

ISSUE BRIEF

Odd Couple

The Future of the Australia-UAE Partnership

OCTOBER 2016 JOHN WATTS

Australia has a long history of involvement in the Middle East. Though distant from Australia's homeland and devoid of allies, the region has played an outsized role in Australian military history. The impact the region has on global security and prosperity means that Australia shares international interests in its stability. But the region's direct importance to Australia's economy and alliance relationships amplifies its significance. These interests have seen Australia repeatedly deploy its military there, and the ongoing security challenges the region faces will likely see this trend continue. Despite this, Australian discourse about its interests in the Middle East and the best way to secure them lacks depth.

As a middle power with modest resources, Australia must be judicious with how it pursues its interests outside its immediate region. Australia has a strong track record of effective engagement and partnership with regional countries, and successive governments have emphasized the importance of this approach in achieving its national objectives globally. Australian interests would be well served by identifying key partners in strategically important regions and investing in close, mutually beneficial, and broad-based relationships with them. This strategy would provide a cost-effective way to pursue immediate, low-priority interests while hedging against potential future crises. An excellent case study of the benefits of this approach is Australia's maturing relationship with the United Arab Emirates (UAE). As the UAE continues to grow in its regional and international engagements, it provides Australia with a willing and capable partner in the region that shares a surprising number of common interests. There are natural constraints on the growth of the relationship, but a realistic and clear-eyed consideration of the benefits and limitations would allow both countries to maximize the value of any investment in it.

The global order is going through a period of fundamental change. The complexity of the international system grows as rising and re-emergent powers create an increasingly multipolar world while emerging technologies increase the capability of non-state actors, create new threats, and change international norms. Within this context, the way the United States and its allies pursue their interests and collectively

Established in 2012 as a core practice area of the Brent Scowcroft Center on International Security at the Atlantic Council, the **Middle East Peace and Security Initiative** brings together thought leaders and experts from the policy, business, and civil society communities to design innovative strategies to tackle present and future challenges in the region.

address these challenges must also evolve. A shift from a traditional hub-and-spoke alliance framework to a web of mutually beneficial ally-to-ally and ally-to-partner relationships offers a range of benefits. By reducing the burden of engagement on the United States, increasing their own native capacity, and creating depth to the network of partners, middle powers such as Australia and the UAE gain the simultaneous benefits of pursuing their national interests while increasing their utility to the United States, their mutual great power security guarantor.

Australia's Strategic Priorities

Australian strategic priorities have traditionally sought to balance the need to secure the country's immediate region with the need for global stability and mitigation of potential threats before they get within striking distance. The balance of these dynamics has gone through various evolutions.

For much of its history, Australia practiced a "forward defence" approach, prioritizing operations around the globe in support of a powerful ally that acted as guarantor of regional security, in the form of Britain prior to World War II and the United States since. However, with the United States mostly withdrawing from Southeast Asia following the Vietnam War, Australia shifted its focus to engagement with the immediate region and military self-reliance through the Defence of Australia policy.¹ While this approach did not eliminate the need for effective alliance contributions and international engagement, it prioritized Australia's immediate region and capabilities to operate independently there against potential threats. When Australia took leadership of United Nations operations in East Timor in 1999, and throughout its subsequent operations in Afghanistan and Iraq, it represented a more globally minded Australia willing to take responsibility for key global security tasks it saw as in line with its abilities and interests. Since then, successive governments have sought to balance the priorities of global and regional responsibilities. This has led to a competition between regionalist and globalist perspectives on Australia's strategic interests.²

1 See Ross Babbage, *Game Plan: The Case for a New Australian Grand Strategy*, R.G. Menzies Essay 3, Menzies Research Centre, 2015, pp. 8-10.

2 See Rod Lyon, "Australia as 'top 20' power: balance, interests and responsibilities," *Strategist Blog*, Australian Strategic Policy Institute, November 27, 2014, <http://www.aspistrategist.org.au/>

The recently released *2016 Defence White Paper* has balanced these competing elements by dividing them into three equally weighted priorities: a secure and resilient Australia (including direct maritime approaches); a secure and stable near region (specifically Southeast Asia and the South Pacific); and a stable Indo-Pacific region and rules-based global order.³ Australia's engagement in Middle East security lies in the third of these priorities. While the region has traditionally gotten less focus in Australian domestic discussions of its national and strategic priorities, half of Australia's current active deployments operate there. Rising tensions and territorial disputes further north in Asia are increasingly concerning and are of greater direct interest to Australia, but the outcome of those situations could still be resolved peaceably. Meanwhile, with an economy heavily dependent on international trade, Australia must continue to focus on more immediate, if less existential, concerns such as secure maritime transit routes, a stable international system, and the risks of terrorism.

