CENTENARY LESSONS

TWENTIETH CENTURY EUROPE & TWENTY-FIRST CENTURY ASIA*

Kevin Rudd

THE hundredth anniversary of the outbreak of World War I galvanizes our thinking once again about the two great driving forces of modern international relations. One is the overpowering force that we all feel and experience everyday called economic globalization. The second and countervailing force is the continuing cogency of geography, ethnicity and nationalism, often pulling us in exactly the reverse direction. It is the business of political and diplomatic leadership today to try to reconcile these two great historical forces, as they contend for influence across the full spectrum of the current global order.

World War I left its lasting effect on all countries, including Australia. Of a total population of 4.8 million at the time, 416,000 put on the uniform, 60,000 were killed, and 152,000 were wounded, with a staggering casualty rate of 64 percent—from a country 20,000 kilometers away from a town called Sarajevo, which no Australian had ever heard of. This was but one small part of the total carnage which saw three quarters of a million British, 1.3 million French, 1.7 million Russians and two million Germans killed in a war which, at the beginning of 1914, nobody thought possible.

The war was by no means seen to be inevitable. German Chancellor Herr von Bethmann Hollweg said on January 1st, 1914, that "the policies of the other countries [in Europe] are in harmony with the Government's, and no troubles are now anticipated." David Lloyd George reciprocated on January 3rd. When asked about whether it was time to start overhauling British arms expenditure, he said

> I think that it is the most favorable moment that has presented itself during the last twenty years […]. Our relations with Germany are infinitely more friendly now than they have been for years […] and the revolt against armaments has spread throughout Christendom.

On the other side of the Atlantic, the New York Times in its New Year's Eve editorial looking ahead to 1914 wrote glowingly of "the growing rapprochement between Germany, France and England." The truth is that one hundred years later, many of us are still dumbfounded by World War I as we still struggle to understand its causes—or as Harvard's Joseph Nye has said, "its deep, its proximate and immediate causes"—and to learn its lessons for the future. This last has been echoed by Germany's Foreign Minister Frank-Walter Steinmeier, who said recently: "World War I is the key to understanding the history of the twentieth century."

Australians inevitably bring their own perspectives to bear, both on history and on the future, as we—like others—are shaped by our national experiences. At their best, Australians see themselves as the West in the East, but also the East in the West, as we find ourselves with the rise of Asia increasingly at the crossroads of both history and the future. Australians understand both their Western civilizational origins, but they are also required by their circumstances to understand the diversity, complexity and differences of their own region, the Asian hemisphere.

Buried within the question of whether European history is capable of repeating itself in Asia, is the more fundamental question of whether history repeats itself at all; or, if it does, whether it is wise to say so for fear that it induces us all into a false sense of inevitability. At which point we are plunged into the most profound philosophical debates between agency and necessity, between a determinist view of history and one where we choose to determine our own history.

My own view is that a determinist view of history is unempirical, irrational and, above all, unhelpful. Unempirical because diplomatic history teaches us that nothing is ever neatly replicable. Irrational because it denies the potency of human agency, instead believing we are all slaves to deep mystical, magnetic forces from which we can never escape. And unhelpful because it instills in the official class a sense of learned helplessness, passivity and inertia.

Such an approach renders history, diplomatic or otherwise, a curiosity for the academy, but utterly pointless for the policy community. By contrast, I argue that diplomacy and leadership all matter, that individuals shape history, and therefore that alternate futures are always possible. At best, diplomatic history offers us patterns of cause and response in common circumstances, but because circumstances are never precisely replicable, absolute predictability is impossible.

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At the other extreme is the argument that the phenomenon of unprecedented globalization has fundamentally changed the behavior of states forever, and that diplomatic history has thus been rendered redundant as a useful guide for the future. Those with this view, therefore, deny themselves meaningful access to the many cautionary tales that come from the past. The truth is that effective foreign policy analysis needs to occupy the middle ground: at once mindful of both the "deep" and the more immediate causalities at work within the international system, but at the same time capable of imagining alternative futures for Asia and the world, where leadership becomes the decisive variable. Or, as even Karl Marx himself observed, it is men who make history, but not in conditions of their own choosing.

