial links in the relationship can be increased, the reliance on the traditional military links can be more subdued and more in line with the vague language of the ANZUS Treaty. This should be a security objective.

The Asia–Pacific region is another issue. Economically, the Asian downturn has had various effects on regional nations. Many continue reasonable growth rates while others still suffer considerable difficulties magnified by social and environmental pressures. Australia has emerged, in a relative sense, in a strong position at the end of the decade but, paradoxically, its relative military edge is still being eroded. Societal and environmental pressures have emerged to destabilise some important countries in the region. Global influence and the transparency of once 'closed' societies have partly contributed to such problems. The security of the region and the state structures of close neighbours have moved to democracy, but this is not necessarily producing a more stable environment in the short term. As Geoffrey Barker opined:

Australia's strategic environment has deteriorated markedly over recent years: the Asian financial crisis, the decline of Papua New Guinea, and tensions of the Korean Peninsular and across the Taiwan Straits have forced Defence planners to shift their focus from building a modern force for the future to boosting immediate defence capability and readiness.<sup>42</sup>

The trend in the next century may well bring nations like Australia into the more reconceptualised security arena. The pressures of circumstance, rather than the realist threat of military conflict, have been the driving factors in security operations in Australia since the Gulf War. Despite the rhetoric surrounding the principles of Australian Defence, the next century is more likely to be replete with similar contingencies and crises that encompass environmental, economic and societal security rather than political and military security. The forces of globalisation, and contrasting movements such as ethno-nationalism, will be the other principal external drivers for such interplay of security factors.

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42 Barker, G., 'Losing their Mooreings' *Australian Financial Review*, 2 August 1999, p.18.

## GLOBALISATION AND INTERDEPENDENCE

*'The two most profound influences on Australian foreign and trade policy over the next fifteen years will be globalisation, and the continuing economic rise of East Asia.'*<sup>43</sup>

An awareness of the myths and realities of globalisation is one of the keys to national security decision-making. It is a term that is not well understood and yet it influences individuals, companies, groups and governments in state and utopian structures. Various views from 'nihilistic dystopia'<sup>44</sup> to democratic utopia are envisaged in the future globalised world order. Given the economic base of such globalisation factors, the Asian financial crisis drove many to a more pessimistic prognosis for the future. This trend of pessimism feeds an industry of 'futurists' that rely on the inaccuracy of predictions to retain their influence. The forces of globalisation therefore need to be understood when looking at both the immediate and long-term national security framework in this country.

Globalisation is neither a new nor pre-eminent factor in coping with security at the national level. It is more than interdependence and is primarily manifest in economic terms. It is a trend that can blur the division between domestic and external policy but, in different circumstances, it can widen the gulf between domestic and external policies and between states. The facts of globalisation and the perception of it are also two different things. Security planners need to deal with both.

Despite significant prognostication that states were in decline, nation-states still exist and are likely to for the foreseeable future.<sup>45</sup> The governance of the nations on the planet varies greatly and the effects of globalisation are most apparent in the advanced liberal nations of the west. The values of the advanced nations, however, are not always well situated to be both part of the forces of globalisation, and to cope with the problems in the remainder of the developing world. The principles of the liberal democracies are seen, by most, to be of value, but upholding these principles under the pressure of globalisation and the problems of failing states is difficult.

The perception is that globalisation is an unstoppable force that will eventually threaten the basis of nation-states. It is also seen principally as an economic phenomenon with advancing technology, especially communications, as an enabling factor. The importance of globalisation to security is that, as security is being internationalised, the link between economics and security has become more profound. Globalisation forces and the widening security agenda have led to the increasing interconnectiveness of regions and increasing competition and aggregation, a change in style of military intervention, new and more complex alliances and security arrangements. Despite these factors the growth and perceptions of insecurity continue. Perhaps in reaction to these factors, we now have old patterns of identity making a resurgence, and in Jo Camilleri's words, both 'fission and fusion of state formations'.<sup>46</sup>

The global market makes it more and more difficult for national governments to choose their own economic systems, or even to manipulate their domestic economies for social purposes. Global media undermine the national identity that is the foundation of the nation-state. And while the spread of education and the ability of modern media to penetrate borders have brought the triumph of democracy in many countries, near

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43 *In the National Interest*, Department of Foreign Affairs and Trade White Paper, p. 3.