The Australian military has operated in the Middle East since World War I and has maintained continuous active operations there of varying size since the end of World War II. The nature of its deployments serves as a distillation of the evolution of Australia's foreign policy: Initially driven by alliance concerns, Australia has in recent years increasingly focused on the pursuit of its own direct interests. The types of those operations reflect different facets of its interests there. The smaller but enduring foreign military engagements, such as peace monitoring operations, have been primarily motivated by Australia's desire to be a good global citizen.⁴ On the other hand, its higher profile and more controversial participation in large US-led coalitions are motivated by its desire to be a valuable ally to the United States.⁵

[australia-as-a-top-20-power-balance-interests-and-responsibilities/](#), for a summary of a recent online debate.

3 The Australian government's *2016 Defence White Paper* can be accessed at <http://www.defence.gov.au/whitepaper/Docs/2016-Defence-White-Paper.pdf>.

4 Minerva Nasser-Eddine, "Once Again, Australians Are Fighting in the Middle East. Why?" Australia Institute of International Affairs, September 1, 2015, http://www.internationalaffairs.org.au/australian_outlook/once-again-australians-are-fighting-in-the-middle-east-why/.

5 Rodger Shanahan, "Will Turnbull Change Tack on Australia's Middle East Policy?" *World Politics Review*, October 29, 2015, <http://www.worldpoliticsreview.com/articles/17073/will-turnbull-change-tack-on-australia-s-middle-east-policy>.



HMAS Melbourne in the Persian Gulf and Indian Ocean during her deployment in the Middle East Region on Operation MANITOU. Photo credit: Department of Defence of Australia.

A third type of operation—the contribution of a major surface combatant for maritime security in the Gulf region—has endured continuously since the end of the first Gulf War and may help indicate the future of Australian interests in the region. That operation began as a contribution to US-led operations against Iraq, but has endured because it serves Australia’s direct interests of maintaining free and secure trade routes, targeting piracy, and building regional cooperation.⁶ These interests are not as high profile or high priority as responding to a crisis or supporting an ally, but are important nonetheless and provide broader benefits than are initially obvious. Through participation in the Combined Maritime Force, Australia gains operational experience for its forces; builds its international profile; contributes to achieving mutual allied objectives; strengthens regional cooperation and partner capacity;

6 For information on current Australian operations, see Australian Government, Department of Defense, “Global Operations,” <http://www.defence.gov.au/Operations/>.

increases deterrence; and secures its own economic objectives by contributing to the security of some of its most important trade routes. That is a lot of benefit generated from the deployment of a single major fleet unit and represents a great return on investment.

Security and Prosperity

Australia’s involvement in Middle East and Gulf security cannot be fully detached from its alliance with the United States or the priorities of its most powerful ally.⁷ Canberra’s need to be a supportive and productive partner to Washington is undeniable, but this does not fully explain the extent of Australia’s engagement in the region.

In today’s globalized and interconnected world, security threats and destabilizing forces do not stay contained

7 Michael J. Green, Peter J. Dean, Brendan Taylor, and Zack Cooper, *The ANZUS Alliance in an Ascending Asia*, The Centre of Gravity Series, Strategic and Defence Studies Center, Australian National University, July 2015.

in a single region. As with all nations today, Australia is at risk from the spread of international terrorism, the proliferation of weapons of mass destruction, and a destabilized international system. Southeast Asia has come a long way in recent decades and continues to improve in the areas of governance, economics, and security. Nonetheless its history of instability and armed insurgency remains an important concern. It is still in Australia's interests to address potential threats emanating from the Middle East region at the source. Australia also has responsibilities to its large expatriate populations and, as was seen in southern Lebanon in 2006, must be able to respond to unforeseen crisis throughout South Asia, the Middle East, and Africa.

Outside national security concerns, trade anchors Australia's interests in the Gulf. The Middle East is an important export market for Australia, and like many countries, an important source of its energy needs. The Gulf region is also the source of much of the energy that drives Asia's economic dynamism, which is a key aspect of Australian trade. Moreover, the region's ongoing stability and security has implications for Australia's economy as the trade routes that connect the Gulf to Australia and Asia also connect them to Europe, and increasingly, Africa.

The convenient convergence of interests for Australia is that while engaging in Gulf security matters serves these direct interests, it simultaneously satisfies its desire to be a productive ally to the United States. By employing a smart strategy of partnerships with a capable regional nation, Australia can increase its utility to its most powerful ally while pursuing its own interests.⁸ Australia understands the importance and benefits of international defense engagements. Successive Defence White Papers have emphasized the role that international defense engagement will play in how Australia manages the geopolitical challenges it faces, while it seizes opportunities across the Indo-Pacific to secure its national interests. Moreover, while the pursuit of strong security partnerships independent of the United States

are in Australia's direct interests, they may also create greater deterrence as a result.⁹

For Australia, the Gulf is too distant to justify investing broadly in regional capacity building or in close partnerships with multiple partners there. If Canberra is to balance its need to pursue its interests and hedge against unforeseen contingencies, it makes sense for Australia to invest in one or two key regional partnerships. Australia has a strong track record of using international engagement to build cooperation and capacity with partners in its own region to strengthen collective security and maintain stability, and it should use this as the foundation for its approach further afield.