EUROPE IN 1914

Before looking at the particular circumstances of contemporary Asia, it is important to carefully think through generic historical principles arising from the Great War that might be applicable elsewhere.

First, World War I demonstrates that there are severe limitations on a view of international relations that the only reliable basis on which to obtain peace, security and stability is a balance of power. This goes to the heart of international relations theory and the perennial debates within the paradigm between realism, neo-liberalism, liberal internationalism, structuralism, constructivism and cosmopolitanism—all concerned with the animating forces ultimately behind the international behavior of states and non-state actors. But it also goes to the theory and application of the so-called "Thucydides Trap," whereby conflict becomes inevitable between a rising power and an established power, for which the often-cited historical examples are Athens and Sparta; Germany and Britain in World War I (and equally Russia and Germany); and today China and the United States.

Harvard's Graham Allison, author of the defining analysis of the decision-making processes behind the Cuban Missile Crisis and now the leading contemporary authority on the Thucydides Trap, reminded us recently that in 11 out of 15 cases in which rising powers rival established powers over the last 500 years, the result was war. Whatever our conclusions about international relations theory and the Thucydides Trap might mean, we can all safely conclude that the balance of power in 1914 between the Triple Entente and the Central Alliance failed spectacularly to preserve the peace. And this was despite the awareness of the capacity of new military technologies to totally transform the face of modern warfare, as demonstrated in the destruction wrought in the U.S. Civil War half a century before, and the Franco-Prussian War soon thereafter.

The advent of nuclear weapons at the end of World War II—and later the doctrine of Mutually Assured Destruction—provided for some a new legitimacy for the central organizing principle of a balance of power, or more precisely the balance of nuclear terror. Proponents argue that it has succeeded in preserving the peace for more than two thirds of a century. Opponents argue there have been far too many near-misses for comfort. Yet since the end of what we may in time refer to as the First Cold War, the question arises as to whether we have entered a new phase where various state actors are now prepared to take greater risks than before, less concerned now about the risks of nuclear contagion or conflagration. As the historian Christopher Clark has stated, well before recent developments in Eastern and Central Europe:

> it seems to me that our world is getting more like 1914, not less like it […].We are just starting to come to terms with the fact that we are no longer in a world that is disciplined by the standoff between two nuclear hyper-powers. And what we are drifting back to is a polycentric world with many sources of conflict. So in some ways, our world is drifting back towards 1914, even if the ocean of time between us and the First World War gets larger and larger.

A second principle arising from World War I concerns conflicting interests over political sovereignty and territorial integrity. The truth about the Great War is that it was not fundamentally driven by conflicting territorial disputes in Europe itself—although both in Paris and Berlin the question of Alsace-Lorraine was always an active concern—nor was it driven by competing imperial aspirations around the world, as many had predicted and as Lenin subsequently falsely argued. What was at stake, however, were conflicting claims of political sovereignty between Pan-Slav nationalism on the one hand and the continued claims of the Austro-Hungarian Empire on the other. Yet the truth today is that beyond Europe—and now once again within Greater Europe—questions of territory and sovereignty remain raw, and continue to represent deep determinants of state behavior.

Third, there is the principle of escalation of local conflicts into global conflicts, exacerbated by the complex world of alliances, treaties and that curious nineteenth century ambiguous term of diplomacy: "understandings." The events of the summer of 1914, from the assassination in Sarajevo in June until the guns of August, exacerbated by the problem presented by the dynamics and demands of military mobilization, as well as what has been described as the "cult of the offensive" so prevalent among much of the European military leadership of the time. The central point, however, is that the diplomatic dynamic created by the complex web of inter-state obligations—both real and perceived—in 1914, combined with the military prepared-

ness dynamic within states, pointed in a single direction, namely war. It would, therefore, have required a massive counter-dynamic at the most senior political levels across Europe to arrest this in-built momentum of the system. This did not occur. As Bismarck once reportedly remarked, it would be "some damned foolish thing in the Balkans" that would ignite the war.

