



THE RIPPLE EFFECT: AUKUS AND THE GEOPOLITICS OF THE INDO-PACIFIC

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Editors

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SOUTH ASIA DISCUSSION PAPERS



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The Ripple Effect of AUKUS: Arms, Allies and Anxieties in the Indo-Pacific

Yogesh Joshi, Ippeita Nishida and Nishant Rajeev

Summary

The announcement of AUKUS, a strategic alliance between Australia, the United Kingdom (UK) and the United States (US), has created a kerfuffle whose echoes can be heard from the Indo-Pacific to the Atlantic. AUKUS not only has tremendous significance for the unfolding great power rivalry between the US and China, but it also impacts the strategy and calculation of all other actors in the Indo-Pacific. AUKUS is the first explicit alliance specifically targetting China compared to the bilateral alliances, which have their origins in the Cold War. However, it does create complexities for America's alliance relationships and strategic partnerships. For one, AUKUS has raised some eyebrows on the position of the Quadrilateral Security Dialogue (Quad) [which includes Australia, India, Japan, and the US] and its relative importance in America's security strategy. The announcement of AUKUS has also impacted the transatlantic network of the US-Europe alliance, particularly its relations with France. Lastly, even when the US has laid down its cards, much will depend on how its principal adversary, China, and, more importantly, the undecided but vitally important Association of Southeast Asian Nations (ASEAN) member states react to this development.

AUKUS not only has tremendous significance for the unfolding great power rivalry between the US and China, but it also impacts the strategy and calculation of all other actors in the Indo-Pacific.

Introduction

The announcement of AUKUS – to use the words of *The Economist* – represents a “profound geopolitical shift”.¹ Under the agreement, the three Anglo-Saxon powers have declared cooperation in building a fleet of six nuclear-powered submarines for the Australian Navy. The pact also announced major defence cooperation across wide-ranging

¹ “The strategic reverberations of the AUKUS deal will be big and lasting”, *The Economist*, 19 September 2021, <https://www.economist.com/international/2021/09/19/the-strategic-reverberations-of-the-aukus-deal-will-be-big-and-lasting>.

military technologies, including artificial intelligence, quantum computing, cyber warfare and undersea technologies.² The US, Australia and the UK have shown greater resolve to keep the Indo-Pacific “free and open” from China’s growing influence. In doing so, the pact has evinced shock and anger from China and drew massive backlash from France, both a North Atlantic Treaty Organisation ally and an increasingly assertive resident Indo-Pacific power. The nuclear submarine deal under AUKUS scuttled the Australian-French contract to build conventional attack submarines for the Australian Navy. Therefore, the disorder engendered by AUKUS was felt from the Indo-Pacific to the Atlantic. However, technical details and diplomatic shadowboxing notwithstanding, AUKUS holds significant consequences for Sino-US rivalry, Europe’s Indo-Pacific strategy, Southeast Asia and the Quad countries like Japan and India.

Arms and Allies

Washington has enmeshed two of its most important Anglo-Saxon allies in an explicit alliance against Beijing in one stroke.

AUKUS’ principal significance lies in its political messaging.³ For a long time, Washington appeared to be indecisive in how it aimed to tackle the rise of China. Whereas liberals assumed that growing economic interdependence and its global enmeshment would socialise China into accepting the US-led international liberal order, the pragmatist opined that China and the US could manage the global order together. China’s rise and its assertiveness, however, debunked both these expectations. Though the American intention and efforts to contest China’s rise and coercive behaviour were first wholesomely demonstrated by the Donald Trump administration, AUKUS signifies two substantial departures in American policy. First, it represents an emphatic embrace of the balance of power logic in the US’ approach towards the Indo-Pacific. Washington has enmeshed two of its most important Anglo-Saxon allies in an explicit alliance against Beijing in one stroke. Second, it underlines that the US’ approach in containing China will fully use its defence technology and allies.

2 The White House, “Joint Leaders Statement on AUKUS”, 15 September 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/09/15/joint-leaders-statement-on-aukus/>.

3 C Raja Mohan, “AUKUS, the Quad, and India’s Strategic Pivot”, *Foreign Policy*, 23 September 2021, <https://foreignpolicy.com/2021/09/23/india-modi-biden-aukus-quad-summit-geopolitics/>.

The exceptional nature of the agreement is an indicator of growing American vulnerability vis-à-vis China's growing naval power in the region. In sheer numbers, the rise of the People's Liberation Army Navy (PLAN) in the region has been nothing less than miraculous. From being a small coastal navy in the 1980s and 1990s, the PLAN has emerged as the "largest navy in the world".⁴ The Chinese shipbuilding programme "launched more than 600,000 tons" of naval combatants between 2016 and 2020, almost 50 per cent more than the American yards.⁵ Without corrective measures, the PLAN may fully dominate the Indo-Pacific by 2035. AUKUS, therefore, is also an acceptance of the US' growing vulnerability in the region, and it indicates insufficiency of the current alliance and partnership constructs.

AUKUS is the first instance of an alliance formation since the Cold War, explicitly targetting China. The US' bilateral alliances in the region – whether with South Korea, Japan or Australia – were otherwise Cold War vintage. By agreeing to transfer the most prized of strategic military technology – nuclear propulsion – to Australia, Washington has inadvertently conveyed to the rest of the world that rather than regional stability through diplomacy and its normative objectives of nonproliferation, it first and foremost values its primacy in the Indo-Pacific.

AUKUS underlines that the US will not let China dominate the Indo-Pacific without a fight in the ensuing great power rivalry. Both technology and the presence of allies provide a significant edge to the US. Even when the PLAN can field more naval combatants, the US Navy enjoys vast technological superiority. AUKUS, if successfully implemented, aims to hit China where it hurts the most. Nuclear submarines in the hand of American allies would not only hem the PLAN within the First Island chain,⁶ but it can also neutralise the

AUKUS, if successfully implemented, aims to hit China where it hurts the most.

