

frustrated at the regional level. With adroit diplomacy, the United States should be able to minimise such regional challenges. The key will be to show that US primacy can work in the interests of less powerful countries.

3.8 A third significant global trend has been the evolution of the United Nations. Over the past decade the UN has become more active and effective. In doing so it has broadened the range of its activities and responsibilities in the security area. The UN has grappled with internal problems and crises from the Balkans to Rwanda, Cambodia and East Timor, responding to a widespread recognition that international security can be affected by problems within, as well as between, states.

3.9 The United Nations has also been responding to a growing sense in the international community that crises causing avoidable human suffering cannot be ignored just because they happen within the borders of a sovereign state. It is too early to say whether a new principle of humanitarian intervention is being established. If so, it would need to be applied with caution as well as compassion. But the trend to a more active and effective UN security role is welcome.

3.10 Outside the Asia Pacific region, strategic problems continue to be most likely in the Middle East, and potentially also in Central Asia.

European security problems, such as those in the Balkans, will be managed primarily by NATO and European security structures. Russia's future place in the European and global strategic environment remains unclear. Security and stability in Europe will continue to depend on the maintenance of an effective working relationship between Russia, and the United States and its European allies. Africa will continue to suffer from crises which may require international engagement to minimise suffering and help towards solutions.

## **The Asia Pacific Region**

3.11 Although there remains a risk of localised or more widespread economic downturn from time to time, the Asia Pacific is set to be the most dynamic region in the world over the next few decades. Economic growth should help build stability. But it will also put strains on old relationships, raise new expectations and perhaps offer new temptations.

3.12 The most critical issue for the security of the entire region is the nature of the relationships between the region's major powers - China, Japan, India, Russia and the United States. These countries are important to Australia's security because they have the power - actual or potential - to influence events throughout the Asia Pacific region. Their relationships will set the tone for the whole region.

3.13 The United States is central to the Asia Pacific security system, and its role will be critical in maintaining security over the coming decades. It will be in Asia that the United States is likely to face the toughest issues in shaping its future strategic role - especially in its relationship with China.

3.14 The trilateral relationship between China, Japan and the United States will define the East Asian strategic framework. Both Beijing and Washington clearly understand the importance of managing the US-China relationship effectively, and recognise the costs to both of them - and to the rest of the region - if they fail to do so. The benefits of a stable and cooperative relationship would be very great. Important steps have been made, for example in progress towards China's accession to the World Trade Organisation. But significant problems remain in the relationship - especially concerning the issue of Taiwan. It is therefore possible that US-China relations may be a significant source of tension in the region in coming years. This could be important to Australia's security.

3.15 The US-Japan relationship is the key pillar of US strategic engagement in Asia. The strength of US security commitments to Japan, and the scale of US military deployments in

Northeast Asia, which the US-Japan relationship facilitates, is critical to maintaining strategic stability in the whole region. The US-Japan relationship has great depth and resilience, and both sides have worked effectively in recent years to overcome problems and adapt to new conditions. This has provided a welcome framework in which Japan has been able to take a larger role in regional and global security issues. Without the reassurance provided by the US relationship, Japan would face difficult strategic choices with security consequences for other countries in the region.



3.16 The Korean Peninsula is clearly a key dynamic factor in the Northeast Asian strategic balance. Reconciliation between North and South Korea, leading to a reduced level of military confrontation, seems closer now than for many years. But it could also introduce new pressures - including over the future of US forces in Korea - which would need careful management.

3.17 Russia has significant interests in the Asia Pacific region, particularly in Northeast Asia. It has moved to improve its relationships with China and India, partly to try to counterbalance US strategic influence in the region. The way those relationships develop will be

important to the future strategic dynamics of the Asia Pacific region.

3.18 India's economic growth is enhancing its strategic potential and influence in the region. Its nuclear tests, and the development of an operational nuclear capability, have made the regional nuclear balance more complex. There are elements of strategic competition between China and India that have been amplified by the development of India's nuclear capability. The future of this relationship will be important for the security of the whole region. The risk of war - and even of nuclear war - between India and Pakistan remains significant and disturbing, but it is India's growing role in the wider Asia Pacific strategic system that will have more influence on Australia's security.

3.19 In general, we believe the forces for peace and stability in the Asia Pacific region are strong, helped by the growth of regional multilateral structures and frameworks. The likelihood is that over the coming decades the region will enjoy growing economic integration and political cooperation. But there will inevitably be tensions between the major powers

It was also clear that there was a widespread appreciation that important changes were underway in our region. Many people were concerned that these changes had heightened instability in the region and introduced a new measure of unpredictability about Australia's strategic outlook.

**Report of the Community Consultation Team**

of Asia over the next 20 years, and their relationships may change significantly. There is a small but still significant possibility of growing and sustained confrontation between the major powers in Asia, and even of outright conflict. Australia's

interests could be deeply engaged in such a conflict, especially if it involved the United States, or if it intruded into our nearer region.

**The Nearer Region and Immediate Neighbourhood**

3.20 The security of the nearer region - Southeast Asia and the Southwest Pacific - could be affected directly by instability and conflict among the region's major powers, but countries of the nearer region also face major challenges of their own.

3.21 Overall, Southeast Asia remains an area of great promise. Economic liberalisation and institutional reform provide hope that in many countries a return to high growth rates can be sustained over the longer term. Political and social evolution is strengthening the robustness, legitimacy and resilience of the political systems in many