44 See, for example, Martin, H.P. and Schumann, H., *The Global Trap: Civilisation And The Assault On Democracy And Prosperity*, Zed books, London, 1997. The central arguments are that, firstly, the new global economy is generating inequality on an unprecedented scale and, secondly, as our societies threaten to decompose, our politicians become impotent. With this, there is a moral, spiritual and practical decline in ethics and behaviour.

45 The concept and structures of nation-states still remains dominant despite the collapse of some states, the merging of some and the fragmentation of others.

46 Camilleri, J., quote from lecture 'The Security Dilemma in an Age of Globalisation' given on 2 June 1999 at University House, ANU, Canberra.

universal democratisation seems to be accompanied by a plague of vicious ethnic conflicts and a collapse of 'leadership'.<sup>47</sup>

The unstoppable nature of globalisation has produced fearful predictions. The most cogent is probably John Gray's depiction of a *laissez faire* world fragmenting and fracturing 'as mounting scarcities of resources and conflicts of interest among the world's great powers make international cooperation ever more difficult. A deepening international anarchy is the human prospect.'<sup>48</sup> Governments initially drove for globalisation to garner its economic benefits but once started, this needs tempering. National strategic economic policy cannot drive the free enterprise nature of a growing global competition. Economic policy must act as a catalyst 'rather than an essential role in the development of global operations.'<sup>49</sup> A balance of control and interdependency is needed to at least understand developments if they are not directly controllable.

## GLOBALISATION AND THE BROADER SECURITY AGENDA

*'International security order remains in a state of flux.'*<sup>50</sup>

Globalisation and the reconceptualisation of a range of security issues have reduced the importance of the state on some issues. Post-Kosovo, the world is now acutely aware that sovereignty is no longer protection against external interference by those who have the power to do so.<sup>51</sup> Those states with military and moral resolve have demonstrated that such interference on humanitarian intervention grounds is now justifiable in certain contexts. These nations have set their own international norm of behaviour without the direct support of the United Nations. In addition, decision-making on new concepts of security, such as the environment and social justice, have become internationalised. State vulnerability to global economic power renders it more vulnerable to outside influence on the most intrinsic issues such as standards of human and political rights. Meanwhile, low income, debt burdened, closed economies, which are excluded from globalisation processes, will fall even further behind the rest of the world.<sup>52</sup>

In the once heavily state-protected defence industry sphere, the global private and non-governmental actors, particularly in the commercial corporate community, are increasing their resources and influence and are increasingly less affected by territorial structures and rules. Defence industry is a spectacular example of an area subject to increasing aggregation and internationalisation. For private enterprise, globalisation is a

... company driven phenomenon designed to increase the efficiency and competitiveness of companies' operations. It is the transborder operation of companies undertaken to organise their development, production, sourcing, marketing and financing activities.

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47 Dyer, G., 'The State, Armed Force and the future: Globalisation and the Nation-State' in *Australian Security in a New Era Reform or Revolution?* Australian Defence Studies Centre Special Report No 5, Canberra, 1998, p. 14.

48 Gray, John, 'Globalisation – the dark side' Extract from the book *False Dawn: the delusions of global capitalism*, Granta Books, 1998, in *The New Statesman*, 13 March 1999, p. 34.

49 Whiteman, J.L., *Globalisation: some Analytical and Policy implications*, Working Paper No 55, Bureau of Industry Economics, Canberra, 1989, p. 24.

50 O'Brien, T., 'New Security Paradigms', in *Australian Security in a New Era Reform or Revolution?* Australian Defence Studies Centre Special Report No 5, Canberra, 1998, p. 22.

51 See Burchill, S., 'In-your-face globalisation yields 'democratic deficit'', *The Australian Financial Review*, August 12, 1999, p. 19.

52 See Duncan, R., 'Implications of Globalisation for Transitional and Developing Countries' in *Globalisation: Issues for Australia, Papers and Proceedings from an EPAC Seminar*, Canberra, March 1995, pp. 255–264.

A distinctive feature of globalisation is the division of a firm's operations into different segments carried out in different countries.<sup>53</sup>

Globalisation is therefore important for states to recognise, because it affects both internal and external national security. Internally, the past relationship between the state and society has been relatively clear, if not always pleasant. In its classic form, the state collected taxes and gave structure to the society within its borders. In return, it provided an element of physical and mental security to its citizens. Public policy was for a common good and generally emerged from a central authority. This was most epitomised during the 1930s and 1940s when the states became the defenders of their societies' domestic welfare and later the ideological threats from the outside world.