4 Thomas Shugart, "Australia And The Growing Reach Of China's Military", Lowy Institute, 9 August 2021, <https://www.lowyinstitute.org/publications/australia-and-growing-reach-china-s-military>.

5 Congressional Research Service, "China Naval Modernization: Implications for US Navy Capabilities — Background and Issues for Congress", 9 March 2021, <https://fas.org/sgp/crs/row/RL33153.pdf>.

6 The First Island chain comprises a group of islands, including Taiwan, Okinawa and the Philippines, aimed at overcoming China's strategic encirclement by the United States and its regional allies. See Franz-Stefan Gady, "Why China's Military Wants to Control These 2 Waterways in East Asia", *The Diplomat*, 15 September 2019, <https://thediplomat.com/2019/09/why-chinas-military-wants-to-control-these-2-waterways-in-east-asia/>.

asymmetric advantage China has gained by developing and deploying ship-killing missiles such as DF-21.

The European Fallout

The secretive process of AUKUS' negotiations and the diplomatic apathy meted out to France during its announcement has sent the otherwise burgeoning France-Australia strategic partnership into a deep dive.

Even when the agreement had China in its crosshairs, France and Europe (*sans* the UK) became AUKUS' most immediate casualty. Paris was naturally livid over the cancellation of the multi-billion conventional submarine deal.⁷ The secretive process of AUKUS' negotiations and the diplomatic apathy meted out to France during its announcement has sent the otherwise burgeoning France-Australia strategic partnership into a deep dive.⁸ It has also hurt France's proactive engagement in the evolving geopolitics of the Indo-Pacific, weakening a key ally for the Indo-Pacific powers within the European Union (EU). However, some have even suggested that the crisis engendered by AUKUS may help France prod the EU to more independent action and engagement in the Indo-Pacific.⁹

Europe has emerged as an essential stakeholder in the Indo-Pacific in recent years.¹⁰ As the only resident European power in the Indo-Pacific, given its territorial and maritime interests in the area, France was at the helm of Europe's involvement in the region. Paris announced its Indo-Pacific vision way before any other European actor emerged in the Indo-Pacific's geopolitical picture.¹¹ France had also painstakingly worked within the EU to build a consensus strategy towards the Indo-Pacific. The French approach to the Indo-Pacific was also far more muscular. Compared to Germany, the other powerhouse

7 Emmanuel Puig, "France's Enduring Indo-Pacific Presence: More than a 'Tilt'; Less than a 'Shift'", in Yogesh Joshi, I Nishida, N Rajeev (eds.), *Securing the Indo-Pacific: Expanding Cooperation between Asia and Europe*, South Asia Discussion Papers, December 2021, <https://www.isas.nus.edu.sg/wp-content/uploads/2021/12/ISAS-Discussion-Paper-FINAL.pdf>.

8 Jacob Benjamin, "Australia Soured a Valuable Naval Partner in France", *The Diplomat*, 21 September 2021, <https://thediplomat.com/2021/09/australia-soured-a-valuable-naval-partner-in-france/>.

9 "France to hold event focused on Indo-Pacific under its EU presidency", *The Financial Express*, 27 January 2022, <https://www.financialexpress.com/defence/france-to-hold-event-focused-on-indo-pacific-under-its-eu-presidency/2417542/>.

10 Garima Mohan, "A European Strategy for the Indo-Pacific", *The Washington Quarterly* 43, No. 4 (2020), pp. 171-185.

11 French Defence Minister, Florence Parly's speech at the Shangri La Dialogue, 1 June 2019, <https://in.ambafrance.org/French-Defence-Minister-Florence-Parly-s-speech-at-the-Shangri-La-DIALOGUE>.

in the EU, which prefers a softer landing built upon development and diplomacy,¹² the French have unhesitatingly embraced a militarily proactive balance of power outlook. In the past few years, French military presence in the region, particularly in naval deployments of aircraft carriers, nuclear submarines and destroyers, in support of freedom of navigation, has increased significantly.¹³ France has institutionalised security dialogues and conducts naval exercises with Indo-Pacific's major maritime powers such as India, Japan and Australia. In 2021, the Quad navies joined French naval forces for a multilateral Le Pèrouse naval exercise in the Bay of Bengal.¹⁴ In the case of a significant crisis in the Taiwan Strait or the South China Sea, the French presence and its naval capabilities can make meaningful contributions to the US and its allies.

France has institutionalised security dialogues and conducts naval exercises with Indo-Pacific's major maritime powers such as India, Japan and Australia.

Even if, in the short term, AUKUS has created a dent in France's Indo-Pacific strategy and has given the impression that the US and its Anglo-Saxon allies have ignored European voices over the affairs of the Indo-Pacific, French interests in the region remain firmly ensconced. How the US, Australia and the UK will be able to move past the immediate fallout of the AUKUS deal and recalibrate their relationship with France is to be seen. Given the centrality of Europe towards the Quad's partners, particularly the French connection with India and Japan, it is in the interests of both New Delhi and Tokyo to keep Paris fully engaged in the Indo-Pacific. Therefore, India and Japan's role in bridging the trust and credibility gap between the AUKUS countries and the Europeans will be critical in this dynamic.

12 The Federal Government, "Policy guidelines for the Indo-Pacific", August 2020, <https://www.auswaertiges-amt.de/blob/2380514/f9784f7e3b3fa1bd7c5446d274a4169e/200901-indo-pazifikleitlinien--1--data.pdf>.

13 Frederic Grare, "France, the Other Indo-Pacific Power", Carnegie, 21 October 2020, <https://carnegieendowment.org/2020/10/21/france-other-indo-pacific-power-pub-83000>.

14 Abhijne Rej, "France-led Multination Naval Exercise Commences in Eastern Indian Ocean", *The Diplomat*, 5 April 2021, <https://thediplomat.com/2021/04/france-led-multination-naval-exercise-commences-in-eastern-indian-ocean/>.

