On a wintry London evening, the 25th of January 1904, a 43-year old geographics professor named Halford Mackinder rose to present a paper to the Royal Geographical Society.

The title of his talk was “The Geographical Pivot of History”.

He began the speech by proclaiming the end of what he called “the Columbian epoch” – meaning an end to the age of discovery and expansion into previously unknown regions of the globe.

“From the present time forth,” he proclaimed, “in the post-Columbian age, we shall ... have to deal with a closed political system ...”

“Every explosion of social forces, instead of being dissipated in a surrounding circuit of unknown space and barbaric chaos, will be sharply re-echoed from the far side of the globe, and weak elements in the political and economic organism of the world will be shattered in consequence.”

The key to understanding the post-Columbian age, argued Mackinder, lay in being able to relate the grand sweep of history, the rise and fall of empires and civilizations, to the geographic chessboard on which they were played out.

The key to understanding the great strategic dynamics of human history, for Mackinder, lay in looking at a map.

In this speech and later writings, Mackinder divided the earth into the following regions:

- The world island, comprising Asia, Europe and Africa;
- Some offshore islands, such as the British Isles and Japan;
- And the outlying islands of the Americas and Australia.

Of supreme importance was the World Island.

This Mackinder further divided into a “Heartland”, or “Pivot Area” comprising modern-day Eastern Europe, Iran, Central Asia, and Russia.

Surrounding the Heartland was an Inner Crescent, comprising Western Europe, the Middle East, South and Southeast Asia, and most of China.
Further out was an Insular Crescent: Africa, the Americas and Australia.

Mackinder’s point was that in the control of the Heartland lay the key to the control of the world.

As he pithily put it in a later book,

*Who rules East Europe commands the Heartland;*

*Who rules the Heartland commands the World-Island;*

*Who rules the World-Island controls the world.*

Mackinder was nothing if not committed.

After the end of the First World War he left the ivory tower and went to southern Russia to try to help the White Russian Forces take the Heartland back from the Bolsheviks.

He was knighted for his efforts.

Mackinder’s grand map has had a decisive effect on history.

One of his enthusiastic followers was the Nazi geographer Karl Haushofer, who was a major influence on Hitler’s *drang nach osten.*

Mackinder’s influence survived that association and was injected into American Cold War strategy by European immigrants such as Robert Strausz-Hupe and Nicholas Spykman, who pointed out that the Soviet bloc’s controlled the Heartland.

His influence lived on in the two most influential Secretaries of State before Hillary Clinton – Henry Kissinger and Zbigniew Brzezinski – also European immigrants.

The problem was – and he’s had 109 years of history for it to come right – that Mackinder’s Heartland theory was spectacularly wrong.

The Soviet bloc’s control of the Heartland led not to world power but to isolation, weakness and premature collapse.

Its successor states are hardly racing up the world power rankings.

But Mackinder continues to exert a powerful sway – just read Robert Kaplan’s recent hagiography, *The Revenge of Geography.*

Arguably it's not Mackinder's theory but his method that is so beguiling.
That is the method of geopolitics – the ability to tell grand stories of history and geography – and to comfort oneself that the future thereby becomes less confusing.

In an interesting return of history – the ghost of Mackinder still stalks the halls – we have a US administration now speaking of a “pivot” of American power and influence back to Asia.

This evening I’d like to propose a new understanding of geopolitics

- to look at how the combination of rapid economic growth, national ambition and fear, and the hard realities of geography
- are likely to shape the strategic dynamics of Asia over the coming decades.

As we gaze somewhat avariciously towards the Asian Century, there is a tendency to project the past in a straight line into the future.

I’ve argued elsewhere that the economic growth in Asia that we have become so used to since the end of the Vietnam War was built on three pillars:

- A flat power topography, meaning that no state in Asia was large enough, rich enough and internally united enough to contemplate a bid for leadership;
- Which left Asian states the luxury of focusing on enrichment rather than rivalry;
- And allowed the United States to overlay the region with a “hegemony-lite” system of alliances for reassurance.

The big question is, will these conditions of growth, stability and lack of rivalry, continue?

I think the answer is no, for three reasons.

1. Economic growth is not secular – it alters societies’ self-perceptions, expectations and beliefs
2. Asia’s economic growth has brought a rapid expansion in the external dependence and vulnerabilities of its societies
3. The era of the Asia-Pacific – a neat set of reinforcing trade, investment and security dynamics around the Pacific rim – has been superseded by a much more messy Indo-Pacific age.

Here you can see the emphatic development of the Indo-Pacific trade dynamic, which underpins the re-discovery of a very old “power highway”
There are currently three policy approaches to Asia’s messy new strategic reality.

