



The Geopolitics of Tsunami Relief

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Theme: The global response to the Indian Ocean seaquake and tsunami disaster has been unprecedented. More than 50 governments and agencies have pledged some US\$5 billion in aid; companies and individuals have promised another US\$1.5 billion. Although this generosity will create a number of diplomatic openings, the long-term implications for international politics will be limited

Summary: The primary geopolitical consequence of the disaster in South-East Asia is that it gives the troubled United Nations a potentially new lease of life; it provides the organisation with an unexpected opportunity to prove its usefulness. More immediately, Australia and the United States have seized the strategic opportunity to make a major anti-terrorism and relationship-building investment in Indonesia, a country indispensable to regional security and the global war on terrorism. Meanwhile, Germany, India and Japan hope the crisis will enhance their chances of obtaining a permanent seat on a reformed UN Security Council, but it remains unlikely that their generosity will resolve intractable political problems in the countries receiving their aid. Indeed, the goodwill generated by the disaster-related cooperation is unlikely to form the basis for a long-term easing of regional tensions.

Analysis: *Disaster Diplomacy and the National Interest*

Disaster relief is an excellent opportunity to advance the national interest. Although disaster aid may be humanitarian by definition, decisions to grant and allocate aid are made within domestic and international political environments. And the more media attention given a particular disaster, the more likely that aid will be allocated and in more generous amounts. Indeed, it seems reasonable that countries expect their altruism to win them friends and increase their global influence. But at a time when the debate over multilateralism is the main issue in international politics, the global response to the tsunami disaster is a timely reminder that self-interest remains the key motivating force behind the 'international community'.

The *Financial Times Deutschland* described international aid-giving in Asia as a 'coldly calculated competition of mercy'. Indeed, governments around the world have engaged in a bidding war to offer higher and higher sums for disaster recovery, with pledges far exceeding both the immediate needs and the capacity of affected countries to absorb the aid. Indeed, the challenge over the next few months will be to coordinate delivery of aid rather than to raise more money. So as the largest international relief operation ever launched takes shape, the political dimension is also coming into focus.

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The US was slow to see both the size of the tragedy, and its potential in countering worldwide anti-Americanism. But within a week, US Secretary of State Colin Powell was on a hastily arranged tour of the region, and Washington's aid commitment burgeoned from its initial US\$15 million to US\$350 million. Charitable donations by Americans for the relief effort amounted to another US\$350 million, the biggest private donation for a foreign disaster in US history. And while the Pentagon dispatched 15,000 military personnel, 20 warships and 90 aircraft to help affected countries –at a cost of another US\$6 million a day– US President George W. Bush on 29 December announced that a 'core group' of countries –including Australia, Canada, India, Japan and the Netherlands– would channel aid to victims of the disaster.

This 'coalition of the willing' thrust the issue of tsunami relief squarely into the sphere of trans-Atlantic rivalry, as France was quick to complain that the US initiative would undermine the role of the UN. The *Frankfurter Allgemeine Zeitung* said that French President Jacques Chirac 'wants to hinder America from using its ad hoc-organised aid operation to set a precedent that will lastingly weaken the role of the United Nations'. *Le Canard Enchaîné*, the French satirical weekly political magazine, quoted Chirac as saying that 'Bush is making propaganda by deploying huge resources. He is using it as an opportunity to give the United States an image other than that of the Iraq war.' At the same time, Chirac's Interior Minister announced that Paris, along with the European Commission in Brussels, would coordinate the European Union's aid effort. But this drew an immediate rebuke from Luxembourg, which assumed the rotating EU presidency on 1 January. Luxembourg, the smallest member of the EU, said that it, not France, would oversee EU disaster relief.

Not to be outdone, German Chancellor Gerhard Schroeder called for a freeze on debt repayments by affected countries. Then he politicised his country's US\$650 million aid package –which will be spread over three to five years– by linking it to the ending of rebel insurgencies in Indonesia and Sri Lanka. Foreign Minister Joschka Fischer said he would use a trip to the region to remind the governments of the two countries that they could not ignore the 'political context' in which the disaster took place. But commentators were quick to draw a link between Germany's generosity and its desire for a permanent seat on the UN Security Council. And in a repeat of 2002, when Schroeder's astute handling of devastating floods in Germany helped him win a surprising last-minute election victory against his conservative challenger, the chancellor again boosted his poll ratings at a key time. As voters backed the government's response to the tsunami disaster, Schroeder's Social Democratic Party (SPD) cut the opposition's lead in an opinion poll ahead of regional elections in the northern German state of Schleswig-Holstein.

