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# McCain v Obama: What the 2008 US election means for Australia\*

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The McCain-Palin ticket may have stolen the headlines and taken the lead from Obama-Biden in America. But a recent BBC survey shows that Barack Obama overwhelms John McCain in global opinion by a whopping four-to-one margin. Australia ranks as the fourth most pro-Obama out of the 22 countries polled, behind only the homeland of Obama's father, Kenya, and Europe's anti-Bush bastions, France and Italy. Almost two-thirds of Australians think America's global relations would improve under a President Obama. Only one in five Australians think things would get better under a McCain administration.

These dramatic differences reflect a clear mismatch between what Americans and Australians want from the next US president. They also set up the world to be both challenged and disappointed by what 2009 brings. In Australia, this may mean: more pressure for Australia to be a bigger player in Afghanistan than it wants; less leadership on climate change than Australia covets; less interest in Asia than Australia expects; and the rising protectionism that Australia fears.

## **The US-global opinion mismatch**

Amid the deepest economic downturn in a generation and still haunted by 9/11, Americans today are anxious about their future at home and abroad—a far cry from the supremely confident country that elected George Bush eight years ago.

Like people around the world, many Americans are excited by Obama. But they just haven't yet convinced themselves that now is the time to risk putting the presidency in his untested, even if inspiring, hands. There may be lots of warts on McCain, but Americans think they know McCain, an experienced leader who will come through in a crisis.

Much of the world wants to turn the page on the Bush years, embracing Obama as the anti-Bush in so many ways. McCain's strident and unwavering support of the Iraq war tars him with the Bush brush. Selecting Governor Sarah Palin, a cute but feisty and socially conservative attack dog from Alaska, as his running mate and claiming the

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mantle of change from Obama is working wonders for McCain in the US. But it is testing the bounds of credulity elsewhere, even as the world is transfixed by this public soap opera on the biggest possible stage.

This election itself will not end the mismatch between American and global perspectives. It may even exacerbate them.

The world would embrace US leadership under Obama, but only grudgingly accept it under McCain. Either way, the harsh realities of the challenges facing America mean that the differences between Obama's global feel good and McCain's ho hum sameness will soon dissipate, leaving only frustration and disappointment over continuity and insularity.

Whoever is the next US President will have simply no choice but to make his highest priorities expanding the scope of the war on terrorism from Iraq to Afghanistan, Iran and Pakistan and turning around the US economy in a way that calms the anxieties of Middle America.

America's twin economy-war on terrorism focus will have significant knock on consequences for Australia on the issues most important to it.

### **Afghanistan and the war on terrorism**

The public mudslinging and vitriol over the invasion of Iraq goes on, but just below the surface an elite American consensus is emerging on Iraq. The US will draw down the majority of its 150 000 troops in Iraq over the next four years, perhaps on the 2010 Obama timeline. But assuming Iraq allows it, a sizeable US 'residual' force (at least several tens of thousands of troops) will stay on indefinitely. A Vietnam-style exit is just not on the cards. But a South Korea-style garrisoning certainly is.

The next president will pay more attention to Afghanistan, sending at least 20 000 more troops there. Right now the American public is blissfully ignorant of the enormous commitment required to win in Afghanistan, especially as the conflict increasingly bleeds into an unstable and already nuclear Pakistan. As the grim realities become clearer, Americans won't tolerate another war based on an indefinite commitment and no exit strategy on top of the trillions spent, thousands of lives lost and relentless troop rotations in Iraq.

The US will again come calling on its allies to do more in Afghanistan. After Bush's failures, will the next president do better? Continental Europe's knee-jerk pacifist predilections run deep. Canada has been at war with itself over Afghanistan for years. And the political instability in Britain leaves it in no position to stand up as it did in Iraq.

That leaves Australia. Kevin Rudd artfully won US support for Australia's withdrawal from Iraq. But he did so by committing Australia to Afghanistan for the long haul. Sooner rather than later, America's next president will want to cash in the ticket. How to honour it looms as large for Rudd as entering Iraq did for John Howard.