Fourth, there was the failure of diplomacy itself to either manage the crisis, or better still prevent or ameliorate the crisis in the first place. This goes to detailed questions on the professional competence, personal motivations and ideational convictions of individual players; the physical processes and established culture of diplomatic communication; as well as the structural capacity of diplomats (i.e. those supposedly trained to understand the mindset of the foreign party) to materially influence the final decision by the principals. Again as Frank-Walter Steinmeier has stated, the mission of diplomacy is not to allow the parties in dispute to find themselves "at a dead-end," and instead to constantly be constructing space for a way out, rather than a combination of exhaustion and a sense of inevitability to leave the military option as the only way forward.

Fifth, not only was there a failure of diplomacy, but a more fundamental failure of politics. If politics is about leadership rather than just 'followship,' then its mission is not simply to act as an echo-chamber for the politics of the lowest common denominator, but to explain and persuade that there are other ways through. One of the most disturbing sets of images from World War I are the photographs of the jubilation of crowds gathering in the central squares of Berlin, London, Vienna, Paris, and yes, even Sydney, when war was finally declared. Politics had done little to constrain their respective publics' appetites for nationalist excess and the slaughter that was to come. Instead politics had become captive to what Christopher Clark describes as multiple "mental maps" about how great powers should behave, and how the alliance system should work, rather than how to creatively resolve a systemic crisis. Furthermore, Clark argues against the view that the European political class was powerless to act against the accretion of events, creating what he describes as "the illusion of a steadily building causal pressure" rendering politicians impotent. Intervention became more difficult, but it was always possible.

A sixth factor for analysis was the virtual absence of regional or international institutions to moderate, tame or even prevent the march to war. The Hague Conventions of 1899 and 1907 on the conduct of warfare and on the peaceful arbitration of international disputes had begun to create a thin tissue of global governance.

The Permanent Court of Arbitration had been established in 1900 and moved into The Hague Peace Palace in 1913, causing its principal benefactor Andrew Carnegie to proclaim to the leaders of the world that "International Peace is to prevail through the Great Powers agreeing to settle their disputes by international law, the pen thus proving mightier than the sword." But the confronting truth was that this nascent institution was incapable of creating a culture of political cooperation, and peaceful dispute resolution that could soothe the sharp edges around the crisis of 1914. Europe would have to wait another full generation, the failure of the League and another World War before the founders of the European project, which we now call the European Union, were finally able to prevail. Although globally, notwithstanding the role of the UN, the international system continues to be brittle in the face of international crises that threaten the peace today.

One final principle on which to reflect from the "war to end all wars" was the failure of economic globalization to prevent it. Economic historians have come to classify the half century up to 1914 as the First Great Globalization, which saw unprecedented trade, investment and capital flows across European and global borders.

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But despite the economic lunacy of going to war, neither the financial nor the corporate leadership of the time were able to arrest the atavistic forces of political nationalism that swept away all that lay before it. Of course, we are all familiar with the parallel debate about the Second Great Globalization today and, as noted above, whether it has indeed created a new transnational political reality that will in turn sweep away all in its wake. Personally, beyond Europe, but now within Europe, I fear not.

Asia in 2014

So what are we to make of modern Asia a century after the cataclysmic events that destroyed the old European order that had governed this continent since the defeat of Napoleon? To begin with, no one in Europe can forget the

fact that European colonialism has left a profound mark on most of Asia, and much of it profoundly humiliating. Certainly nobody in Asia has forgotten that fact and the sense of white superiority and occasional social Darwinism that went along with it. With the exception of Japan, parts of China and Siam, most of Asia was subjected to centuries of European colonial occupation. World War I carried for China a particular twist. Despite the fact that both China and Japan had supported the Triple Entente during the war, with the peace treaty of 1919, China did not have returned to it Germany's former colonial possessions in Shandong. Instead they were handed, for a period at least, to Japan.

This single act, within a few years of the birth of the Chinese Republic, enraged, radicalized and mobilized an entire generation of Chinese student activists in what became known as the May Fourth Movement. This in turn contributed to the formation of the Chinese Communist Party in 1921. By the time the Communist Party finally united the country in 1949, a central rallying point for party legitimacy was the fact that China had finally overcome a century of foreign humiliation, starting with the Opium Wars in the 1840s through to the end of the Japanese occupation in the 1940s. This continues to be a rallying point of party legitimacy to this day.