In the UK, the response to the tsunami disaster plunged the government into turmoil. Chancellor of the Exchequer Gordon Brown used the disaster to push his personal vision for a 'Marshall Plan' for tackling poverty and debt in Africa. Brown said the British government would devote a large part of 2005, when Britain holds the rotating presidencies of both the G8 and the European Union, to push for a scheme delivering full debt cancellation, trade benefits and financial assistance for the world's poorest countries. But Brown is considered a likely successor to Tony Blair as prime minister, and his high profile on the tsunami issue made public a damaging rift between the two men ahead of the forthcoming general election, expected in May.

In the oil-rich Persian Gulf, Saudi Arabia originally offered US\$10 million for tsunami relief, but upped its pledge to US\$30 million after facing criticism that it had not responded adequately to the crisis. A subsequent 12-hour telethon broadcast live on Saudi state television raised another US\$67.4 million. Kuwait increased its donation to US\$10 million after local newspaper lambasted the government in a front-page editorial for pledging only US\$2 million. The total amount of donations from all the Arab countries was US\$90 million. Meanwhile, Israel delivered some 100 tons of emergency aid materials to Indonesia and Sri Lanka.

Nearer to the scene of the disaster, China's response to the tsunami disaster highlighted its limitations as an aspiring superpower, despite its new and growing influence in Asia. Indeed, neither China nor Japan –two economic giants that compete for regional influence– were content to be upstaged by the other in responding to the disaster. After much criticism from abroad, embarrassed members of China's Politburo reluctantly increased an initial pledge of US\$2.6 million to US\$63 million, the largest lump sum the communist country has ever donated abroad (and carefully calibrated to best the US\$50 million pledged by Taiwan, its diminutive rival). But China's record offering was quickly overshadowed by Japan, which upped its own pledge from US\$30 million to US\$500 million, half of which will be provided bilaterally. Beijing subsequently raised its pledge to US\$83 million, and said it would forgive Sri Lanka's debt.

China also looked on as American, Australian, British and Indian warships moved quickly into the region to deliver food and supplies to the hardest hit areas. The US undertook its biggest military operation under the Pacific Command since the Vietnam War, and Japan sent the largest-ever contingent of its Self-Defence Forces for an overseas relief mission. By contrast, China still lacks a credible blue water navy. Indeed, Beijing's primary contribution involved dispatching six medical teams to Indonesia. China then faced criticism that food it donated to Indonesian tsunami victims had passed its expiration date by more than one year.

China was also conspicuously absent from Bush's 'core group', despite Beijing's rhetoric of playing a leadership role in the region. Adding insult to injury, China's tsunami pledge ignited debate in Japan over when to stop aid payments to China. Japanese Prime Minister Junichiro Koizumi said he hoped China would 'graduate' from Japanese aid, which still makes up more than half of China's aid total. Japan has already been reducing aid payments to China –the seventh largest economy in the world– by 20% per year since 2000, while at the same time increasing aid to India, China's main rival. But China has resisted calls for reappraisal of its status as a major recipient of international aid and interest-free development loans from multilateral lending institutions like the World Bank and the Asian Development Bank. Indeed, China's relatively limited resources are a reminder that the world's most populous country is still far from being the dominant power in Asia.

India's reaction to the tsunami contrasted sharply with that of China. Within hours of the disaster, India –China's near equal in terms of population and economic growth– sent cargo aircraft carrying emergency supplies to neighbouring Sri Lanka, immediately staking a claim for itself in the 'core group' of donor nations. Moreover, India refused to accept offers of foreign aid, suggesting that such money should be diverted to poorer nations. Reinforcing the message that it could deal with the disaster on its own, India turned down

a request by UN Secretary General Kofi Annan to visit the tsunami-affected area of Tamil Nadu.

India's policy of preventing any international dimension to the tsunami relief effort at home, as well as its ambivalence towards foreign aid, comes amid several years of relatively high economic growth that prompted New Delhi in 2004 to reduce to six the number of foreign countries permitted to provide aid to India. But many commentators pointed to the real reason behind New Delhi's new-found policy of self-sufficiency: its desire to project India as an emerging great power in hopes of securing a permanent seat on a reformed UN Security Council.