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Executing the 'less Iraq, more Afghanistan' pivot is not the only major Islamic extremism challenge facing the next US president. The trajectory of Iran's nuclear program is not sustainable, if for no other reason than because Israel insists it must respond to an escalating Iranian nuclear program with force if the world does not. Add to the mix the Tehran-controlled Shiite crescent stretching as far as Gaza and Lebanon, and the possibility of a US-Iran war cannot be discounted even after Dick Cheney leaves the stage.

It is hard to imagine that the Rudd Government will do anything other than support the US over Iran. But if the rockets start firing, Australia's fidelity will be sorely tested.

Two conclusions seem clear about the fight against Islamic extremism. First, the war on terrorism will be no less a priority for the US in 2009 than it is today. Second, Australia will be under at least as much pressure to remain committed to US military adventures as it was during the Howard-Bush years.

### **Globalisation in reverse**

A strange thing has happened on the long road to the US presidency. After almost five years of constant and blanket coverage of Iraq, the economy is now the voters' number one concern. The sub-prime meltdown and the doubling of oil prices have been a devastating one-two punch in the guts of Middle America.

The financial sector has incurred half a trillion dollars in credit losses and asset write-downs over the past year. Fannie Mae and Freddie Mac, guaranteeing half the country's mortgages, have been given a blank cheque bail-out. The once mighty greenback has lost 15 per cent of its value. At the same time, the prices Americans pay to feed their families, drive their cars and run their businesses are all rising alarmingly quickly.

Cool heads say the US economy will bounce back as it has many times before, and that the worst thing government can do is overreact. But the presidential candidates must ignore this advice and propose to do something, anything, to salve middle class economic anxiety and insecurity.

Home ownership and housing appreciation, pillars of the American dream, lie in ruins. House prices are down more than 15 per cent from last year. Twenty million homes stand empty, with another 25 million in negative equity. Foreclosures exceed sales in many states.

This body blow to Middle America could not come at a worse time. Inequality is at its highest level in nearly a century. Job security is eroding. Wages are stagnant. The twin crises of health care and retirement benefits loom. Voters think their lives are getting worse, not better.

The next president will have to feel the electorate's pain. US support for further globalisation will be a primary casualty. Almost two-thirds of Americans believe that free trade has been bad for the country. A decade ago, globalisation's opponents were

limited to Americans without a tertiary education. Today, globalisation's supporters are limited to America's globetrotting elite with postgraduate degrees.

George Bush has a surprisingly feeble record of furthering globalisation. Notwithstanding the protectionist and populist grandstanding of the Democratic primaries, there is no reason to expect the next US president to do any better.

The North American Free Trade Agreement won't be undone, much less the FTA with Australia. But even if the US can't or won't roll back globalisation, it is in no position to push for more of it. Victims of faltering US leadership will range from mega deals like Doha to agreements with tiny Colombia and Panama. Ambitious regional goals like an APEC free trade area seem at best fanciful.

This can only be bad news for an Australia whose future is so tightly tied to an open and dynamic Asia-Pacific economy. Predictions of a global 'decoupling', with the Chinese growth engine unaffected by problems in America, seem at best premature. If America's downturn ends up curbing China's insatiable appetite for raw materials, the impact on Australia could be devastating.

### **Energy independence, not climate change**

The climate change cause is another likely victim of America's economic blues. The next US president will certainly talk a greener game than George W. Bush, but whether he will be able to move the policy needle is entirely another matter.

Even Bush now concedes that climate change is probably real, human action contributes to it, and America must do something about it. Both presidential candidates have gone much further, not only announcing reductions targets but also proposing emissions trading schemes to reach them.

But economics unconditionally dominates environmentalism in the US. The challenge of climate change just does not touch Americans in the visceral way it has Australians, whose sunburnt country is confronted every day by drought. Energy independence, not climate change, is the rallying cry when it comes to sustainability. First John McCain, and now Obama, have said that renewing American offshore oil drilling should be part of any comprehensive energy policy.