AUKUS and the Quad

The announcement of AUKUS coincided with the first-ever physical meeting of the heads of the state of the Quad.¹⁵ Before the announcement of AUKUS, the Quad was seen as the principal vector of American geopolitics in the region. Since then, questions have been raised over the impact of AUKUS on the agenda and significance of the Quad.¹⁶ AUKUS may well signify a shift in the US' attitude where it accords a central security role to AUKUS and relegates the Quad to focus on soft balancing. The Quad's agenda may, therefore, increasingly centre around vaccine diplomacy, civilian technology cooperation, supply chain management, norm-building and intelligence cooperation.

AUKUS signifies America's intention to stay and prolong its staying power in the region, and if it complicates China's naval power and ambitions, India and Japan would be more than satisfied.

However, rather than undercutting the Quad, AUKUS will only strengthen it further for several reasons.¹⁷ First, doubts over American commitment to the region are a source of significant concern within the Quad. Insofar as AUKUS has laid those doubts to rest, the other Quad members – India and Japan – will feel reassured that facing a resurgent China, the US will not retreat to the safety of its geographical remoteness from the region. AUKUS signifies America's intention to stay and prolong its staying power in the region, and if it complicates China's naval power and ambitions, India and Japan would be more than satisfied. Second, both New Delhi and Tokyo understand that the US' willingness to share its deepest military secrets directly depends on its perception of China's rise and assertive attitude. If China continues to challenge American primacy and assert its military and economic power in the region, the US might be more forthcoming to pursue similar agreements with India and Japan in the future. With AUKUS, the Quad is more assured of America's intentions. It will

15 "Joint Statement from Quad Leaders", The White House, 23 September 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/09/24/joint-statement-from-quad-leaders/>.

16 "Quad sidelined? As US, UK, Australia form new AUKUS grouping, questions for India, EU", *The Week*, 16 September 2021, <https://www.theweek.in/news/world/2021/09/16/as-us-uk-australia-form-new-aukus-grouping-questions-on-quad-future-and-miffed-france.html>.

17 Yogesh Joshi, "With AUKUS, Southeast Asia may become a more intense battleground", *Think China*, 28 September 2021, <https://www.thinkchina.sg/aukus-southeast-asia-may-become-more-intense-battleground>.

help the Quad focus on economic diplomacy and soft security while continuing its cooperation in ensuring maritime security and freedom of the Indo-Pacific waters.

Lastly, given the growing asymmetry of naval power between China and the maritime democracies of the Indo-Pacific, ensuring their maritime safety lay in dividing the defence of the Indo-Pacific among their zones of interest and influence. The capability and enhancement of individual Quad members complicates Chinese naval strategy in two ways. First, it divides the focus and concentration of China's naval forces. Building a preponderance of a balance of naval power across maritime zones will be highly costly for China, irrespective of the current trajectory of its naval growth. Second, as the Quad members substantially augment their naval capabilities, decision-makers in Beijing would have to weigh the gains of imposing their claims and influence over the costs associated with accidental, unintentional and even deliberate escalation. In the long run, the systemic effects of AUKUS will benefit the Quad's overall interests in the Indo-Pacific.

In the long run, the systemic effects of AUKUS will benefit the Quad's overall interests in the Indo-Pacific.

An Anxious ASEAN

The growing militarisation of the Sino-US great power rivalry complicates the calculations of the Southeast Asian states the most.¹⁸ Sandwiched between China's rising power and proximity and the US intention to save its primacy, the ASEAN member states stare at a loss of their hard-earned agency, autonomy and centrality in the affairs of the new geostrategic space in the Indo-Pacific. The rise of ASEAN in the post-cold war period was predicated on growing economic interdependence with China, the continuation of US security guarantees and the possibility that Sino-US relations will remain peaceful.¹⁹ ASEAN has, therefore, perceived the growing Sino-US rivalry with both anxiety and trepidation.

18 "Southeast Asian Perspectives On US-China Competition", Lowy Institute, 3 August 2017, <https://www.lowyinstitute.org/publications/southeast-asian-perspectives-us-china-competition#:~:text=Southeast%20Asians%20inhabit%20a%20region%20increasingly%20shaped%20by,Southeast%20Asia%20on%20important%20issues%20facing%20the%20region.>

19 Yogesh Joshi, "Will the Quad's focus on vaccines, rare earths help it win friends in Asean?", *SCMP*, 18 March 2021, <https://www.scmp.com/week-asia/opinion/article/3125837/will-quads-focus-vaccines-rare-earths-help-it-win-friends-asean>.

First, their economic dependence on China leaves them with very few recourses but to yield to China's assertiveness, as was the case with the South China Sea dispute even when many of the ASEAN member states had direct territorial interests at stake. However, ASEAN's collective ineffectiveness to stand up to Beijing's economic and military coercion has also forced the US and the other Quad countries to assume that either ASEAN is unwilling or is simply incapable of addressing the problem of Chinese coercion. Therefore, the Indo-Pacific's growing economic and military competition corners the ASEAN member states into greater isolation. In this "seismic shift in the post-cold war strategic environment", as Singapore's former Permanent Secretary Bilahari Kausikan argued, "ASEAN plays no irreplaceable role to an offshore balancer. As an organisation of member countries, it is a convenience, not a necessity."²⁰ In the future, the ASEAN member states will have to navigate the following fault lines.²¹

Aggressive naval balancing by the Quad countries may not only increase the risks of accidental and inadvertent escalation, but may also result in further loss of sovereign decision-making.

First, as nuclear submarines become the primary weapon of choice in the Indo-Pacific among the US, China and Australia, Southeast Asia will be their primary area of operations. China's aggressive naval and fishing operations in the South China Sea already threatened their maritime interests. Aggressive naval balancing by the Quad countries may not only increase the risks of accidental and inadvertent escalation, but may also result in further loss of sovereign decision-making. Second, ASEAN's somewhat muted response to Chinese aggression and its disunity in facing Chinese power has created rifts among the Southeast Asian states. ASEAN has criticised the Quad's earlier attempts to establish a direct dialogue with the other ASEAN member countries such as Vietnam. Even AUKUS has elicited mixed responses from the region: whereas Malaysia and Indonesia have criticised the deal, Vietnam and the Philippines have been relatively more welcoming in their approach.²² As the Sino-US rivalry heats

20 Bilahari Kausikan, "AUKUS submarine deal signals new Indo-Pacific balance of power", *The Straits Times*, 22 September 2021, p. A20.