An Ocean of Trouble

The different responses to the tsunami disaster highlight an emerging power game over who will call the shots in the Indian Ocean region (and the rest of Asia by default). New Delhi's sudden willingness to tolerate a prominent US military role in its backyard, including the deployment of US marines in Sri Lanka, is noteworthy. But India is uneasy about Beijing's growing influence in the area, and seeks to retain US pre-eminence in the region to balance China. For its part, China's growing military build-up is fuelled partly by fears that Japan might rearm itself should the US withdraw its troops from the region. Meanwhile, both India and China –which in 1962 fought a war over their disputed 3,500 km border– have neighbours they consider problematic: India has Pakistan while China has Japan. And a nuclear-armed New Delhi remains suspicious of a nuclear-armed Beijing and its close ties with Islamabad, its nuclear-armed adversary.

As a result of these competing rivalries, a status quo has emerged, in which most countries accept the primacy of the US in continuing to play the pivotal role in the region. But with the US deeply distracted in the Middle East, some analysts fear China might try to fill what many see as a regional leadership void. Indeed, a 120-page report titled 'Mapping the Global Future', which was released on 13 January by the National Intelligence Council, the CIA's think tank, warns that the emergence of China and India as new global economic powerhouses 'will be the most challenging of all' of Washington's regional relationships by 2020.

At the same time, however, relations between New Delhi and Beijing have improved with growing bilateral trade, which reached more than US\$1.2 billion in 2004. Moreover, India and China held their first-ever military exercises in March 2004, and the two countries in December agreed to deepen defence cooperation during a week-long visit to Beijing by Indian Army Chief N.C. Vij, the first by an Indian army chief in more than a decade. Chinese Prime Minister Wen Jiabao is scheduled to visit India in March 2005.

Meanwhile, in an effort to attain energy security, India is competing with China to buy stakes in oil fields from Iran to Australia. With more than one billion people and the fourth largest economy in the world, India holds only 0.4% of global oil reserves. A report by Goldman Sachs, the investment bank, says that India's oil consumption will double in ten years. In an effort to bring some stability to energy markets, on 6 January India invited representatives from nine oil-producing countries to New Delhi to meet face-to-face with a group of major Asian energy buyers to discuss a proposal to form an Asian market for oil and petroleum products. One day after the summit ended, India signed a US\$40 billion energy deal with Iran. China previously signed a US\$100 billion energy deal with Iran in

October 2004, with the result that Iran is now China's second-largest source of imported oil.

These developments have not gone unnoticed in Russia. On 10 January India approved a plan by its biggest state-owned oil company to accept Moscow's offer to invest in Russia's Yukos Oil Company. India also plans to spend US\$1.7 billion in Russia's Sakhalin oil and gas fields; but sovereignty over the Sakhalin Islands is disputed between Russia and Japan. In December, Russia also offered a stake in Yukos to China. Since then, China and Russia have announced that they would hold unprecedented joint military manoeuvres on Chinese territory in 2005 involving the air forces and navies of both countries, including submarines and strategic bombers. If Beijing and New Delhi both buy into Yukos, the energy cooperation between China, India, Iran and Russia will create a new strategic reality in the Indian Ocean region, with broad economic and political implications for Europe and the United States.

Soft Power in the Service of Hard Power

Because the effects of disasters can be destabilising, relief aid is also an opportunity to enhance security. Australia pledged US\$750 million for tsunami relief –by far the largest single contribution– all of which is destined for Indonesia on a purely bilateral basis. And the US stationed the Navy's USS Abraham Lincoln Carrier Strike Group with some 8,000 US troops off the Indonesian coast of Sumatra. Although Canberra and Washington have clear humanitarian motives in responding to the crisis, they also hope to advance their longer-term security goals in the region.

Indonesia is the linchpin to stability in South-East Asia. As the world's fourth most populous nation, the third largest democracy and the only Asian member of the Organisation of Petroleum Exporting Countries (OPEC), Indonesia exercises major influence in the region and occupies some of the most strategic real estate on earth. It has vast natural resources and is strategically located astride major sea lines of communication (SLOCs) between the Pacific and Indian Oceans. Half of the world's merchant fleet capacity passes through the Straits of Malacca, Sunda and Lombok; the straits also enable the US to send warships from its Pacific Fleet by the shortest routes to the Indian Ocean and the Persian Gulf.