Ironically, World War Two and the Korean War catapulted the various national economies out of depression into a strong growth period which existed until 1968. From this time states became more subject to the exigencies of the global economy and a change in the nature of the US relationship to other states. The global economy came to rely on debt financing led by the largest economy of all. This more fragile state of affairs arose when 'the proportion of state revenue going into debt service rises, governments have become more effectively accountable to external bond markets than to their own publics'.<sup>54</sup> The problem for democratic states now is that they are still held accountable to their population and the 'government must still speak to the electorate in nationalist terms: the population is easily spooked by talk of global interconnectedness'.<sup>55</sup> They are, at the same time, excited by it. As has been found in studies of information technology security, the increased connectivity brings great benefits and great vulnerabilities.

Now it can be argued that states are not the ultimate subject of security. In addition, it is increasingly common that individuals or institutions feel insecure about a variety of issues. This then gives rise to a broadening of security issues. These individuals or institutions have been part of the widening security agenda and an internationalisation of security characterised by an increasing 'interconnectiveness' between regions and sectors. As an example, military forces are increasingly subject to the same international arms market and are now often seeking the same technology. The so-called Revolution in Military Affairs (RMA) is partly based on increasing commonalities between armed forces and between armed forces and other institutions. This uniformity of global military forces pushes the broadening security agenda into arenas such as societal, economic and environmental security.

Externally, the state had an identity and separate ideas of how it should provide security for its citizens. In the past, this was often and simply military and diplomatic measures that were designed to protect the sovereignty of the state and more specifically its elites and rulers. During this century, we have seen a gradual move to increasing interdependence of states' economic systems as markets move beyond state borders. 'Governments have responded by following the principles of liberal economic internationalism, endorsing the gradual reduction of their external economic sovereignty by lowering tariffs and capital controls'.<sup>56</sup> The international relations theorists are therefore in a 'state of flux'<sup>57</sup> about what this means for international, national and intra-state security. What is clear is that there are fundamental changes in the way states go about conflict, negotiations and diplomacy. States now have to bargain with other states, non-government organisations, the UN and firms in all but the simplest circumstances. As Susan Strange submits the 'nature of competition between states has [also]

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53 Fisher, R., Globalisation and Raytheon in Australia in *Australian Security in a New Era Reform or Revolution?* Australian Defence Studies Centre Special Report No 5, Canberra, 1998, p. 92.

54 Cox, R.W., 'Global Restructuring: Making sense of the Changing International Political Economy' in *Political Economy and the Changing Global Order* Stubbs, R., and Underhill G., eds., Macmillan, London, 1994. p. 47.

55 Burchill, S., 'In-your-face globalisation yields democratic deficit', *Australian Financial Review*, August 12, 1999, p. 19.

56 Reinicke, W.H., 'Global Public Policy' in *Foreign Affairs* Nov/Dec 1997, Vol 76, No 6, p. 130.

57 Camelleri, J., Excerpt from Lecture '*The Security Dilemma in the Age of Globalisation*' at Australian National University, 3 June 1999. Camelleri argued that while there remains competing nations, they also exist together and the 'realist' and 'neo-realist' paradigms were a casualty of the end of the Cold War developments. He added that they were not the only casualty as various forms of 'constructivism' also lacked definitional clarity.

changed, so that macroeconomic management and industrial policies may often be as or even more important for governments than conventional foreign policies as conventionally conceived'.<sup>58</sup>

## GLOBALISATION AND AUSTRALIA

*'Because in this globalised economy where there are seamless flows of capital around the world, closely followed by increasingly seamless flows of employment and jobs there is no alternative other than to be a full and total participant in that globalised economic environment. We don't have the alternative even if it may have existed in the past of saying stop this globalised world, I want to get off, I want to dwell behind some kind of insular protective barrier separate and apart from the rest of the world.'*<sup>59</sup>

The security related structures that Australia has to work with will also change. Some of these will outwardly assist Australia, and others will not. Many components will be juxtaposed and in direct contradiction:

- The global economy will increase competition between states by playing them off against one another (this could be seen as a move from inter-national economy to a hybrid inter-national and globalised economy).<sup>60</sup>
- Globalisation institutions will demand guarantees of political stability, but at the same time will inherently drive instability (see above).
- Many states will not be as powerful as some companies (and the companies may not be that democratic).
- Globalisation will drive regionalisation of production centres increasing cooperation within strategic areas. Within states, the cities will become the centres of power and decision-making.
- The global economy will remain a fragile system with no specific overarching structure for control.
- Even in democracies, state power will increasingly be concentrated in the elite: 'those agencies in closest touch with the global economy — the offices of presidents and prime ministers, treasurers, central banks'.<sup>61</sup>
- Conversely, there may be limits to what authoritarian elites may be able to do in their own countries.<sup>62</sup>

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58 Strange, S., Rethinking Structural Change in the International Political Economy; States, Firms, and Diplomacy in *Political Economy and the Changing Global Order* Stubbs, R., and Underhill G., eds., Macmillan, London, 1994. p. 103.