21 Yogesh Joshi, "With AUKUS, Southeast Asia may become a more intense battleground", *Think China*, 28 September 2021, <https://www.thinkchina.sg/aukus-southeast-asia-may-become-more-intense-battleground>.

22 Ristian Atriandi Supriyanto, "Why Southeast Asia Should Welcome AUKUS", *Foreign Policy*, 28 September 2021, <https://foreignpolicy.com/2021/09/28/southeast-asia-asean-australia-aukus-china-united-states/>.

up, ASEAN faces serious divisions within. Lastly, new and expanding security institutions like AUKUS and the Quad can reduce the reliance and importance of ASEAN and ASEAN-led institutions such as the ASEAN Regional Forum in managing the region's economic and security landscape. ASEAN's centrality, which all major powers often echo, is increasingly becoming collateral damage of Sino-US rivalry.

Structure of the Volume

With the announcement of AUKUS, the US has thrown down the gauntlet of the Indo-Pacific's balance of power, and it is now the Chinese turn to respond. If Beijing hoped that assertion and aggression might scare Washington to withdraw or force submission from Indo-Pacific's other middle powers, AUKUS thwarted the calculations of Chinese decision-makers. The US has now employed the two most essential instruments in its strategic wherewithal to halt Beijing's ambitions: arms and allies. However, it has also put the entire Indo-Pacific on notice of its interests in maintaining American primacy. Other major maritime powers such as India and Japan have mostly welcomed the announcement of AUKUS. They do not foresee major repercussions for either their bilateral partnerships with the AUKUS countries or for the institution of the Quad. The ensuing great power politics will reassure the Quad and reduce the smaller states' agency and strategic manoeuvrability, particularly in Southeast Asia.

If Beijing hoped that assertion and aggression might scare Washington to withdraw or force submission from Indo-Pacific's other middle powers, AUKUS thwarted the calculations of Chinese decision-makers.

This volume brings together expert analysis from across the Indo-Pacific and Europe to make sense of the multifaceted implications of AUKUS for the major stakeholders in the Indo-Pacific.

As the central protagonist in the AUKUS saga, Lavina Lee provides an account of Australia's calculations and expectations from the partnership. She explores how Australia's changing strategic perceptions have contributed to its quest for greater military preparedness, facing the spectre of China's growing naval capabilities in and around Australian waters and beyond.

Next, Drew Thompson explains why the US agreed to such a pathbreaking agreement, which, in many ways, contradicted some of the central tenets of American policy on military technology transfers and its commitment to nuclear nonproliferation. The “power and potential” of AUKUS is simultaneously both “practical and symbolic”: it is a statement of intent to strengthen US capabilities and of its allies and willingness to maintain its strategic superiority vis-à-vis growing Chinese power in the region.

A material loss of the conventional submarine deal with Canberra notwithstanding, how AUKUS was secretly negotiated and announced also dented French prestige as a significant Indo-Pacific partner of the Quad countries.

Mathieu Duchâtel elaborates on the French position on AUKUS and the Indo-Pacific. A material loss of the conventional submarine deal with Canberra notwithstanding, how AUKUS was secretly negotiated and announced also dented French prestige as a significant Indo-Pacific partner of the Quad countries. However, Duchâtel explains why France will continue to be a strategic actor in the region because of its national interests and how partnerships with the other Quad countries such as India and Japan will play a vital role in its continued engagement in the Indo-Pacific. Perspectives from India and Japan, the main constituents of the Quad, are also vital to understand not only how New Delhi and Tokyo envision AUKUS’ role in the larger balance of power, but also the position of the Quad vis-à-vis AUKUS.

Sana Hashmi argues that India’s response has been a welcoming one since AUKUS helps to contain China’s expansionism in the Indo-Pacific. India’s realpolitik calculation is simple but profound: insofar as greater military capabilities introduced by AUKUS will bog China down in the South China Sea and around the First Island chain, it will help India’s cause. Also, since India has not yet decided to convert the Quad into an explicitly military endeavour and AUKUS does not impinge upon the Quad’s centrality, the agreement between the three Anglo-Saxon powers works perfectly for New Delhi.

Bonji Ohara illustrates how AUKUS has increased China’s anxieties, particularly regarding the effectiveness of its nuclear and conventional deterrent in the East and South China Sea. Such anxieties, he argues, are manifest in China’s growing alignment with Russia and in their combined effort to build military pressure on Japan. China hopes

that by doing so, it will be able to forestall a similar arrangement with Japan and may even create a wedge in the Japan-US alliance. However, AUKUS and the Chinese reaction, Ohara argues, will only help Japan focus its energies on building its military capabilities and strengthening its alliance relationship with the US.

The last essay by Ristian Atriandi Supriyanto accounts for the reactions in Southeast Asia. In dissecting the responses from the Southeast Asian countries, he finds a variety across those who have openly criticised the deal, those who have supported AUKUS, and others who have maintained a stoic silence. Yet, he argues that criticism emanating from ASEAN must be understood regarding the consequences of AUKUS' operationalisation and outcomes rather than taken as a fixed opposition to the larger balance of power the deal may help engender. The salient conclusion of the essay is that the Southeast Asian countries are more welcoming of AUKUS than they care to publicly accept, primarily because of their inherent fear of China's adverse reaction.

Australia, AUKUS and the Geopolitics of the Indo-Pacific

Lavina Lee

Summary

Australia now perceives that it must urgently prepare for the possibility of being involved in a conflict within a 10-year timeframe.