If China, as is likely, becomes the world's largest economy within the next decade, it will be the first time since George III was on the British throne that a non-Western, non-Anglo Saxon, non-English speaking, and non-democracy will have been so. Anyone who assumes, therefore, that China's growing global economic ascendancy will pass without any impact on the current global rules-based order is a poor student of history. Therefore, before examining the applicability of the range of historical principles arising from World War I discussed previously—more generally to the challenges faced by modern Asia—it is important to remember that Europe has already cast a long shadow over this vast continent, most particularly China.

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When we look today at the practical utility of the concept of the balance of power in Asia, it does not take us very far. While both China and the United States approach each other in the Asian hemisphere with a high degree of strategic "realism"—drawing from rich domestic traditions of classical realism in relation to the possession, deployment and use of national power—there is nothing at present approaching a "balance of power" between them. To begin with, the United States maintains overwhelming military preponderance in the air-sea space in the Western Pacific and the Northern Indian Ocean regions. That preponderance is reinforced by a network of alliances and military cooperation agreements across the region. In other words, at present between China and the United States there is a very large imbalance of power. China, of course, is seeking to close this military gap over time. And while progress is being made, Chinese analysts themselves conclude this will take some decades, as well as depend on the relative performance of the two countries' economies, and consequently their military budgets. Some Chinese analysts anticipate Chinese military spending, which at present is increasing rapidly while that of the United States is declining, will reach about 70 percent of that of the United States by 2030.

The good news between China and the United States is that there is now an open discussion between the two on the challenges to stability posed by the Thucydides Trap. It is for this reason that the Chinese, under Xi Jinping, have explicitly proposed "a new type of great power relationship" with the United States. The U.S., for its part, has initiated a series of annual bilateral working-level summits with a work agenda for the future aimed at building strategic trust step by step, including in sensitive domains, such as cyber-security. Part of this challenge is for China and the U.S. to begin to develop regional and global public goods together to help sustain and improve the international rules-based order for the future. And this should embrace multiple domains beyond classical security as well, including the future of the Trans-Pacific Partnership on trade and investment, as well as climate change agreements between the world's two biggest polluters.

It remains to be seen whether this succeeds, but at least there is a bilateral recognition of the strategic trust deficit, and a mechanism for managing it, as opposed to the Europeans pretending a century ago that all this could be kept below the surface, masked by secret undertakings and somehow papered over by the royal blood lines linking the Romanovs, the Hohenzollerns and the House of Hanover, very soon to become Windsor.

More broadly across Asia, we are, however, witnessing what can only be described as a global arms bazaar, in direct contrast to the real declines in European defense outlays over the past decade. The danger for broader Asia is the proliferation of weapons, both nuclear and conventional, which has been developing

across the region for some decades now, given the potent cocktail of unresolved territorial disputes.

As noted above, territorial disputes between the great powers did not lie at the heart of the Great War, although the aspirations for political sovereignty on the part of the Slavic populations of the Balkans provided the immediate cause of the war. In Asia, the region is awash with unresolved and active territorial disputes, compounded also by sovereignty claims within states. The most dangerous of these lies on the Korean Peninsula. But they also exist between Russia and Japan, between China and Korea, between China and Japan over the East China Sea, between Korea and Japan, between China and four states in Southeast Asia over the South China Sea, between Thailand and Cambodia, between China and India, and between India and Pakistan over Kashmir. And then there are the long-standing Chinese sovereignty concerns over Taiwan, Tibet and Xinjiang. Furthermore, many of these disputes involve nuclear weapons states: Russia, China, North Korea, Pakistan and India.

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The absence of regional or global mechanisms to deal with these disputes is a major cause of long-term strategic instability. These disputes are, of course, also compounded by the capacity for escalation through the complex alliance structures that crisscross the region. China has a security relationship with North Korea going back to the Korean War. As does America with the South. Then there are U.S. security treaties or arrangements with Japan, Taiwan, the Philippines and Thailand. Most attention at present is focused on the capacity of the maritime boundary disputes in the East and South China Seas to escalate and to draw in the United States. Active diplomacy is being deployed at present to de-escalate these disputes from recent high levels of tension, although the capacity for re-igniting them by miscalculation or design remains significant. Indeed, one of the profound lessons of 1914 is how rapidly circumstances could change from utterly benign to utterly catastrophic within the space of months. The region is not experienced in crisis management—nor in crisis containment—although military and diplomatic networks are slowly evolving.