The Rudd Government is now saying that getting global agreement on a post-Kyoto regime by the end of next year may be a bridge too far. But coordinated national action is now the mantra, and Australia is clearly hoping that the US will enact a serious emissions reduction scheme very soon.

Don't hold your breath. Less reliance on Middle Eastern oil is considered an unequivocal good in the US. But the winning political move is squeezing more oil out of America's soil and waters, not punishing companies and consumers for their carbon emissions. When it comes to the global climate change game, all the indications are that the standoff between the two largest emitters, the US and China, over who moves first, will continue.

### **Power balancing, not institution building in Asia**

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Scapegoating China is easy political sport in the US. But the Bush Administration's implicit leitmotif has been old style China power balancing. Its China-specific policies have been remarkably even-handed. The Bush team has ignored the protectionist catcalls of Congress and engaged Beijing's leaders behind closed doors. Pentagon bureaucrats obsess over China's military aspirations.

At the same time, the Administration went way out on a limb to support India's admission to the global nuclear club, knowing full well that this would open it to damaging double standard critiques at home and abroad. But Bush pressed on, clearly believing that such a landmark agreement between the world's largest democracies is the best way to balance China's growing power in Asia.

If the Indian civilian nuclear deal finally comes into force, neither candidate will have much incentive to overturn it. The non-proliferation regime costs have been borne by the Bush Administration while the next president will simply inherit any benefits from the US-India agreement.

There has been no room in this geo-political chess game to embrace Asian institution building. Kevin Rudd may want an Asia-Pacific Community to grow out of APEC, but most Americans are happy to let this Clinton legacy wither into insignificance. They haven't noticed, much less cared, that the US has been conspicuously not invited to Asia's flagship political forums.

How much will all this change in 2009? Probably not much. McCain and Obama have been close to silent on the subject of Asia. When they have spoken, their words have had all the trappings of dutiful foreign policy wonks, not top of mind enthusiasm. The contrast with Australia could not be starker.

McCain is more hawkish than Obama on China's military aspirations. Obama is more likely to take China to task over its trade practices and human rights record. Both will voice concern over China's efforts to corner the global market on natural resources. But the broad framework of peaceful but wary coexistence with China will most likely continue.

Broader Asian issues will likely stay off the political radar in Washington. The US will probably still want Canberra as its deputy sheriff and eyes and ears in South-East Asia. But don't expect the US to reciprocate by stepping up as co-conspirator in Kevin Rudd's Asia-Pacific ambitions.

### **Business as usual isn't so bad**

It makes perfect sense after the last eight years that expectations for the next US president are high. That these expectations will likely go unsatisfied is less newsworthy but no less important.

This does not mean, however, that the US's global impact will be any smaller. There is much more to America's worldwide impact than Washington's foreign policy, and the dynamism of America's globalised private and not-for-profit sectors shows no signs of slowing down.

Silicon Valley innovations in information and communications technology have not only made for a smaller, more efficient, more connected and more interesting world. They also empower the people-to-people connections that will ultimately help weaken the foundations of Islamic extremism. The next generation of American innovations in clean, alternative and efficient energy may end up doing more for climate change than any carbon policies the next US administration might adopt—just as the efforts of the Gates Foundation have arguably done more for HIV/Aids than the World Bank and the World Health Organisation.

The US Government may not sign any new free trade agreements, and it may stay on the sidelines of Asian institution building, but this will not stop American-headquartered multinational firms designing, financing, producing and selling products around the world. Building deep roots in China, India and the rest of emerging Asia is at the very top of their must-do lists. Though poverty reduction and political empowerment are not their proximate objectives, they will likely be the lasting consequences of the quest for new markets.

The new president will enter the Oval Office in January squarely focused on the great challenges he will inherit and conscious of his equally significant limitations in meeting them. As a result, America will look and act more like a normal country in 2009 than it did during the more imperious and impetuous days of the Bush Administration—far from a bad thing. But this humbler and more inward looking America will be in no position to offer the inspiring global leadership the world is looking for.