Australia's pursuit of the AUKUS partnership can be explained by Australia's radical re-assessment of conflict "warning time". Australia now perceives that it must urgently prepare for the possibility of being involved in a conflict within a 10-year timeframe. Further, to reduce the chance of this happening, it perceives an immediate and pressing need to do what it can – on its own and in concert with others – to deter China from using force to achieve its strategic goals vis-à-vis Taiwan or the East and South China Seas. To effectively deter Beijing, the urgent expansion and modernisation of Australian defence capabilities need to take place in the next three to five years. The AUKUS partnership should enable Australia to fast-track these objectives, making a strong contribution to allied force projection into the Indo-Pacific for deterrence purposes, as well as adding to the deterrent capabilities of the Quad.

Introduction

"Today, I announce a new partnership, a new agreement that I describe as a forever partnership. A forever partnership for a new time between the oldest and most trusted of friends. A forever partnership that will enable Australia to protect our national security interests, to keep Australians safe, and to work with our partners across the region to achieve the stability and security of our region. This forever partnership that we have announced today is the single greatest initiative to achieve these goals since the ANZUS [Australia, New Zealand and the United States (US) alliance itself]."¹

Australian Prime Minister Scott Morrison

16 September 2021

¹ Scott Morrison, "Prime Minister of Australia – Press Conference Transcript", Press Conference, 16 September 2021. <https://www.pm.gov.au/media/press-conference-canberra-act-24>.

The full implications of the shock September 2021 announcement by Australia, the United Kingdom (UK) and the US of the creation of AUKUS – an “enhanced trilateral security partnership” – are still yet to be reckoned with. Dominating the headlines is the commitment by the US and the UK to assist Australia to acquire at least eight nuclear-powered submarines for the first time. Australia has sought to reassure the region that these submarines, when acquired, will not be nuclear-armed and that the sharing of nuclear propulsion technology will comply with the obligations of the partners under the Nuclear Non-Proliferation Treaty.² Whilst the details of the arrangement are still to be hammered out over the next 18 months, the significance of the partnership cannot be underestimated. Australia will become the first non-nuclear weapons state to own, operate and maintain a fleet of nuclear-powered submarines under a high-technology sharing agreement that has not been replicated since the US-UK Mutual Defense Agreement of 1958.

Whilst the details of the arrangement are still to be hammered out over the next 18 months, the significance of the partnership cannot be underestimated.

More immediately, the consequential, given that the first submarine is likely to only enter into service in the second half of the 2030s, is the pledge by the AUKUS partners to combine their strengths in the global competition in emerging and disruptive military technologies, including “cyber capabilities, artificial intelligence, quantum technologies and undersea capabilities.”³ More broadly, the AUKUS partners aim to deepen information and technology sharing, as well as the “integration of security and defense-related science, technology, industrial bases and supply chains”.⁴ Whilst former Australian Labor Prime Minister Paul Keating has heavily criticised AUKUS, charging the Morrison government with making an enemy of China and “turning its back on the...century of Asia, for the jaded and faded Anglosphere”,⁵ the deal has bipartisan support domestically.⁶

² Ibid.

³ Joint Leaders Statement on AUKUS, 15 September 2021.

⁴ Ibid.

⁵ Paul Keating, “Morrison is making an enemy of China – and Labor is helping him”, *The Sydney Morning Herald*, 22 September 2021, <https://www.smh.com.au/world/asia/morrison-is-making-an-enemy-of-china-and-labor-is-helping-him-20210921-p58tek.html>.

⁶ See Anthony Albanese MP, Leader of the Australian Labor Party, “Statement on AUKUS Partnership”, 16 September 2021, <https://anthonyalbanese.com.au/media-centre/aukus-partnership-statement>.

This is based on a shared assessment of the deteriorating regional environment, and of the value that old and deep partnerships with Australia's traditional "great and powerful friends" (described now by Morrison as a "forever partnership"⁷) have in accelerating Australia's efforts to build high technology military capability beyond what could be achieved indigenously.

French President Emmanuel Macron personally accused Morrison of lying to him by not revealing Australia's secret negotiations with the UK and the US, whilst the French Foreign Minister Jean-Yves Le Drian described the act as a "stab in the back".

Nevertheless, the AUKUS announcement has come at some considerable diplomatic cost to Australia. On the same day as the AUKUS partnership was announced, Canberra also notified Paris of the decision to jettison its existing AUD\$90 billion (S\$90 billion) contract for 12 Attack-class diesel-powered submarines with France's Naval Group. Paris reacted with fury to the decision, withdrawing its ambassadors to both the US and Australia. French President Emmanuel Macron personally accused Morrison of lying to him by not revealing Australia's secret negotiations with the UK and the US,⁸ whilst the French Foreign Minister Jean-Yves Le Drian described the act as a "stab in the back".⁹ This has undoubtedly put diplomatic relations in the deep freeze, stalling what had become a budding partnership among two Indo-Pacific democracies with shared interests in the Pacific and Indian Ocean and growing concerns about Chinese expansionism.

Whilst Macron is undoubtedly correct about being kept in the dark about the AUKUS deal, the cancellation of the submarine contract with Naval Group should not have come as such a surprise. Since that contract was announced in 2016, it has been plagued with significant problems, including a more than doubling of its cost from AUD\$40 billion (S\$40 billion) to AUD\$90 billion (S\$90 billion), extended delays in meeting key milestones, disputes about technology transfer and warranties and a contested reduction in the level of local industry content and labour from 90 per cent to 60 per cent. As the timeline

7 Prime Minister Scott Morrison, "Press Conference Transcript", 16 September 2021, <https://www.pm.gov.au/media/press-conference-canberra-act-24>.

8 Andrew Probyn and Matthew Doran, "French President Emmanuel Macron accuses Australian Prime Minister Scott Morrison of lying about submarine contract", *ABC News*, 1 November 2021, <https://www.abc.net.au/news/2021-11-01/french-macron-accuses-morrison-of-lying-submarine-contract/100584196>.