The dominant one is hope – that it’ll all work out OK; that the rising powers will reconcile themselves to the existing rules of the game; that making money will trump all.

Another is the Obama pivot – the need for the United States to refocus its attention on Asia, and along with its partners re-establish predominance in Asia.

A third proposal has been called the new White Australia Policy – namely Hugh White’s call for Australia to encourage the United States to cede strategic space to China and forge a great power concert with it.

Now one or more of these may indeed be the right approach.

But arguably we will not know this unless we look much more closely at Asia’s unfolding strategic dynamics.

Sensible policy must always be based on a sober assessment of underlying strategic realities.

It must ask, “what are the strategic dynamics,

- how will they develop,
- what are our objectives given these dynamics, and
- what resources and policies do we need to achieve them?”

I believe that a more circumscribed concept of geopolitics can help us here.

That is, a version that is shorn of grand sweeps of history and cartoonish political chessboards.

Geopolitics, to me is simply the interaction of geography and power.

- How does geography influence the accumulation and deployment of power?
- And how does power influence the division, control of, and relative importance of geography?

The first point I’d like to make is a geographic one.
Australia needs to stop chopping Asia up into the bits that are most important to us, and forgetting about the rest.

Asia – the continent of Asia, from the Mediterranean to the Pacific – has ceased becoming little more than a geographic expression and started to become an economically and strategically integrated region.

This, and the other strategic dynamics I want to talk about, is being driven by five developments.

1. The rapid growth of Asia’s two continental-sized economies,
   - the concomitant rapid expansion in their dependence on external markets and resources,
   - their rise in an extraordinarily crowded neighbourhood,
   - in which their smaller neighbours are also growing fast.

2. The consequence of this growth is the pronounced geographic separation between Asia’s centres of consumption and Asia’s centres of production – particularly in minerals and energy.

3. The physical properties of these commodities means the bulk of them must be transported along concentrated and non-redundant logistics channels

4. Rapid economic growth and wealth creation has touched off a rising prestige rivalry among Asia’s rising powers

5. All of which lead to a rising sense of strategic claustrophobia in Asia’s two continental powers, China and India.

These five factors are playing out on two dimensions across Asia:

   - a terrestrial dimension across Asia’s northern tier; and
   - a maritime dimension along Asia’s southern tier.

Now these two tiers are related, but in the interests of time, I’ll concentrate on Asia’s southern tier.

The growing strategic rivalry across Asia’s southern tier can be read from basic arms acquisition statistics.

Just last year SIPRI reported that the period from 2007-2011 saw a volume of arms transfers into Southeast Asia 200 per cent higher than between 2002 and 2006.

This volume of imports was the highest since the end of the Vietnam War.
Naval weapons formed the bulk of these purchases, with Ships and maritime weapons accounting for 52 per cent of the total, and another 37 per cent accounting for weapons with a possible maritime role.

SIPRI reports that a similar level and profile is evident in weapons acquisition intentions also.

What is driving these trends?

I believe there are five key elements.

1. An anxiety among many southern tier states about their own dependence on external resource supplies;

2. Despite – or more pertinently because of – their own anxiety, there are signs of a growing willingness to contemplate manipulating the dependence of their rivals;

3. Given the growing rivalries and capabilities in the region, a wariness about direct confrontation and escalation;

4. As a result of this reluctance, a growing awareness of the options for “horizontal escalation” – that is responding to confrontation in one location by threatening to exploit a rival’s vulnerabilities in another location;

5. And the coincidence of new territorial demands by rising powers with the rising importance of strategic sea lanes.

So, for example, a United States unwilling to risk a direct naval confrontation with China in the Taiwan Strait, could threaten to shut down the Strait of Hormuz to China-bound oil tankers

Or China, in order to build pressure on Japan over the Diaoyus/Senkakus, could start harassing Japanese ships in the South China Sea

Or India, under pressure from China on their mutual land border, could threaten to squeeze off access through the Andaman Sea to Chinese ships

These, and a range of other permutations, are made possible through the interaction of power and geography in Asia

Taken together, the factors of:

– China’s and India’s strategic claustrophobia;

– The growing external resource dependence of Asia’s rising powers;
The attractive strategic possibilities of horizontal escalation;

Highlight three key geographical elements of Asia’s southern-tier geography as the likely focus for strategic competition.

I like to think of them as three peninsulas and three bays.

The three peninsulas are the South Asian Peninsula, the Indo-Pacific Peninsula, and the West Pacific Peninsula.

Peninsular geography interacts with power in peculiar ways: it constrains, concentrates, funnels and strategically bundles power

Strategic shifts in one part of a peninsula are likely to cascade through to its other parts

Peninsulas tend to be strategically stable if dominated by a single set of strategic interests;

But once a contrary strategic interest gains hold, they become extremely unstable.