59 Excerpt from speech given by the Prime Minister, The Hon John Howard MP to the Western Australia Liberal Party Division's State Council, Hotel Rendezvous, Western Australia, 31 Jul 99, p. 4, accessed from PM's media centre E-mail release [info@pm.gov.au](mailto:info@pm.gov.au) of 31 Jul 99, p. 5.

60 See, for example, Hirst, P., and Thompson, G., *Globalization- A Necessary Myth*, Polity Press, Cambridge 1996, Chap 1, for definitions of this and the explanation about their position thus (p. 16): 'The opposite of a globalized economy is thus not a nationally inward-looking one, but an open world market based on trading nations and regulated to a greater or lesser degree both by the public policies of nation states and by supra-national agencies. Such an economy has existed in some form or another since the 1870s, and has continued to re-emerge despite major setbacks, the most serious being the crisis of the 1930s. The point is that it should not be confused with a global economy.'

61 Cox, R.W., 'Global Restructuring: Making sense of the changing International Political Economy' in *Political Economy and Changing Global Order*, p. 49.

62 Gerald Henderson prompted this comment by stating that there are limits to what authoritarian rulers can bring about. He was particularly thinking of Milosevic in the FRY. Extract from notes of his address *The Big Picture: Globalisation* at the 2000 Air Power Conference Air Power and Joint Forces, Canberra, 8–9 May 2000.

- There may be an increasing 'kind of millennium shift, from diplomacy to justice as the dominant principle of global relations, achieved through the evolving force of international human rights law.'<sup>63</sup>

As Cox suggests, the separation of economic power from the populace is increasing. With the separation of military and diplomatic power from the population, an increasing feeling of powerlessness may grow in the most democratic states. While new popular political movements are emerging, they may only be relevant in that they are areas where people still retain some power. Environment, gender and race issues can still be fought through protest and popular sentiment. If they do not threaten the global structure, they can sustain 'niche' interest but are not likely to be drivers of international power.

What does this all mean for Australia's security? Globalisation is not a new order in itself. Australia must recognise that the new international dynamic is a complex and multi-layered structure that may continue like this for some time. For Australia, the phenomenon of globalisation has implications for foreign and defence policy that are immediate and long term. For foreign policy, globalisation emphasises the power of economic institutions and trends, the growth of democratic and humanitarian values to all countries, and the polarisation of certain human values.<sup>64</sup> State-based power may become more institution-based but this will still emerge from within states.<sup>65</sup> The porosity of states will increase, especially in regard to issues of human rights and the environment.

For defence, globalisation is the aggregation of defence industry, a more open high technology world market place, the primacy of the USA,<sup>66</sup> the expense of competition in a non-productive sector, the loss of national historical prestige and the problem of maintaining increasingly uniform technological and information edges in the relevant region of primary strategic interest. Contradictions will abound. Defence privatisation may mean state-based militaries are supported by an increasing number of multi-national corporate bodies. This may increase the range of influences on the military, limiting or making national capabilities more uniform and restricting tasking to those that are addressing international or regional endorsed roles. Unitary action is likely to become rare. Even highly localised disputes or conflict will draw increasing international influences and responses.

When considering security issues affecting Australia, the following principles therefore need to be recognised:

- The state system is no longer a simple Westphalian system of national, ethical and ideological boundaries where countries threaten countries and, if negotiations fail, they go to war.
- There are now many more entities to deal with apart from the traditional nation-states.
- Regional and city economic structures are growing, while international regulatory financial institutions are evolving slowly.
- Military-political power remains relevant, but only if it has demonstrated effectiveness (such as with the US).
- Conventional military power is increasingly unlikely to be used by middle and small powers unless it is in concert with the US or coalitions (if it is to be used it will most likely be done selectively).

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63 Robertson, G., 'Thirst for justice in an evil world' in *The Australian*, 12 August 1999, p.13.

64 See, for example, Friedman, T., *The Lexus and the Olive Tree*, Harper Collins, New York, 1999, that explores the conflict created by globalisation for individuals and nations. The book's title emphasising the difference between different people's values, (eg valuing a Lexus car and a Middle Eastern Olive tree) is a theme of the book.