9 Zoya Sheftalovich, "Why Australia wanted out of its French Submarine Deal", *Politico*, 16 September 2021, <https://www.politico.eu/article/why-australia-wanted-out-of-its-french-sub-deal/>.

for delivery of the first submarine blew out to 2035 and beyond, the Australian government found itself under deepening pressure to explain how it would fill a looming capability gap as the staged retirement of Australia's six ageing Collins-class submarines was due to begin in 2026. In January 2021, the Naval Group failed to meet the then latest milestone in the contract – a preliminary design review – and in June 2021, the Australian government refused to sign a contract for the next phase of the submarine project.¹⁰ The Australian defence minister's parliamentary evidence that "contingency planning" for the programme was underway, along with the announcement that all six Collins-class submarines would be completely rebuilt,¹¹ should have signalled to the French that a tearing up of the contract was a distinct possibility.

In January 2021, the Naval Group failed to meet the then latest milestone in the contract – a preliminary design review – and in June 2021, the Australian government refused to sign a contract for the next phase of the submarine project.

Whilst the failure of the French submarine contract can be explained on contractual terms, the decision by the Australian government to instead ask the US and the UK to share their most prized military technologies, however, deserves further explanation. Why has Australia chosen to pursue AUKUS now and what are the strategic benefits provided by the grouping to Australia?

The Strategic Thinking behind AUKUS

The key to understanding Australia's strategic thinking behind AUKUS is a radical change to Australia's assumptions about two things: when Australia might be involved in a war against an advanced adversary and where that conflict might occur. Since the early 1970s, Australian defence planning and force posture has been based on the assessment that a 10-year or greater "warning time" for a major conventional attack could be assumed. Given the strategic depth that comes with Australia's geography, the assumption was that genuine threats – in

10 Kirsty Needham, "Australian documents showed French submarine project was at risk for years", *Reuters*, 21 September 2021, <https://www.reuters.com/world/asia-pacific/australian-documents-showed-french-submarine-project-was-risk-years-2021-09-21/>; *ibid* Politico.

11 Katrina Curtis, "Defence is looking at alternatives to \$90 billion French submarines", *The Sydney Morning Herald*, 2 June 2021, <https://www.smh.com.au/politics/federal/defence-is-looking-at-alternatives-to-90-billion-french-submarines-20210602-p57xet.html>; Julian Kerr, "Dutton confirms Collins life of type extension", *Australian Defense Magazine*, 17 June 2021, <https://www.australiandefence.com.au/defence/sea/dutton-confirms-collins-life-of-type-extension>.

the form of growing military capability and hostile intent by a regional adversary – could be detected at least a decade before they became imminent. In terms of where such threats could emerge, Australian defence planning aimed primarily to prevent any enemy dominating the country's North and North-eastern maritime approaches.

Australia's pursuit of the AUKUS partnership can be explained by the Australian government's radical re-assessment of "warning time" between 2016 and 2020. Whilst the 2016 Australian Defence White Paper acknowledged growing challenges to the rules-based order and emerging competition between the US and China, it expressed a relatively benign view of Australia's warning time, stating that "there is no more than a remote prospect of a military attack on Australian territory by another country in the period to 2035".¹² It was in 2016 that the decision to pursue a diesel attack class submarine fleet with Naval Group was made.

Growing regional military capabilities, and the speed at which they can be deployed, mean Australia can no longer rely on a timely warning ahead of conflict occurring.

Barely four years later, however, the Defence Strategic Update (DSU) of 2020 assessed that a 10-year warning time was "no longer an appropriate basis for defence planning". Namely, "[c]oercion, competition and grey-zone activities directly or indirectly targetting Australian interests are occurring now. Growing regional military capabilities, and the speed at which they can be deployed, mean Australia can no longer rely on a timely warning ahead of conflict occurring. Reduced warning times mean defence plans can no longer assume Australia will have time to gradually adjust military capability and preparedness in response to emerging challenges."¹³ Whilst China is not specifically mentioned as the author of these activities, it is clear that the Australian government has revised its assessments of China's strategic intentions and the ends to which Beijing could apply its advancing military capabilities. In respect of the latter, the DSU notes the introduction of "advanced strike, maritime surveillance and anti-access and area denial technologies", of new weapons with increased "range, speed, precision and lethality, placing Australian

¹² Australian Defence White Paper 2016, p. 40.

¹³ Australian Defence Strategic Update 2020, p. 14.

military forces at greater risk over longer distances”¹⁴ and offensive cyber and space capabilities that have reduced strategic warning times.

In terms of assessing where Australian forces could be involved in a conflict within the next decade, Australian strategic interests include ensuring that no hostile power can dominate the Western Pacific, Southeast and Northeast Asia. If China were to further consolidate its positions in the East and South China Seas or use force to take Taiwan, this would presage a greater expansion into the Western Pacific and Indian Oceans. Whilst Australian territory would not necessarily be directly attacked, Australian interests and freedom of manoeuvre would be severely compromised and constrained. In this sense, Australia must plan and prepare to use its military forces to defend against more than a direct attack against its territory.

Whilst Australian territory would not necessarily be directly attacked, Australian interests and freedom of manoeuvre would be severely compromised and constrained.

Australia has significantly revised its assessments of the likelihood of whether war over Taiwan could occur and whether Australian forces may be involved. Chinese President Xi Jinping’s more strident rhetoric on the use of military force to control Taiwan,¹⁵ increasing military intimidation of the island’s leaders and the shifting balance of forces between the US and China in the region have increased the chances that military force could be used whether intentionally or by miscalculation. As such, Australia may be obligated under the Australia-New Zealand-US Treaty alliance to join American and allied forces in the Taiwan Strait within the next 10 years.

These revised assessments inform a greater sense of urgency in the Australian government’s strategic decisions and preparations for the prospect of war. The upshot is that Australia now perceives a shortened or loss of “warning time” for the prospect of being involved in a conflict – and must prepare for that possibility. Further, to reduce the chance that this will happen, it perceives an immediate and pressing need

¹⁴ Ibid., p. 13.