Two of the Indo-Pacific’s peninsulas – the South Asian and West Pacific peninsulas – hold the key to India’s and China’s strategic claustrophobia.

Each are held in full or part by rival entities; each contain parts of India’s and China’s historic sense of wholeness; each are sites of strategic footholds by major rivals

For China to gain control of the West Pacific Peninsula; or for India to become supreme on the South Asian Peninsula, would represent major advances in their regional and global power capabilities.

The Indo-Pacific Peninsula is just as crucial: as the land divide between the Indian and Pacific Oceans, it is a vital frontier between American power and Indian and Chinese ambitions.

Any one or combination of powers that gained supremacy over the Indo-Pacific Peninsula would hold the key to the broader Indo-Pacific.

Each of the three peninsulas is partially comprised of a major second-tier power – Pakistan, Indonesia, Japan – whose choices will be crucial to the fate of its respective peninsula.

The three Bays are the Arabian Sea, the Bay of Bengal, and the South China Sea.

The geography of Bays interacts with power in peculiar ways too.
Bays are enclosed bodies of water that engage the territorial imagination – one can imagine “owning” a bay much more easily than one can imagine “owning” a sea or an ocean.

These Bays are historical trade hubs with abundant historical – and therefore contemporary civilizational – overlays.

These Bays are each subject to territorial disputes and expansive great power sovereignty claims:

- Each bordered by one big and several smaller claimants
- With the US as the anxious guarantor of the maritime commons in the background

Each Bay is attended by complex politics and strategy around its egress and ingress points:

- Does control of a Bay confer or negate control of a chokepoint?
- Does control of a chokepoint confer or negate control of a Bay?

Three Peninsulas, three Bays.

To find a Mackinderian formula,

*The Peninsulas hold the key to the Bays; the Bays hold the keys to the Peninsulas.*

So, for example:

- The further expansion of Chinese influence down the Indo-Pacific Peninsula will further split ASEAN solidarity, allowing the continuing advance of its claims in the South China Sea.
- Creeping Chinese control over the South China Sea brings it closer to its goals in the First Island Chain – including by ramping up the pressure on territorial disputes with Japan in the East China Sea.
- If India is able to draw Pakistan, Bangladesh and Sri Lanka into its own growth dynamic, and thereby neutralize them as strategic concerns, it can build influence in the Arabian Sea and Bay of Bengal.
- India’s growing presence in the Bay of Bengal and into the Malacca Straits can act as a counter to Chinese control over the Indo-Pacific Peninsula – and even into the South China Sea.
- China’s ability to establish a permanent presence in the Arabian Sea – perhaps at Gwadar – will decisively counter India’s position in the South Asian Peninsula and the Arabian Sea.
Arguably, this geopolitical perspective on Asia’s future raises more questions than it answers.

Many of these developments are nascent. Big unknowns abound.

To what extent will the United States be able to maintain maritime supremacy against the naval build-ups of so many southern tier states?

What are China’s and India’s abilities to build geopolitical influence on the Peninsulas, while establishing supremacy over the Bays?

To what extent will peninsular and littoral states forge a strategic common purpose or be divided and dominated by their giant neighbours?

For Australia, there are some clear implications.

First and foremost, we must get used to the fact that we are an integral part of the Indo-Pacific Peninsula, and cannot escape the escalating competition for it.

Second, we must stop thinking tactically and start thinking strategically about the region.

Instead of priority relationships as the foundation of our foreign and defence policies, we need to think in terms of three bays and three peninsulas.

The outcome in each will have profound implications for us, and we need to think hard about all possible permutations.

Third, neither multilateralism nor bilateralism will provide a way forward.

The great powers will – and already are – using the region’s institutions as instruments in their rivalry.

Staking our future on Asia’s institutions being able to mitigate this scale of rivalry will be a mistake.

Neither will cultivating good bilateral relations with the major powers be enough.

A small player like Australia risks being ignored and played off by the bigger powers.

Instead, we need to find a flexible, plurilateral approach to the region, in which we place an equal or even greater emphasis on building common cause and understanding with countries closer to our own size.

Be it in the Bays or the Peninsulas, it is the choices of medium sized and small states that will hold the key.
These are our natural caucus group – and we should pour resources into a deepening continuing engagement with them over the fates and dynamics of the peninsulas and bays.

In particular, we need to build our strategic relations with the peninsular swing states, Japan and Indonesia, helping shape and bolster their strategic visions for the peninsulas and bays.

One thing is for certain: the Asian Century will almost certainly not be benign for Australia if we continue to be strategically naïve about how rapid economic growth affects security dynamics.

But by thinking geopolitically about Asia as a whole – its northern and its southern tiers; its bays and peninsulas – we can survive and prosper in the Asian century.