65 Clark, I., Professor of International Politics, University of Wales, Aberystwyth, 'Globalisation and Fragmentation: International relations in the Twentieth Century' a Fiftieth Anniversary lecture at the ANU, 29 Jul 1999. In the lecture he remarked that state functionality would move to other institutions. However, states are still taking in more functions but, at the same time, they cannot do everything. They are becoming more porous and overlapping in jurisdictions and organisations. Human rights being the classic example of porosity. He also emphasised states will still be critically important to the sustainment of globalisation.

66 See Wright, L., 'US vigour prompts strategic rethink' *The Canberra Times*, 17 August 1999, p.2. Wright states that 'Australian defence planners argue now that US power has been rejuvenated and the US alliance is stronger than ever.' While US power never actually waned as perceived, the example of Kosovo was a stark reminder of that the US style of new warfare can succeed if backed by determined political thinking.

- The UN will be party to globalisation, but it will continue to struggle to gain leverage over international action.
- The reordering of the international political landscape will continue for some time, and the US will remain the nexus for military and economic structures to coexist.
- Other state actors may choose radical courses of action to escape economic and military globalisation. This may include various attempts at demilitarisation, fundamentalism and isolationism, but these pathways will make it difficult for such states to find direction and prosper (eg. Afghanistan, Burma, Libya, North Korea, Iran)
- The new period of international relations, globalisation and information revolution is likely to last for some time. It is not a speculative technological ‘bubble’.<sup>67</sup>

The so-called New World Order and the phenomenon of globalisation have important consequences for Australia. In the new order, relative security will almost certainly come to the powerful capitalist states at the centre of any new global system. The current strong capitalist powers will remain strong. They will become uncomfortable with the continual competition of the global market place but they will maintain their status relative to the rest of the world. These nations will choose to interact because the cost of non-interaction and military conflict is too high. They will also retain a subconscious desire for economic growth as this growth underlies any fine-edged military dominance to be had in the new system. Australia lies at the periphery of the major capitalist nations and follows the lead of such nations partly assisted by some important globalisation forces, especially communications. A strong economic policy emphasis, especially emphasis on economic growth, by Australian decision-makers identifies Australia clearly with the core western capitalist powers of North America, Europe and Japan. Does Australia truly belong to such a group?<sup>68</sup>

Australia is different, however, as it lies more closely wedded to Asia. This is a region, Buzan states, where ‘the consequences of the NWO are rather different from the extremes of centre and periphery ... the region is remarkably poor in local regimes and institutions and remarkably rich in unresolved disputes, strong nationalisms, and historical rivalries, fears and hatreds.’<sup>69</sup> East Asia also has different approaches to the ‘main game’ — global capitalism. Some states (for example, South Korea, Taiwan, Singapore) embrace forms of authoritarianism but also embrace free trade. They are quite different to the weak state models set up by the US and UK in the 1980s and 1990s. They also have differing approaches to labor, human and political rights. All have strong national defence approaches. Despite these differences, their success, even through financial crises, indicates there is no true formula for the new order.

The specific Australian policy response to globalisation has been limited to embracement of the economic principles of the new order and a desire to remain closely wedded to the principle economic power centres. Australia has also been strong on the rhetoric of globalisation, but it has not undertaken much serious analysis or exploration of the wider consequences or perceptions of globalisation and what they mean to the Australian people and their security. This lack of understanding of globalisation led to the manifest failure to predict the financial crisis in Indonesia, Thailand and Korea in 1997–8. It was the move by these states

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67 For an historical perspective on this view see Alan Kohler, ‘Net gains have just begun’ in *The Australian Financial Review* 31 August 1999, p. 18.

68 ‘This coalition constitutes’, according to Buzan, ‘a security community in that none of its members expect or prepare for a military threat from other members. It does not face serious military threat from semi-periphery powers, and no major external military challenge seems likely for some considerable period’ see Buzan, Barry, *The Interdependence of Security and Economic Issues in the “New World Order”* in *Political Economy and the Changing Global Order* Stubbs, R., and Underhill G., eds., Macmillan, London, 1994. p. 96.