**Question** — When you were talking about Sarah Palin, who is obviously an issue at the moment, you were saying that you thought that perhaps she was a short-term bump for McCain in term of whether he is likely to be elected or not, like the dead man's bump I heard it described. There is only a two months until the 4<sup>th</sup> November, so do you get the feeling that that bump will last long enough to tip him over the line?

**Geoffrey Garrett** — The answer is I don't know. If you were thinking about what are the biggest questions that will determine the final result, that's probably in the top two or three for me. Can Palin withstand what will be the withering intensity of questioning of her understanding of the world, I think, is going to be an enormous question and the questioning has already started. I do think that what used to be the most boring event in the entire calendar, the vice presidential debate, is now likely to be one of the world's most watched political debates. And the difficult thing there is going to be for the arrogant Joe Biden to be able to resist the temptation to talk down to Sarah Palin because that would be the worst thing he could possibly do. So Biden in that debate is going to have to project all his knowledge of the world without ever appearing to talk down to Palin. That will be tough for him. It may be tough for anybody but I think it may be tougher for Joe Biden than most.

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On Palin's side clearly what they are going to do is try to school her up as quickly as possible so that the fact that her international experience up until last year extended to Canada, which one must go through to get back to the continental US; and Mexico, I don't know if she went there for a vacation or something. I would be trying to get out of Alaska if I could in the winter. So that's one. The second one: is can McCain credibly continue to run as a change agent when his policies? If you sheared away the gloss, his policies look pretty conventional Bush-style policies. Can he continue to win the change game from Obama? Third and most important is, can Obama do something to recapture the buzz that surrounded him a couple of months ago? As I said I don't think one should date McCain's ascendance to his decision to pick Palin. I think that the change in the dynamic of the campaign pre-dated that and it was Obama's decision to become much more of a conventional Democrat that made all this possible for McCain. So now the question is something the Obama people are asking themselves on a second by second basis: what can we do to get the magic back for our candidate?

Those would be the big three. I don't know how they are going to break and of course events in the real world might have a big impact. Something that might happen internationally in the US; if the Georgia/Russia crisis became an overnight: 'Oh my God, what have we forgotten about? Is the cold war back?' Something like that. Or the failure of a very large American financial institution like Lehman Brothers. Those could affect the campaign. But I think the three questions that I enunciated are the ones that are likely to determine ultimately who wins.

**Question** — There is of course another set of elections that take place in November; that's the election for the Senate, the House of Reps and indeed governors. The Republicans from your analysis would probably be expected to do less well in that outcome. First of all can you comment on that, and secondly, what effect will possibly a stronger Democratic Congress have on either president, Obama or McCain?

**Geoffrey Garrett** — Your supposition I think is entirely correct. That is that the Democrats will do very well in the Congressional elections because the Republican Party as a party is at least as unpopular as President Bush in the US at the moment. There have been some stunning local election results confirming that. What it will mean ultimately? It would be obviously that both potential presidents would be pretty heavily constrained in their legislative agenda by what Congress would go for and a Democratic Congress is likely to want as much support for middle America as they can possibly get in an environment where it's going to be hard for the country to pay for that.

I guess if you force me to make predictions about domestic policy, my prediction would be quite a few things that are of big symbolic value but probably not as much of substance. On the foreign policy side, it's always the case that there tend to be battles between Congress and the executive branch irrespective of whoever is holding power on both sides. I would expect those to continue, but at the end of the day it's what the President says that goes in foreign affairs, including decision to commit troops. I'm not sure if Congress will affect foreign policy so much. With the exception of things that have to be ultimately ratified by treaties such as new economic agreements, free trade agreements, and there as I said, I just don't expect

much action because I don't think the country is in a place to embrace free trade and globalisation. It's feeling insular, inward-looking and anxious at the moment.