For Australia,
the Gulf is too
distant to justify
investing broadly in
regional capacity
building or in close
partnerships with
multiple partners
there.

The key to success will be identifying the right partner. The UAE gets immediate recognition within Australian strategic thinking given the fact that it hosts Australian forces based at Al Minhad, without which Australia's operations in the region over the past decade would have been severely constrained. With arguably the most effective military force in the region, an increasing appetite for international involvement,¹⁰ and current diplomatic and defense links and strong trade flows, the UAE is the logical partner of choice. The idea that Australia should invest more heavily in its relationship with the

UAE as a cost-effective way of pursuing its broader interests in the Gulf region is not new and only becomes more compelling as the relationship matures.¹¹

As a small, dynamic country living in a strategically vital but highly unstable neighborhood, the UAE would also benefit from developing a stronger relationship

8 See Ross Babbage, *Game Plan*, op. cit.

9 See Patrick M. Cronin et al., *The Emerging Asia Power Web: The Rise of Bilateral Intra-Asian Security Ties*, Center For New American Security, June 2013, http://www.cnas.org/files/documents/publications/CNAS_AsiaPowerWeb.pdf.

10 Pierre Bienamé and Armin Rosen, "Why the United Arab Emirates Is the Middle East's Rising Military Power," *Business Insider Australia*, November 7, 2014, <http://www.businessinsider.com.au/why-the-uae-is-the-middle-east-s-rising-military-power-2014-11>.

11 Rodger Shanahan, *Enduring Ties and Enduring Interests? Australia's Post-Afghanistan Strategic Choices in the Gulf*, Lowy Institute for International Policy, August 2011, http://www.lowyinstitute.org/files/pubfiles/Shanahan%2C_Enduring_ties_web.pdf.

with Australia. For Gulf Cooperation Council (GCC) states like the UAE, regional and international security partnerships are essential for advancing defense and security goals. These states are surrounded by both large nations with significant conventional forces (Iran), and weak states that provide a base of operations for extremist and asymmetric threats (Libya, Yemen, Iraq, and Syria). Even working together, the GCC states cannot effectively withstand these threats. Therefore, maintaining regional security requires supplementation from partnerships with strong foreign powers who are invested in seeing the region remain stable and prosperous. The UAE has traditionally sought this from great power partners, with the United Kingdom (UK) and more recently the United States. But there is an increasing perception that Washington is becoming a disengaged and less reliable partner, motivating some Arab Gulf states to search more broadly for international security partners.

As the UAE becomes more confident politically and militarily on both the regional and international stage, Australia can be a valuable security partner. The experience of blending defense capabilities from numerous sources; working towards interoperability with Washington, particularly on offshore maritime security; countering terrorism; and deploying land and air forces as a regional power to fulfill priorities away from the national base are all aspects of defense activities that the two countries have in common and on which they can share lessons.

The Australia-UAE Partnership: Constraints and Opportunities

Australia and the UAE do not seem like natural partners. They are geographically separated and their regions do not overlap. They have different forms of government: Australia is a secular parliamentary democracy (albeit with a British sovereign head of state), while the UAE is governed by a federation of monarchies and has a legal system that combines Islamic law and civil law. Other than both contributing to operations in support of the United States and NATO in Afghanistan, they have not fought a war together. They do not have any meaningful, shared political history or cultural links. The UAE's population is less than half of Australia's while the Australian landmass is over ninety times the size of UAE.

But upon closer scrutiny, there are some important and striking similarities between the two nations: their gross

domestic product per capita and military expenditures are similar, and both countries have high levels of education and low unemployment.¹² They both have relatively small populations and are urbanized in the littoral with sparse and arid hinterlands. Both nations' economies are built on commodity exports and are heavily reliant on international trade to generate national prosperity. While they seek to further diversify their economies through the service sector, they continue to rely heavily on primary industries and their respective significant mineral reserves. Their reliance on international trade and vulnerability to international trends give both countries a disproportionate interest in the wider stability and security of their regions and encourage them to be proactive in shaping global affairs to ensure a stable, rules-based international system.

Historically, both countries' national strategies have emphasized partnering with the same preeminent sea power of the time. They also have key mutual national objectives, such as preventing nuclear proliferation, reducing piracy, maintaining freedom of navigation through the straits of Hormuz, and ensuring the unimpeded flow of energy, which is vital to both countries' security and prosperity. Increasingly, the threat of extremist ideologies and domestic terrorism are of concern to both, and they are actively seeking to combat it. They have also both demonstrated a willingness to commit national resources to pursuing their own interests, and those of the global community, including putting military forces in harm's way. While a security alliance framework does not directly link them—the UAE is not a formal ally of the United States or Australia—they are close partners with related alliance coalitions such as NATO.