Australia, Japan and the US also view Indonesia as a bulwark against Chinese expansionism in South-East Asia. For example, Indonesia creates a strategic northern shield for Australia; any attack on the Australian mainland would have to be staged through the Indonesian archipelago. And in case of a Taiwan crisis, Indonesia can cut off China's access to oil from the Persian Gulf, since 80% of China's imported oil passes through the Strait of Malacca. Moreover, Indonesia is the anchor of the Association of Southeast Asian Nations (ASEAN) and a key player in the ASEAN Regional Forum (ARF), the only organisation in the Asia-Pacific region that brings the US together with China, Japan and others to discuss security issues. Indonesia also constitutes Australia's largest and most immediate regional neighbour. Indeed, Australian Defence Minister Richard Campbell Smith said a stable Indonesia is a 'top national priority'.

Indonesia is also a front-line state in the global war on terrorism. With about 90% of its 240 million people followers of Islam, Indonesia has more Muslims than all the Middle Eastern Arab states combined. The vast majority of Indonesia's Muslims have historically been noted for their moderation, and it is one of the few Muslim-majority nations in which

Islam is not the state religion. But it is also the heartland of the Jemaah Islamiyah terrorist movement, an al-Qaeda affiliate responsible for the October 2002 bombings in Bali, the August 2003 attack on the J.W. Marriott Hotel in Jakarta's financial district and the September 2004 car bombing of the Australian Embassy, also in Jakarta.

The US and Australia believe Indonesia has the potential to be a global beacon of moderate Islam, democracy and growth. But the country faces major problems: a complicated transition from authoritarian rule to democracy; complex and politically sensitive economic problems left from the 1997-98 financial crisis; ethnic and sectarian violence resulting in thousands of deaths and hundreds of thousands of displaced persons; a significant increase in violence by radical Muslims; and continued armed rebellion in Aceh.

Aceh, on the tip of the Indonesian island of Sumatra and the region nearest to the epicentre of the seaquake that caused the tsunamis, suffered the most casualties: 100,000 killed and many more injured or left homeless. So it comes as no surprise that for the Bush administration, the tsunami disaster provides an opportunity to show a compassionate US face when it is embroiled in Iraq and the fight against terrorism, and struggling with anti-Americanism, especially among Muslims. By committing large-scale financial and military resources in Indonesia, the White House seeks to send a message that it is a friend, not an enemy, of Islam. But US Secretary of State Colin Powell also warned that a failed reconstruction effort could result in victims turning to extremism. 'This is an investment not only in the welfare of these people; it's an investment in our own national security', Powell said.

For its part, Indonesia has put pride aside, and has welcomed Australian and American soldiers as they ferried food and water onto the battered island of Sumatra. Indeed, Washington hopes that a successful relief effort in Indonesia could set the stage for the resumption of military ties between the two countries. The Bush administration has wanted to restore the military relationship, which was cut by President Bill Clinton in the early 1990s on the ground that the Indonesian military had committed human rights abuses, particularly in East Timor. The US Congress has blocked efforts to lift a ban on the sale of military equipment. But following the tsunami disaster, the Bush administration has lifted a ban on spare parts for Indonesia's military transport planes.

But can the disaster change the dynamics of the long-running separatist rebellion in Aceh? The Indonesian army has been battling the Free Aceh Movement (GAM), which is fighting for independence, for almost three decades. A December 2002 peace agreement in Aceh broke down after six months in large part because of efforts by hardliners within the Indonesian military to undermine it. Since then, the province has been under what human rights groups charge is an often brutal military control. The army is particularly sensitive about losing control of Aceh, and views foreign aid groups, especially the Australian and American military units, as a threat to its control of the province. Indeed, many members of the Indonesian military and political establishment blame Australia and the US for the 1999 referendum that led to independence for the tiny former province of East Timor.

The civilian government had declared resolving the conflict a priority even before the tsunami hit, but it and the military remain divided over how best to handle the security situation in Aceh. Following the tsunami disaster, the government threw open the doors to the province, ending a de-facto ban on foreign aid groups working there. In response,

GAM declared a cease-fire and offered to take part in a new round of peace talks, adding that it hoped the international community would become involved. But, in apparent defiance of the civilian government, the military said they would resume operations against the rebels following skirmishes they blamed on the separatists. In an effort to rein in the military and avoid escalation of the conflict, the government said that it would negotiate with GAM because 'the world is behind Aceh and there is a momentum to reconcile and leave arms'. But in the absence of strong centralised leadership in Jakarta, fresh clashes could disrupt the aid effort and intensify the fighting as the military take advantage of the disaster to cement their control over Aceh.