69 Buzan, Barry, *The Interdependence of Security and Economic Issues in the “New World Order”* in *Political Economy and the Changing Global Order* Stubbs, R., and Underhill G., eds., Macmillan, London, 1994. p. 99.

out of the global standards of economic profitability that led to an exit of capital, loss of investment, selling down of shares and fall in currency value and overall confidence.<sup>70</sup>

Globalisation within the new order leaves Australia in an enigmatic situation. As stated, Australia is not part of the major economic nexus of the US, EU and Japan but is closely linked to it. It has, as its major security framework, alliances with the US and New Zealand and close relationships with other western powers and selected regional nations. Australia recognises the factors of globalisation and its governmental processes place global economics as a high priority. True national economic planning may be a reducing phenomenon. To its credit, Australia is quick to adapt to new technologies and has posited itself as an improving global competitor.

In the most significant and, possibly, one true area of state control, the legitimate use of weapons of war, Australia holds onto the means to fund it and high moral ground to support its objectives. Despite more diffuse roles, it maintains a defence force of good quality and value. Australia is not burdened with an overt sense of crude nationalism that is likely to manifest itself into any form of major state or popular violence. Australia's security in the current global circumstances faces no obvious challenge but global processes have had a significant influence on Asian regional states and the perception of Australia's domestic population. Australia's core security character of a highly educated, technological, asset rich, lowly populated nation places many of the benefits of globalisation at its disposal. Australia, however, needs to be wary where these characteristics place it at odds with diverging regional policies. Australia cannot be everything to every nation in Asia. It will also not be able to rely on the US relationship as it did in the bipolar world.

## GLOBALISATION AND PROLIFERATING THREATS

*A major emerging proliferation challenge is the globalisation of the arms industry, the flooding of the global arms market and a resulting loosening of supplier constraints. The roots of specific instances of proliferation ambitions usually lie in local security situations.'*<sup>71</sup>

The Cold War models of security threat are not the challenges we are likely to face in the coming century. Asymmetrical, unconventional warfare and non-state threats from proliferation of advanced missile, nuclear, biological and chemical weapons will be more likely. Leaving aside the issue of US/Australian joint facilities, the Cold War strategic models such as mutually assured destruction had no relevance directly to Australia, as we never seriously moved to acquire of nuclear weapons.<sup>72</sup> The threat of nuclear attack was never at the core of Australia security planning or policy.

In future, however, third world nations may see the acquisition of these weapons as a leveller in confrontation with the west. This may include Australia in a variety of scenarios not far removed from the Gulf War example. We do, therefore, require a decision-making structure for the future that is able to cope with threats such as those above.

70 See Bryan, D., and Rafferty, M., *The Global Economy in Australia*, Allen and Unwin, Sydney, 1999, pp. 40–41.

71 Thakur, R., 'The Means of violence — In whose hands?' in *Australian Security in a New Era Reform or Revolution*, Australian Defence Studies Centre, Special Report No 5, 1998, p. 18.

72 For a more detailed look at the key security issues surrounding this topic see Joseph, R.G., and Reichart, J.F., *Deterrence and Defense in a Nuclear, Biological and Chemical Environment* Center for Counterproliferation Research, National Defense University, Washington, D.C., 1999. For a look at the rationale behind Australian consideration of nuclear deterrence and nuclear strike in the 1950s and 1960s see Stephens, A., *Going Solo The Royal Australian Air Force 1946–71*, AGPS, Canberra, 1995, pp 365–8. In my opinion, it is increasingly unlikely that domestic and external political pressures and institutions would relax enough to allow any Australian Government to further consider this option short of a palpable threat to national survival.

As stated previously, the international arms industry will also be free of traditional constraints of Cold War and ideological pressure as markets continue to globalise. While this will lead to increasing uniformity in military acquisitions, it will also lay the basis for increasing lethality and availability of advanced weapons. This will entrench the status quo for most viable nation-states but proliferation of weapon systems to other institutions and organisations will also empower them with military capabilities that may not be subject to the constraints of nation-states.

To do this, we need advisers and actors with expertise in these fields. This input will assist the executive define the threat from these sources. It will also assess how Australia can deter and prevent their use against Australia or the region, and if applicable what we need to do if these weapons are used. The emergency management capability of handling such an eventuality is probably decreasing as the globalised threat is set to increase.<sup>73</sup> In line with this, Australia's concept of deterrence needs to be clear and well communicated to the region. This is a case where the advice of the security, scientific and policy experts will be critical. Management of issues related to non-state actors will also be just as important. Institutional and interdependent international agencies must accept the nature of globalised threats to humanity. The threat from state and non-state unconventional nuclear, biological or chemical weapons of mass destruction threat will be an increasing concern to existing state security structures.