The UAE-Australia partnership is substantial and continues to mature. It is characterized by strong personal relationships between key personnel from both countries at all levels. Leaders from both countries often visit the other for meetings, formally and informally.¹³ They have established a range of ministerial and senior annual meetings as well as

12 Sam Perlo-Freeman, Aude Fleurant, Pieter D. Wezeman, and Siemon T. Wezeman, "Trends in World Military Expenditure, 2014," Stockholm International Peace Research Institute, April 2015, http://books.sipri.org/product_info?c_product_id=496.

13 Michael Brissenden, "Al Minhad Air Base: A closer look at Australia's base for operations in the Middle East," ABC News, September 15, 2014, <http://www.abc.net.au/news/2014-09-15/al-minhad-australia-s-base-of-operations-in-the-middle-east/5744620>.



Members of Force Support Unit-9 based at Camp Baird in the UAE as part of the Operation Accordion's Reception, Staging, On-Forwarding and Integration, in May 2014. *Photo credit: Commonwealth of Australia.*

agreements on law enforcement, climate change, higher education, and research cooperation. In 2013, the two countries signed a memorandum of understanding stating Australia would supply uranium for the UAE's four planned civilian nuclear power plants. In 2005 the two countries began discussions on a free trade agreement (FTA), and came close to signing one, until the GCC decided the following year that their members should sign only collective multilateral trade deals. Negotiations for an Australia-GCC FTA began in 2006, but have yet to be concluded.¹⁴ Australia has flagged the GCC FTA as a policy priority.

UAE-Australia relations are built first and foremost on trade. Australian trade with Arab countries has continued to grow in recent years, with two-way trade

worth over \$14.5 billion in 2014,¹⁵ and the UAE is its largest trading partner in the Middle East. The UAE's economy heavily relies on the expatriate workforce, of which around sixteen thousand are Australian.¹⁶ This number represents a fraction of the workforce in the UAE, where 90 percent of the population is foreign. But it is a significant indicator of Australian interests there, as it is the largest outside of the traditional expatriate destinations in European or Anglo-sphere countries, and the emergent and closer markets in Asia. Most Australians migrate for economic-related reasons, and the fact that more Australians have settled in the UAE than in many American cities is an indicator of economic opportunities there.¹⁷

¹⁴ Australian Department of Foreign Affairs and Trade, "Australia-Gulf Cooperation Council (GCC) FTA," <http://dfat.gov.au/trade/agreements/agccfta/pages/australia-gulf-cooperation-council-gcc-fta.aspx>.

¹⁵ Minerva Nasser-Eddine, *Once Again, Australians Are fighting in the Middle East. Why?* op. cit.

¹⁶ Jure Snoj, "UAE's Population - By Nationality," *BQ Magazine*, April 12, 2015, <http://www.bq-magazine.com/economy/socioeconomics/2015/04/uae-population-by-nationality>.

¹⁷ Samatha Banfield, "Australians Abroad: Preliminary Findings on the Australian Diaspora," *Advance.org*, <http://advance.org/australians-abroad-preliminary-findings-on-the-australian-diaspora/>.

Two-way trade between the countries is becoming increasingly broad-based. Energy is currently the most significant sector, with nearly all UAE exports to Australia comprising petroleum products, representing around 20 percent of Australia's oil imports. Meanwhile, as the source of approximately a third of the world's uranium, Australia will be an equally important energy source for the UAE as it establishes a civilian nuclear power industry. Beyond energy, the UAE is an important export market for Australian agricultural products, while Australians are heavy users of UAE-based transportation services. Education is also an important and growing sector, with students travelling in both directions to study and several Australian educational institutions opening campuses in the UAE. As both economies pursue economic diversification, financial services, education, and tourism will be increasingly important aspects of bilateral trade. Investment between the two countries is limited, but there are more Australian companies in the UAE than in Indonesia, with which Australia conducts significantly more trade.

Current defense engagement between the countries is similarly comprehensive, though low profile. The importance of the Al Minhad base is hard to overstate. With the consolidation of Australian bases in the Gulf region in 2009, Al Minhad became the center of all Australian operations including all logistics, command, and regional engagement. In 2007, a Defence Cooperation Agreement was signed by the two countries, which sought to enhance bilateral military cooperation through senior visits, training and exercises, and potential cooperation in defense material. While some segments of Australia's defense industry, such as ship builder Austal, have already identified opportunities in the UAE, it remains an aspect of the agreement yet to fulfill its potential. With the UAE open to diverse suppliers of equipment and looking to increase its domestic industry, Australia's experience with systems integration and successful domestic production indicate an area of potential future growth.

Senior military leadership engagement and training are also developing well. The UAE has contributed aircraft to the last two Pitch Black exercises, the Royal Australian

Air Force's largest air exercise held in Australia's north. Emirati officers participate in Australian Defence Force (ADF) professional development schools, including staff college, and the UAE has recruited former ADF personnel in training, leadership, and advisory roles.¹⁸ A noteworthy example is former Australian Major General Michael Hindmarsh, who occupies one of the most sensitive security positions in the Emirates as a trusted security advisor to UAE Crown Prince (and effectively the country's top ruler) Sheikh Mohamed Bin Zayed and as the head of the UAE Presidential Guard.