¹⁵ See for example Chris Buckley and Steven Lee Myers, “Starting a Fire: US and China Enter Dangerous Territory over Taiwan”, *The New York Times*, 9 October 2021, <https://www.nytimes.com/2021/10/09/world/asia/united-states-china-taiwan.html>.

to do what it can – on its own and in concert with others – to deter China from using force to achieve its strategic goals vis-à-vis Taiwan or the East and South China Seas. As described in the DSU, the aim is to ensure that the Australian Defence Force “can shape Australia’s strategic environment, deliver credible deterrence and respond to challenges to our interests”.¹⁶ To effectively deter Beijing, the urgent expansion and modernisation of Australian defence capabilities need to take place in the next three to five years.

Whilst Canberra prefers to develop Australia’s indigenous capabilities, it accepts that building capabilities in such a shortened timeframe will require cooperation and assistance from the US.

This is where AUKUS comes in. Whilst Canberra prefers to develop Australia’s indigenous capabilities, it accepts that building capabilities in such a shortened timeframe will require cooperation and assistance from the US. This should be understood as necessary because of the Australian military’s high level of integration with the American forces in capability, operational, personnel and doctrinal terms. Whilst most attention is on the development of nuclear-propelled submarines for Australia, the reality is that these submarines are not likely to be built for at least a decade, if not by 2035 to 2040. Given the urgent need to build credible deterrent capabilities, it is probable that Australia will seek to lease a nuclear-powered submarine from its AUKUS partners, most likely the US, under a joint operation arrangement. This would give the Australian Navy opportunities to build the skills and expertise to operate these kinds of vessels.¹⁷

The strategic value of nuclear-powered submarines for Australia and the US is clear. Australia could stealthily patrol key chokepoints in the Indian and Pacific Oceans and help the US hem in Chinese submarines within the First Island chain, increasing the difficulty and costs of breaking out of the South China Sea. This would stymie the PLAN’s ability to project force into the Indian Ocean and falls within an allied strategy of deterrence by denial strategy.

¹⁶ Australian Defence Strategic Update 2020, p. 7.

¹⁷ Amy Remeikis, “Australia could initially lease submarines from UK or US but nuclear weapons remain off limits”, *The Guardian*, 19 September 2016, <https://www.theguardian.com/world/2021/sep/19/australia-could-lease-submarines-from-uk-or-us-but-nuclear-weapons-remain-off-the-table>.

Moreover, within the more immediate five-year timeframe, AUKUS will fast-track Australia's (and the UK's) development of high technology and longer-range deterrence capabilities via the utilisation of the American military-industrial base and the integration of military supply chains among the three countries. This was already envisaged, but not yet activated after the 2017 decision by the US Congress to expand the National Technology and Industrial Base to include Australia and the UK.¹⁸ As mentioned above, the AUKUS partners have highlighted advanced cyber capabilities, artificial intelligence, quantum technologies and undersea capabilities as the first areas of priority. Australia's priorities within and outside of AUKUS are signalled in the 2020 DSU, where plans were announced for the development and acquisition of long-range strike capabilities (including hypersonic missiles in collaboration with the US),¹⁹ unmanned flying and underwater vehicles and offensive cyber capabilities. The DSU had already announced the allocation of AUD\$100 billion (S\$100 billion) for the development of these capabilities, as well as ballistic missile defence.²⁰ The purpose here is to deter by denial, rather than by punishment, by holding China's forward operating bases closer to Australia's maritime and air approaches at risk.²¹

The purpose here is to deter by denial, rather than by punishment, by holding China's forward operating bases closer to Australia's maritime and air approaches at risk.

These planned advances in defence capabilities should also be understood within the context of Australia's greater commitment to burden-sharing within the alliance and enhancing allied force projection for the purposes of deterrence. For example, the September 2021 Australia-US 2+2 ministerial conference announced a range of measures to advance force posture cooperation in all domains. This includes plans for an expansion in the rotational deployment of US aircraft in Australia; increasing "logistics and sustainment capabilities

18 See Brendan Thomas-Noone, "Ebbing Opportunity: Australia and the US National Technology and Industrial Base", *US Studies Centre Report*, 25 November 2019, <https://www.usssc.edu.au/analysis/australia-and-the-us-national-technology-and-industrial-base>.

19 DSU 2020, p. 27; see also, Media Statement Prime Minister, Minister for Defence, Minister for Foreign Affairs, Minister for Women, "Australia to pursue Nuclear-powered submarines through new trilateral enhance security partnership", 16 September 2021.

20 Marcus Hellyer, "The Cost of Defence 2020-21 Part 1: ASPI 2020 Defence Strategic update Brief", *ASPI Report*, 2020, p. 8, <https://www.aspi.org.au/report/cost-defence-2020-2021-part-2-aspi-defence-budget-brief>.

21 Ibid., p. 23.

The Australian Defence Minister also expressed his desire for an increase in the number of US troops on rotation through Darwin, which currently stands at 2,500 troops per annum.

of US vessels” in Australia; conducting “more complex and integrated exercises” with the US and other partners using facilities in the Northern Territory; and the establishment of “combined logistics, sustainment and maintenance enterprise to support high-end warfighting and combined military operations in the region.”²² Concerning the latter, Australia is expanding its contribution to allied capacity for the rapid mobilisation of American and Australian forces by expanding arrangements for the stockpiling of fuel, inventories and munitions, communications and upgrading of military bases and training facilities. For example, in February 2020 and April 2021 respectively, the Australian government committed AUD\$1.1 billion (\$\$1.12 billion) to upgrade the RAAF Base Tindal where Australia’s F-35A Joint Strike Fighter aircraft and US long-range bombers are expected to be housed, as well as AUD\$747 million (\$\$733.8 million) to upgrade military training bases in the Northern Territory.²³ The Australian Defence Minister also expressed his desire for an increase in the number of US troops on rotation through Darwin, which currently stands at 2,500 troops per annum.²⁴

The Impact of AUKUS on Australia’s Indo-Pacific Strategy

The AUKUS partnership furthers Australia’s existing Indo-Pacific strategy which is aimed at defending the US-led liberal order – described as the rules-based order – from further erosion. Canberra has come to the view that China is no longer content to accept and work within this liberal order and is actively and comprehensively undermining the political, military, economic and normative basis of it. At the same time, it recognises that the continued dominance

22 Joint Statement on Australia-US Ministerial Consultations (AUSMIN) 2021, 16 September 2021, <https://www.dfat.gov.au/geo/united-states-of-america/ausmin/joint-statement-australia-us-ministerial-consultations-ausmin-2021>.