The UN Seeks Relief

The greatest political beneficiary of the tsunami disaster is the beleaguered United Nations. Reeling from a series of scandals –including revelations of widespread corruption in the now-defunct oil-for-food programme in Iraq and allegations of sexual abuse of youths by UN peacekeepers in Congo– the tsunami disaster is an opportunity to repair the UN's tarnished image. As it coordinates disaster relief in the largest, most complex operation in its nearly 60-year history, even the Bush administration has reluctantly agreed that this is its proper role.

UN Secretary General Kofi Annan was quick to seize the opportunity. Indeed, he said he plans to focus the final two years of his term, which ends in January 2006, to revamp the UN. This includes a sweeping overhaul of personnel and steps to provide the bureaucracy-laden agency with more transparency and accountability. On 3 January, Annan announced that Mark Malloch Brown, the administrator of the UN Development Programme, would take over as chief of staff. A media savvy and highly respected former World Bank executive, Malloch Brown will help lead initiatives to improve UN performance and overhaul its management.

Meanwhile, in an effort to improve accountability and transparency, the UN Office for the Coordination of Humanitarian Affairs (OCHA), which is coordinating the tsunami disaster relief programme, said that accounting giant PricewaterhouseCoopers would audit the aid effort. OCHA plans to work with the auditors to devise a public-tracking system to see how the billions of dollars raised for tsunami relief are spent. This is the first time the OCHA has used an outside auditor. The move followed the release on 9 January of 58 previously confidential internal UN audits that highlight mismanagement of the US\$60 billion oil-for-food programme. Commentators said the devastating audits, which were released by the UN-appointed investigative panel headed by former Federal Reserve Board Chairman Paul Volcker, would raise questions in Congress about whether the UN could be trusted to oversee relief efforts for tsunami victims. In response to the revelations, Malloch Brown warned that the UN must brace itself for wide-ranging reform amid criticism that now extends far beyond American conservatives. 'The crisis is building. It was possible to see the first wave of the crisis as inspired by the US critics of the UN, but as a clearly neutral voice like Volcker starts to opine as he did in the commentary of the audit, it's a lot harder to shrug this off as a rightwing conspiracy,' Malloch Brown said.

Supporters of the UN say substantial reform will be impossible without the sustained leadership of the US, which has had a tense relationship with Annan because of his opposition to the war in Iraq and over US assertions that Annan was meddling in American politics. Moreover, the Bush administration has been unenthusiastic about reform because of its internal ambivalence towards the organisation. During a private meeting on 5

December that was arranged by Richard C. Holbrooke, a former US ambassador to the UN and a prominent supporter of the organisation, Annan heard what one participant called a 'grim' assessment of the Secretary General's standing and his prospects for reform unless relations with Washington improved. But repairing strained ties with the Bush administration will be diplomatically complicated. Moreover, there is no consensus within the UN General Assembly over many of the reforms Annan and his team are contemplating.

In an attempt to improve relations with Washington, on 18 January Annan named Ann Veneman, Bush's departing Agriculture Secretary, to head the UN Children's Fund (UNICEF). For his part, Bush will signal the kind of relationship he wants with the UN when he selects a new US ambassador to the organisation, to succeed John Danforth, who is stepping down. But incoming Secretary of State Condoleezza Rice is unlikely to be as sympathetic towards the UN as was her predecessor, Colin Powell.

Indeed, the tsunami relief effort will be a critical test. If the UN succeeds in managing it well, the disaster will underline its indispensability. If it fails, amid all its other troubles, the UN risks redundancy. Its fate hangs in the balance.

Conclusion: The international response to the tsunami disaster has highlighted the positive side to globalisation. But the relief effort has also demonstrated that disaster relief is essentially political. Although cooperation in dealing with the tsunami disaster will create international goodwill, the close relationships forged in the relief efforts are unlikely to purge mutual suspicions and lingering resentments. Indeed, behind the generous outpouring of relief aid lie the veiled politics of national and international geopolitical ambition.