The importance of these links are not only in the interpersonal relationships and skills transfers, but in the exchange of military cultures and perspectives. Officials from both countries highlight a cultural resonance with each other that is characterized by an attitude of equality and consistency in relations. Combined with both countries' inherently no-nonsense approach, relatively limited bureaucracy, and a lack of historical baggage, the future for further growth in the partnership is significant. The importance of this to each country's view of the other cannot be overstated.

Despite the increasing depth of the relationship, there are still natural constraints for potential growth. While the trade relationship currently looks strong and ascendant, an unexpected economic shock that could undermine it remains an ever-present risk. Both countries face resource-related constrictions in their economies, which could reduce their profile as markets for the other's products. While the size of the Australian expatriate workforce in the UAE is significant, Australian foreign workers are often economically motivated and have demonstrated a willingness to follow opportunities to greener pastures. This means that if opportunities in the UAE become more limited, or if another location were perceived to have greater opportunities in the future, it is likely that

Officials from both countries highlight a cultural resonance with each other that is characterized by an attitude of equality and consistency in relations.

¹⁸ Ian McPhedran, "United Arab Emirates poaches former major-general Mike Hindmarsh as security adviser," *Herald Sun*, December 3, 2009, <http://www.heraldsun.com.au/news/unit-ed-arab-emirates-poaches-former-major-general-mike-hind-marsh-as-security-adviser/story-e6frf7jo-1225806366075>.

the number of Australian expatriates in the UAE could plateau or constrict.¹⁹ Australian agricultural trade with Islamic markets has also been disrupted in the past by domestic views on animal treatment and perceived clashes of values, which has at times spilled over into the political domain.

The benefits of a security relationship for the UAE rely on long-term commitments. Any Australian short-termism could irreparably damage the future of the relationship. For the UAE, there are a range of other foreign militaries that could take Australia's place as security partner, including the UK, France, and South Korea, who may offer more in terms of security assistance and advanced arms sales and support. Moreover, they have shown in the past with Canada that they will not hesitate to sever a relationship that does not fully meet their broader national objectives.

A limited Australian commitment poses a real risk to the future of the partnership as Gulf security will always be a lower priority than that of Southeast Asia and the Southwestern Pacific. Engagement in the long term will have to face tightened budgets, public insularism, or constrictions in Australian visions of its international role. It is also unlikely that Australia would be willing to deploy forces to the Gulf in the case of a major security crisis if the effort were not led by the United States. The lack of formal alliance obligations further limits the likelihood of military engagement.

The geographic distance between Australia and the UAE means the Emirates will never hold the same importance as a country like Singapore or Indonesia. At best it could be argued that Australia's interests in the UAE are akin to those in South Korea: a key US ally in a strategically important region located at the edge of Australia's geographic primary area of interest, who has strong and expanding trade and people-to-people

links as well as shared regional security interests. But relations with South Korea are more mature, have a longer history and more established agreements, and involve larger volumes of trade. Over time, it is possible that the UAE's significance in these areas will grow to match those of South Korea, but South Korea is also an official ally of the United States, and the UAE is not. Australia also has obligations to South Korea,²⁰ along with a military legacy as a result of its participation in the Korean War from 1950 to 1953. Moreover, the UAE, Australia, and the United States are not yet engaged together in any formal arrangements. Formal participation in institutions such as the Commonwealth, the Southeast Asia Treaty Organization, and the Five Power Defence Arrangement still matter, although their modern value might be questionable.

With a war-weary public that does not understand the importance of the relationship in the way that its leaders do, any ongoing deployment or permanent basing of Australian troops in the Gulf region would face strong resistance from the Australian public. Even within the more globally engaged *2016 Defence White Paper*, the Middle East is given just a passing mention, and only in relation to traditional concerns around nuclear proliferation and the spread of terrorism. Australia lacks depth in its discussions concerning its interests in the Gulf and the Middle East, and what discussion it does have

rarely filters into the wider community, except where it intersects with domestic issues.

Once Australian operations in the Middle East cease, and the operational importance of the Al Minhad base decreases, the benefits and strategic logic for ongoing engagement with the UAE will need to be clearly understood by all levels of government. Otherwise, it could easily slip down the politicians' priority list as the Australian public's attention turns elsewhere. Without

Once Australian operations in the Middle East cease, and the operational importance of the Al Minhad base decreases, the benefits and strategic logic for ongoing engagement with the UAE will need to be clearly understood by all levels of government.

19 Samatha Banfield, *Australians Abroad: Preliminary Findings on the Australian Diaspora*, op. cit.

20 Andrew Selth, "Australia and Korea's wars," Lowy Institute for International Policy, November 29, 2010, <http://www.lowyinstitute.org/post/2010/11/29/Australia-and-Koreas-wars.aspx>.