## ETHNO-NATIONALISM

*'Self determination and state sovereignty continues to work its way through ... countries [sic] such as former Soviet Union and the Balkans ... but it is not going by the civilisation model of Huntington, it is on lines of race, ethnicity and culture.'*<sup>74</sup>

In a seemingly contrasting trend against globalisation, there is also a recent security phenomenon occurring with the resurgence of ethno-nationalism, sometimes referred to as culturalisation. This ethno-nationalism is characterised by ethnic groups seeking self-determination or a separated homeland from within a state or across state boundaries. It is outwardly a trend against globalisation as its basis is the creation of new institutions and, possibly, states. In the first instance, however, it is a reflection of globalisation as it uses the trend to de-emphasise territory and borders for its own purposes. If it leads, however, to the creation of more states and borders it would seem to be a clear extension of a realist phenomenon. Australia, itself can be seen as a nation that was born out of 'devolutionary self-determination' as were other 'states of the New World'.<sup>75</sup>

Ethno-nationalism needs to be studied with globalisation as they interact with each other. Some, such as Thomas Friedman, would argue that globalisation drives the ethno-nationalism. The globalisation era, Friedman argues 'may well turn out to be the great age of civil wars between globalists and localists in each society.'<sup>76</sup> Keane would argue that it is a by-product of globalisation.<sup>77</sup> The process of globalisation is

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73 A crime-fighting conference sponsored by the FBI and the George C. Marshall European Centre for Security Studies in Germany in Sep 1999 concluded that the next decade will see a battle against international organised crime on several fronts, including the sale of illegal genetically-engineered human organs, extortion with weapons of mass destruction, and virtual addiction via the Internet. See <http://www.msnbc.com/news/306374.asp>, as at 7 Sep 99.

74 Quote from lecture given by Edward Kolodziej, Research Professor of Political Science at the University of Illinois, Urbana-Champaign, 'Global Security: The Pursuit of Order, Welfare, and Legitimacy for the Governance of the Emerging World Society', ANU, Canberra, 13 May 1999.

75 See Simpson, G.J., The Diffusion of Sovereignty: Self-Determinations in the Post-Colonial Age in Sellers, Mortimer ed., *The New World Order Sovereignty, Human Rights and the Self-Determination of People*, Berg, Oxford/Washington, D.C. 1996, p. 51.

76 See Rodgers, P., Review of Thomas Friedman's *The Lexus and the Olive Tree* in *The Weekend Australian*, Review, 24–25 July, 1999, p. 14.

77 See Keane, J., 'Democracy's Poisonous Fruit' *Times Literary Supplementary*, 21 August 1992, pp. 10–12.

driving a western liberal view of democratisation through the world, this democratisation then, in turn, drives forms of self-determination. Regional drives for democracy that create the environment for further self-determination or independence therefore need to be seen as coming at a price. Democratisation and self-determination will often produce short to medium term instability in a country and a region.

There is also the perception that there is an increase in ethnic hatred in the world since the end of the Cold War. Fortunately, this is not necessarily the case. While we are exposed to more violence and carnage, in 'dirty little wars' this is partly because we have redirected our interest in that direction. The end of the Cold War has coincided with an increase in small wars. There are now over thirty conflicts in the world and the trend is that, in these conflicts, over ninety per cent of the casualties are civilians.<sup>78</sup> Meanwhile, the majority of the civilised world is no longer caught in the constant concern over the Cold War issues and in Dyer's words 'given us more time to fret about lesser threats to the peace'. This is, of course, not the only cause. The real factor of globalisation — improved communications — feeds this aspect with increasing efficiency by giving news media information on conflicts that have never been of concern to the rest of the world until their injustices are exposed to wider public opinion.

Ethno-nationalism is a security concern because it re-emphasises the world of borders and homelands but, in doing so, it creates tensions with the existing states. Thus, ethno-nationalism is a new source of possible conflict generation and is particularly ominous for existing states that feel they are already being threatened by globalisation factors. If an existing state is not happy for an internal group or territory to secede there is a distinct likelihood of conflict. This is a particular concern in the post communist world, especially Eastern Europe, where ethnicity has emerged as a focus for identity and security. In the west the state system remains far more secure and is able to cope with cultural ethnicity within a stable social structure. The nations that will likely present security problems in the future are those without a secure state structure and strong civil society principles.

This is a particularly strong issue at present in our own region (Indonesia, Philippines, PNG, Vanuatu, Burma, South Asia), Africa and the Balkans. The strength or weakness of ethno-nationalist movements in our region of interest needs to be addressed with appropriate long-term responses. Australian influence as a middle power should not be underestimated in the contexts of such issues and it is a national responsibility to be able to interpret and analyse ethno-nationalist trends in the region. In the past, Australia has been caught unprepared by events in its own region and, while it was not alone in this regard, the character of regional ethno-nationalism has been exposed and Australia's strength and cultural pluralism can be used as an example of democracy.