**Question** — I think a lot of us have a really simple background worried feeling about this election. That is that Senator Obama may have come a little bit too early and that when it comes to the day America is still not prepared to put a non-white in the white house.

**Geoffrey Garrett** — I think it would be naive to believe that race is not a factor. How big of a factor race is with respect to Obama I'm not sure. It's my feeling that the reason Barack Obama is not ten solidly ten points ahead in the opinion poll, which is what the state of the economy and the unpopularity of the President would predict, is that the country is not convinced in a time when it's anxious that they can risk putting Barack Obama in the White House. Some of that might have to do with race, some of it might have to do with age, some of it might have to do with lack of experience.

The one thing that Obama can do: he can't change his race, he can't change his age, he can't change his inexperience, but he can connect with the American people in the form of a narrative about who he is in a way that they can understand. I don't think he has done that effectively thus far. If you go back and look at the convention acceptance speeches for example, the strongest part of McCain's speech by far was when he was talking about the changes that literally went through him as a person during his incarceration in the Vietnam War: 'I went from thinking about myself to knowing I had to serve and thank my country.' If you look at the Obama speech all Obama said was: 'McCain tells you I'm a celebrity, but I'm going to tell you that my heroes are my regular working mother and grandparents', and then when he went for the soaring oratory, it wasn't oratory about him, it was oratory about John F. Kennedy and Martin Luther King, clearly his two heroes and the people he is most often compared to. But it had this feeling, to me at least, that it was a bit distant. That he understands full well what's inspiring, but he can't do this: 'This is who I am' thing in a way that regular folks go for.

Interestingly, the sort of 'who is Barack Obama?' question is something that both the left and the right in the US concentrate on. There was a typically lengthy but fascinating story in the *New Yorker* a couple of months ago where a *New Yorker* columnist went to Chicago to discover Barack Obama's roots because Chicago has a famous black political machine on their side. And the person was just struck by the fact that no-one in the black Chicago Democratic political machine had very nice things to say about Obama. Because they didn't think that he was one of them, he didn't earn his stripes there he didn't stay there and he doesn't go back there. He shot meteorically through that world then he spent a couple of years in Springfield in the state assembly then he was in Washington and now he is running for President. He hasn't been there long enough for people to know who or what he is. So it's a long winded way of saying one should not discount residual racial considerations in this election. I think there is a lot more going on with this seeming unwillingness of middle America to embrace Obama than just race.

**Question** — This question sort of reflects concerns that I have found when talking to my students and other people, teachers. As I understand it, George W. Bush gets a lot of support from the Christian right in America. Sarah Palin is an evangelical Christian



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and there have been a couple articles I have read published about her background and religious beliefs. Do you think there is an opportunity that McCain can use that to mobilise the Christian right in America to vote for him? I see that as an issue because there are single issue votes for things like abortion, stem cell research, same sex marriage which all have a religious moral dimension. Do you think that would be a factor in the upcoming election?

**Geoffrey Garrett** — Yes. One could muse on this for a long time. Let me make a couple of pointed comments. The first one is that the religious right is solidly in the republican camp and would have been ‘trapped’ to vote for McCain anyway. If one goes back to the 2004 election, the re-election of George Bush, it wasn’t actually the religious right, it was the so-called security mums who ended up being the critical constituency. That was middle-class women driving their children to soccer games, not the ice hockey games that Sarah Palin talks about. That is a constituency that is hard for Obama to win because Obama’s core support bases are African-Americans and young people; 18 to 29 –year-olds who otherwise wouldn’t participate in politics, who are just so excited by this guy.

The Palin thing was more about the Hilary Clinton voters, because McCain could read the polls as well as anybody else with all of these people who voted for Hilary Clinton, mostly women, in the Democrat primary, saying they just could come to vote for Obama. It has been the case that when the Democrats have won, they have won on the back of women’s’ votes. In 2004 John Kerry didn’t do nearly as well among women as he needed. If Barak Obama doesn’t do well, that won’t go well for him.