A Mirage 2000-9 from the UAE Air Force and an FA-18A Hornet from the Royal Australian Air Force fly side-by-side during Exercise Pitch Black, August 2014. *Photo credit: Commonwealth of Australia.*

the fear of foreign jihadists returning home or the potential spread of Islamic State of Iraq and al-Sham militants into Australia's backyard, it will be difficult to justify a significant presence in the Middle East to the Australian public. Cultural issues can also be a barrier in Australia, which has a problematic history with non-Anglo cultures. Despite a significant legacy of Arab populations in Australia from its earliest days, the 2005 Cronulla riots and current wave of Islamophobia show there are still challenges to cultural acceptance.²¹

²¹ In 2005, long building racial and cultural tensions boiled over in the small Sydney beachside suburb of Cronulla when young men of Middle Eastern descent from Sydney's western suburbs became engaged in a physical confrontation with two off-duty lifeguards. A large, nationalist leaning rally was organized by Caucasian Australians in response that turned into drunken violence when groups began aggressively targeting individuals perceived as foreign, leading to confrontations with police. Following the incident, Middle Eastern groups from Sydney's West retaliated with similarly violent attacks of vandalism. It is Australia's worst racial violence in recent history.

Blueprint for Strengthening Ties

There are a number of ways that Australia and the UAE could seek to cement their relationship. Increased cooperation should start with more economic and cultural engagement. There are already a number of official and commercial business councils located in both countries, such as the Council for Australian-Arab Relations, the Australian Business Council Dubai, Australia Arab Chamber of Commerce and Industry, and the Australian Business Group Abu Dhabi. These groups are invaluable, advocating for increased trade, making two-way exporting easier, and providing grants and scholarships.

But there remains scope to expand cultural engagement through partnerships at the local level and sponsorship of cultural engagement events at both ends, akin to the G'Day USA events held annually in the United States by the Australian government. Completion of the Australian-GCC free trade agreement would open new opportunities for economic integration and increased



Air Commander Australia, Air Vice-Marshal Mel Hupfeld, DSC accepts a gift of appreciation from Lieutenant Colonel Salman Al Qubaisi from the United Arab Emirates Air Force during Exercise Pitch Black 14.
Photo credit: Commonwealth of Australia.

trade, particularly in energy, minerals, and professional services. In particular, as new partnerships on nuclear energy grow, a broader range of government, academic, and commercial agencies should find new ways to cooperate. The defense industry also provides a focus area for growth, and the two countries could explore opportunities for cooperation in this space, providing new paths to commercial cooperation and increasing platform interoperability.

As noted earlier, the UAE and Australia already have a broad and diverse range of military engagement. Participation of Emirati officers in Australian professional development courses should be continued and expanded, as should participation in major exercises. The new Australian Defence White Paper indicates its intent to increase military exercises between the two countries, which should take the form of smaller annual exercises in both countries.²²

²² The Australian government's 2016 *Defence White Paper* can be accessed at <http://www.defence.gov.au/whitepaper/Docs/2016->

Australia's expertise at offshore maritime patrolling and antipiracy could also be leveraged for capacity and cooperation-building activities. Australia has helped regional partners increase their counterterrorism capabilities, and considering the mutual interest in combating extremism, this provides another area for potential cooperation.

Australia also provides select neighbors an opportunity to train in Australia's vast exercise areas, with some countries even basing units at Australian ranges for use in training. This provides small countries with larger and more diverse training areas as well as strategic depth.²³ The UAE already trains its marines at 29 Palms in the United States under such an arrangement, and once the operational tempo allows, Australia should consider

[Defence-White-Paper.pdf](#).

²³ Kelvin Wong, "Singapore pursues expansion of military training space in Australia," *IHS Janes 360*, November 23, 2015, <http://www.janes.com/article/56189/singapore-pursues-expansion-of-military-training-space-in-australia>.

offering the UAE a similar arrangement. Given the hospitality the UAE has shown Australia at Al Minhad, this would represent an appropriate reciprocity.

Australia and the UAE would be well served by initiating a discussion on the merits of an ongoing Australian presence at Al Minhad, beyond the cessation of current operations. A small but enduring presence of Australian forces in the UAE, similar to the contingent of US Marines in Darwin or Australia's rotations through Royal Malaysian Air Force (RMAF) Butterworth in Malaysia, could provide a range of benefits including the ability to respond to global contingencies more quickly, improved sustainment of maritime security operations, and increased opportunities for regional security cooperation.²⁴ For the UAE, it would signal Australia's long-term commitment to Gulf security and prosperity.

While usually viewed in terms of providing a gateway into the Middle East, the Al Minhad base also provides the ability to operate into North Africa, South Asia, and the northwest Indian Ocean. In effect, it provides a Western anchor to Australia's Indo-Pacific area of interest. Australia is geographically isolated from much of the world, and such an arrangement would give it the ability to not only undertake military operations in the region, but also respond to humanitarian crises as a responsible global citizen and protect its globally dispersed population when necessary. There would likely be significant resistance to the idea of an ongoing deployment from the Australian public, but few Australians are aware of all of the country's military commitments, including the enduring peace monitoring deployments in the Middle East or its rotations at RMAF Butterworth in Malaysia. In any case, consideration of such a commitment by Canberra should go hand-in-hand with an increased public discussion of Australia's interests around the world and how to best use its military to pursue them.