## CONCLUSION

It is clear to all that there is a new environment in world politics. The United States, in the glorious American tradition of invoking visions of a better world, sought to put a name to this phenomenon. The phrase, New World Order, was often used long before the August 1990 invasion of Kuwait, but it is this war which has coloured much of its subsequent meaning. Despite this, the term has far more to do with the breakdown of bipolarity than with the collective security outcome of the Gulf War. There was also no deep-laid US plan of manipulating world events by the use of the term, which has nonetheless developed an ambience of its own.

In Australia's case, events affecting the New World Order have usually been far removed from her shores. Australia, as an ally of the most powerful global power, has been generally supportive of the rhetoric and sentiment of the New World Order despite the mockery and cynicism that has become a beacon for critics

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78 Quote from Durham, H., Australian ICRC Representative, interviewed on ABC-FM, 12 Aug 1999.

rather than idealists. Certainly, leading the New World Order is frustrating and unrewarding for the United States. If the New World Order was supposed to mean the triumph of western liberalism and future peace and prosperity, we will be left wanting. However, it does indicate that international institutions will have an increasing responsibility in a more complex world and this has been recognised by Australian policy makers. Even if it is used in a purely rhetorical sense, the term is not entirely without purpose. It will reflect that the current world is unique and dynamic. Its descriptive interpretation merely recognising a need for international frameworks ‘to help make sense of the “new order” and guide efforts to reshape it’.<sup>79</sup>

Australia’s response to globalisation, regional instability and financial crises has been pro-active and inclusive based on an optimistic long-term view for the region. Australia’s security policies take a more realist stance in rhetoric but a reconceptualised one in practice. With a practical and slightly reduced, less hard-edged view of maintaining costly high-end defence capabilities, this may be an appropriate strategy in the short to medium term. Australia still, however, needs to address the other facets of security. In particular, the broad social and environmental influences lack in-depth government thought, attention and planning.

These facets of the new global agenda do not necessarily need significant financial support, but they do need to be addressed at an intellectual and policy level. Globalisation should not be seen as totally transforming the nation-state mechanisms but it is placing significant pressure on policy formulation. The new facets of security do not even need to be initially addressed from a global perspective. From a long-term national view of Australia’s place in a more communicative social and environmental overlapping world, they need as much attention as economic development. What is clear is that reliance on UN mechanisms or major power alliances in this arena will not give us the answer. Where global solutions are not apparent, regional solutions are likely to be more practical in the short to medium term. Nobody, not even the Americans, will get the world they want. This is why issues such as human rights will lead the way from within nations. It is a problem all nations, including Australia, must address from within while maintaining realistic expectations of other nations’ relative progress.

*Ethno-nationalism* is important to Australia as the preponderance of internal conflict in the region places increasing demands on Australia’s theoretical and practical response mechanisms. The response to such movements inevitably involves financial and humanitarian aid, diplomatic, military and non-government assets in direct roles. While democratisation is encouraged in the policies that support these mechanisms, this democracy in turn drives humanitarian and nationalist ambitions that are not always easy to accommodate without conflict. The new wave of democratisation and ethno-nationalism may continue for some time in our region. Choosing an approach that fulfils a ‘good citizen’ and western liberal agenda while maintaining good bilateral relations will not be easy.

*Australia’s response mechanisms* therefore must be based on an appreciation of the true character of globalisation and ethno-nationalism. Perceptions of global forces should not be accepted at face value. The factors that persuade others of the force of globalisation should also be closely monitored. The power of the international economic system, the expanding dimensions of global communications and the diffusion of borders all have unique effects on Australia and our security agenda. Australia needs to seek to use all facets of globalisation to its advantage, not just keep to an intrinsic focus on economics. Australia’s qualities as a nation, with a highly educated population with access to good communications and a stable, and relatively ethical, social justice structure enable it to take practical and moral steps on the international stage. It should focus attention on international communication and diplomacy supported by visible and prepared monitoring assets secured by combat force if necessary. This approach should recognise that the phase we have entered post-Cold War and in the midst of the information revolution will, if historical parallels run true, continue for some time.

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79 Freedman, L., ‘Order and Disorder in the New World’ in *Foreign Affairs — America and the World 1991/92* (Vol 71, No 1, 1992) p. 22.

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