We can compare the relative sophistication of U.S., Chinese and Asian diplomacy to deal with any crises in the making, with the comprehensive diplomatic failures we saw in Europe leading up to the guns of August. The truth is the diplomatic networks in Southeast Asia are strong. Those between Beijing, Tokyo and Seoul much less so. And with North Korea, with the exception of China, virtually non-existent. What is required here is a diplomatic culture of institutional cooperation of the type that has belatedly evolved in Europe. In Europe, we noted not only a failure of diplomacy but also a failure of politics. In Asia today, we face a challenge as large as Europe faced a century ago with the rise, rise and rise of nationalism. This is most toxic between China and Japan, compounded by the experience of a brutal Japanese occupation over 15 years. But nationalism—in particular ethno-nationalism—is a major challenge too across many parts of Asia. The ability of political leaderships to manage these nationalisms, rather than being managed by them, represents a crucial challenge for the future.

This brings us to one of the main lessons to be applied from Europe's bloody experience a century ago—namely the thin state of Asian regional architecture and institutionalism. Europe, after three major continental wars in the space of two-thirds of a century, finally concluded that it had to embrace fundamental strategic change. The core of this was the Franco-German resolve to build a new Europe based on a common, shared future, rather than one based on mutual suspicion, competing alliances and a zero-sum approach to security. The EU has many critics. I am not one of them. The EU has constructed an institution based on common security, a common market, and prospectively an economic union. In doing so, Europe has re-written its history. And this is where Europe has a strategic concept to share with Asia.

In 2008, I proposed the establishment of an Asia Pacific Community—an entity that would have all the principal countries and economies around the region around the same table with an open agenda on political, economic, security and environmental cooperation. Progress was made when in 2010 the East Asian Summit—which already had such an open mandate and agenda—was expanded from the original 16 to include the U.S. and Russia. It has already begun some forms of soft security cooperation, particularly in counter-disaster management exercises involving most of the region's militaries. There is, however, much more to be done in building the habits, culture and institutional processes of this vastly divergent region into a framework of common security over time.

I believe the long-term strategic direction of the Asian Hemisphere will be determined between the forces of economic globalization, which pushes us towards higher levels of integration, as opposed to the narrow forces of political nationalism which work in the reverse direction to tear the region apart. The forces of economic globalization will not be sufficient themselves to preserve the peace. The

value, therefore, of a program of deliberate, purposeful regional institution-building is that it is designed to assist the forces for integration and to impede those that work against them. Again Europe has much to offer on this point, and Germany, as one of the strategic main-stays of the union, has much to offer in particular.

The Great Challenge

In this important year of international reflection on the lessons of a war which tore the world apart, it is important to focus on what we should now do together, rather than who was to blame. It is even less helpful to engage in the foreign policy parlor game of trying to identify the twenty-first-century equivalents of the twentieth-century antagonists a hundred years ago. Apart from being historically fraught, it is also unhelpful because it is like assigning a part in a play whose script we all know and whose storyline has already been concluded. This too points us in the direction of the allocation of blame, rather than the distribution of responsibility for carving out a different future.

It is also about being alert to the reality that profound change can happen suddenly, and that we should not simply be seduced into the complacency that peace is somehow the natural condition of humankind, because it has been that way for so long. It is equally about the importance of a creative diplomacy that always seeks actively to solve problems, rather than just passively describe them, or worse assume they are insoluble and allow the options for any solution to melt away. Furthermore, it goes to the question of the responsibility of political leadership on the profound questions of war and peace to always lead public opinion, rather than just follow it.

Finally, it is about building the institutions that encourage the habits and culture of common security, rather than believing that these habits will somehow naturally evolve out of the ether. And, in the great challenges that now present themselves for the Asian century ahead, to work with both China and America to forge a common path for a global future for us all.