The UAE-Australia Joint Defence Cooperation Committee and other high-level committees provide forums for the two countries to discuss issues of mutual concern. However, as security concerns in the Gulf and Indian Ocean region increase, they should examine opportunities for greater collaboration and

planning at the operational level. As national objectives are likely to overlap with those of their mutual great power ally, it would be beneficial if these discussions included a mechanism with the United States for the establishment of lower-level forums. This could include at the national planning level, for instance, with representatives from Headquarters Joint Operation Command in Australia and US Central Command. This would have the dual benefit of coordinating effort and increasing operational-level planning familiarity.

As relations between Australia and the UAE continue to mature and engagement expands, new opportunities will naturally arise. But the process will be aided and accelerated by the two countries taking proactive steps to build depth into the partnership and exploiting current successes to ensure a broad and comprehensive engagement between the countries within government, business, and academic sectors. Such steps could include the following:

- Both the UAE and Australia would benefit from a clear articulation of their own interests and vision. In general, the UAE would benefit from a defense strategy document akin to a Quadrennial Defense Review or Defence White Paper to lay out its expectations and intent for its military forces. Australia's *2016 Defence White Paper* lacks depth in its discussion of the Middle East and an articulation of its interests there. This should be remedied in the next iteration, or better yet, Australia should develop a specific Middle East strategy to complement its strategy for engaging with Asia.
- Both countries should seek to expand military training opportunities with the other. Australia should invite the UAE to undertake training at appropriate range facilities, in the form of both bilateral exercises with Australian units, and if the UAE so desires, unilateral UAE-only exercises as well. Australia should also explore ways to increase training opportunities using the forces already stationed in the UAE to build regional cooperation. When Australia's current operations in the Middle East cease, the government should consider maintaining a small training detachment on rotation to assist in training activities in the Gulf and as forward support to respond to future contingencies.

²⁴ Rodger Shanahan, *Enduring Ties and Enduring Interests? Australia's Post-Afghanistan Strategic Choices in the Gulf*, Lowy Institute for International Policy, August 2011, http://www.lowyinstitute.org/files/pubfiles/Shanahan%2C_Enduring_ties_web.pdf.

- Australia and the UAE should seek to build on existing government-to-government committee talks by increasing the engagement between operational-level planners. Ideally this would be undertaken in coordination with the United States to ensure each of the three countries is clear on the others' objectives in the Gulf region and provides opportunities for coordination and collaboration.
- Australia and the UAE should continue to explore expanded economic partnerships in both trade and investment. They should continue to work toward an Australian-GCC free trade agreement, but also look for new ways that the countries can engage economically, particularly in areas such as energy, services, technology, and potentially defense.
- Australia and the UAE share several mutual interests in international advocacy, including on climate change, nonproliferation, and maintaining freedom of navigation across international waters. The two countries should identify ways they can work together to further such issues in collaboration with other like-minded nations. They should also enhance multilateral forums of mutual interest such as the Indian Ocean Rim Association.
- While cultural integration will develop as students and professionals working in each other's countries circulate, both countries could accelerate the process by increasing cultural engagement between the two populations. Sponsorship of cultural awareness events in each country highlighting the depth and future opportunities each country presents to the other will raise awareness and hopefully stimulate broader discussions of each country's national interests in the other.
- The current defense cooperation agreement between the two countries is useful, but it is nearly

a decade old and as the relationship has rapidly matured, it has become dated. The UAE and Australia should look to renew, expand, and update the agreement, potentially including provision for the recommendations laid out here.

Conclusion

The relationship between the UAE and Australia is growing rapidly. Less than two decades after the opening of the UAE Embassy in Canberra, both countries tout the partnership as a model for how two countries can rapidly build healthy and effective relations for mutual benefit. Yet, the relationship is not of critical importance to either country and a range of limiting factors could undermine its growth. Currently the strength of the partnership relies heavily on personal relationships and current circumstances that could erode if not actively managed or if disrupted by a major event. To continue to view the relationship through its current form risks missing greater opportunities for mutual benefit.

The global order is changing rapidly and the United States and its allies must evolve to meet new threats and react to future contingencies. Further investment in the Australia-UAE relationship represents a cost-effective way to pursue each nation's direct and mutual interests while hedging against future contingencies. Moreover, it simultaneously increases each country's value to their mutual great power security guarantor, the United States, while increasing the collective capability and deterrence value to the broader web of like-minded countries. It may not be an obvious or high-profile partnership, but is one of greater value than the sum of its parts.

John Watts is a nonresident senior fellow at the Atlantic Council's Brent Scowcroft Center on International Security.

Atlantic Council Board of Directors

CHAIRMAN

*Jon M. Huntsman, Jr.

CHAIRMAN EMERITUS, INTERNATIONAL ADVISORY BOARD

Brent Scowcroft

PRESIDENT AND CEO

*Frederick Kempe

EXECUTIVE VICE CHAIRS

*Adrienne Arsht

*Stephen J. Hadley

VICE CHAIRS

*Robert J. Abernethy

*Richard Edelman

*C. Boyden Gray

*George Lund

*Virginia A. Mulberger

*W. DeVier Pierson

*John Studzinski

TREASURER

*Brian C. McK. Henderson

SECRETARY

*Walter B. Slocombe

DIRECTORS

Stéphane Abrial

Odeh Aburdene

*Peter Ackerman

Timothy D. Adams

Bertrand-Marc Allen

John R. Allen

Michael Andersson

Michael S. Ansari

Richard L. Armitage

David D. Aufhauser

Elizabeth F. Bagley

Peter Bass

*Rafic A. Bizri

Dennis C. Blair

*Thomas L. Blair

Philip M. Breedlove

Myron Brilliant

Esther Brimmer

*R. Nicholas Burns

William J. Burns

*Richard R. Burt

Michael Calvey

James E. Cartwright

John E. Chapoton

Ahmed Charai

Sandra Charles

Melanie Chen

George Chopivsky

Wesley K. Clark

David W. Craig

*Ralph D. Crosby, Jr.

Nelson W. Cunningham

Ivo H. Daalder

*Paula J. Dobriansky

Christopher J. Dodd

Conrado Dornier

Thomas J. Egan, Jr.

*Stuart E. Eizenstat

Thomas R. Eldridge

Julie Finley

Lawrence P. Fisher, II

*Alan H. Fleischmann

*Ronald M. Freeman

Laurie S. Fulton Courtney

Geduldig

*Robert S. Gelbard Thom-

as H. Glocer

*Sherri W. Goodman

Mikael Hagström

Ian Hague

Amir A. Handjani

John D. Harris, II

Frank Haun

Michael V. Hayden

Annette Heuser

Ed Holland

*Karl V. Hopkins

Robert D. Hormats

Miroslav Hornak

*Mary L. Howell

Wolfgang F. Ischinger

Reuben Jeffery, III

*James L. Jones, Jr.

George A. Joulwan

Lawrence S. Kanarek

Stephen R. Kappes

Maria Pica Karp

Sean Kevelighan

*Zalmay M. Khalilzad

Robert M. Kimmitt

Henry A. Kissinger

Franklin D. Kramer

Philip Lader

*Richard L. Lawson

*Jan M. Lodal

Jane Holl Lute

William J. Lynn

Izzat Majeed

Wendy W. Makins

Zaza Mamulaishvili

Mian M. Mansha

Gerardo Mato

William E. Mayer

T. Allan McArtor

John M. McHugh

Eric D.K. Melby

Franklin C. Miller

James N. Miller

*Judith A. Miller

*Alexander V. Mirtchev

Susan Molinari

Michael J. Morell

Georgette Mosbacher

Thomas R. Nides

Franco Nuschese

Joseph S. Nye

Hilda Ochoa-Brillembourg

Sean C. O'Keefe

Ahmet M. Oren

*Ana I. Palacio

Carlos Pascual

Alan Pellegrini

David H. Petraeus

Thomas R. Pickering

Daniel B. Poneman

Daniel M. Price

Arnold L. Punaro

Robert Rangel

Thomas J. Ridge

Charles O. Rossotti

Robert O. Rowland

Harry Sachinis

John P. Schmitz

Brent Scowcroft

Rajiv Shah

James G. Stavridis

Richard J.A. Steele

*Paula Stern

Robert J. Stevens

John S. Tanner

*Ellen O. Tauscher

Frances M. Townsend

Karen Tramontano

Clyde C. Tuggle

Paul Twomey

Melanne Verveer

Enzo Viscusi

Charles F. Wald

Michael F. Walsh

Mark R. Warner

Maciej Witucki

Neal S. Wolin

Mary C. Yates

Dov S. Zakheim

HONORARY DIRECTORS

David C. Acheson

Madeleine K. Albright

James A. Baker, III

Harold Brown

Frank C. Carlucci, III

Robert M. Gates

Michael G. Mullen

Leon E. Panetta

William J. Perry

Colin L. Powell

Condoleezza Rice

Edward L. Rowny

George P. Shultz

John W. Warner

William H. Webster

*Executive Committee Members
List as of September 23, 2016



The Atlantic Council is a nonpartisan organization that promotes constructive US leadership and engagement in international affairs based on the central role of the Atlantic community in meeting today's global challenges.

© 2016 The Atlantic Council of the United States. All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means without permission in writing from the Atlantic Council, except in the case of brief quotations in news articles, critical articles, or reviews. Please direct inquiries to:

Atlantic Council

1030 15th Street, NW, 12th Floor,
Washington, DC 20005

(202) 463-7226, www.AtlanticCouncil.org