23 Office of the Prime Minister of Australia, “Media Release: \$1.6 billion to upgrade RAAF Base Tindal to Protect Australians and Create Jobs”, 21 February 2020, <https://www.pm.gov.au/media/16-billion-upgrade-raaf-base-tindal-protect-australians-and-create-jobs>; and Steve Vivian, “PM visits Howard Springs as Commonwealth spruiks \$747 million Top End ADF upgrade”, *ABC News*, 28 April 2021, <https://www.abc.net.au/news/2021-04-28/prime-minister-to-announce-nt-military-training-base-upgrade/100099756>.

24 Daniel Hurst, “Australia dismisses China ‘outbursts’ and flags plans for more US military on home soil”, *The Guardian*, 17 September 2021, <https://www.theguardian.com/australia-news/2021/sep/17/more-us-military-to-deploy-to-australia-as-dutton-dismisses-china-outbursts>.

of the US is no longer assured. However, rather than accepting that Chinese regional hegemony is inevitable, Australia aims to do what it can on its own, with the US and other like-minded democracies to defend and promote a free and open Indo-Pacific order, compete for influence with China, and preserve a balance of power in the region.

The strategy to achieve these aims has three broad strands: building Australia's indigenous defence capabilities to defend and deter attacks on Australian territory and regional interests; expanding Australia's contribution to the US-Australia alliance, including its support for US power projection across the Indo-Pacific; and to work with other democracies to sustain a liberal order and a favourable balance of power in the region. With respect to the latter, since 2016, Australia has primarily focused on deepening strategic cooperation primarily with Japan and India, first bilaterally, then trilaterally and now within the Quad structure. Thus far, the Quad has become mainly a non-military vehicle to counter Beijing's ability to set the regional agenda, promote its own authoritarian norms and values, dominate the technologies of the future and create a China-centric regional economic order. Nevertheless, the Quad partners are building the foundations for deeper military cooperation and improved interoperability with one another via military exercises, logistics and information-sharing agreements.²⁵ Whilst the military aspect of the Quad is largely still latent, Beijing knows that the group has the potential to jointly use their military capabilities and geographic reach to deter Chinese expansionism. AUKUS complements and advances all three strands of Australian strategy, including its participation in the Quad. Should the advances in Australian defence capabilities under AUKUS come to fruition, Australia will be viewed by its Quad partners as an even more valuable defence partner that can increase the deterrent capabilities of the Quad grouping as a whole.²⁶

Whilst the military aspect of the Quad is largely still latent, Beijing knows that the group has the potential to jointly use their military capabilities and geographic reach to deter Chinese expansionism.

25 Lavina Lee, "Assessing the Quad: Prospects and Limitations of Quadrilateral Cooperation for Advancing Australia's Interests", Lowy Institute Analyses, 19 November 2020, <https://www.lowyinstitute.org/publications/assessing-quad-prospects-and-limitations-quadrilateral-cooperation-advancing-australia>.

26 Lavina Lee, "China's AUKUS wedge tactics won't divide India from the Quad", *The Australian Financial Review*, 23 September 2021, <https://www.afr.com/policy/foreign-affairs/china-s-aukus-wedge-tactics-won-t-divide-india-from-the-quad-20210922-p58txk>.

As for France, Australia can only hope that the emotions stirred by a cancelled submarine contract will not upset Paris' declared intentions to play a more substantive role in supporting a rules-based order in the Indo-Pacific. Over time, if cooler heads prevail, it will become obvious to France that Australia is positioning itself to be an even more capable and important actor worth cooperating with to further significant shared interests.

Australia's Perception of the Role of ASEAN Following the Emergence of AUKUS

In announcing the AUKUS partnership, Australia was cognisant of the alarm that the partnership would likely cause among its neighbours in Southeast Asia.

In announcing the AUKUS partnership, Australia was cognisant of the alarm that the partnership would likely cause among its neighbours in Southeast Asia. From the outset, Australia reiterated its respect for the centrality of the Association of Southeast Asian Nations (ASEAN) and made concerted efforts to persuade the Southeast Asian states that individual and collective efforts to build deterrent capabilities – such as AUKUS – provide the best chance of averting conflict in the region. On her November 2021 tour of Malaysia, Cambodia, Vietnam and Indonesia, Australian Foreign Minister Marise Payne also sought to reassure her counterparts that AUKUS would not lead to a breach of Australia's nuclear non-proliferation obligations.²⁷ In particular, Payne would have emphasised that the submarines would be nuclear-propelled rather than nuclear-armed and would have reactors with lifetime cores that would not require refuelling for around 30 years.²⁸ As such, there would be no need for Australia to develop the capacity to produce highly enriched uranium, which would be barred under its obligations as a non-nuclear weapons state.

Nevertheless, Australia's support for a more expansive and robust Quad agenda and pursuit of the AUKUS partnership reflect Canberra's assessment that ASEAN is unable to actively contribute to a favourable balance of power in the region. With China successfully sabotaging a strong and united response by ASEAN to its aggressive

27 Stephen Dziedzic, "Foreign Minister Marise Payne to visit South-East Asia to ease fears over AUKUS, submarine plan", *ABC News*, 3 November 2021.

28 Scott Morrison, "Prime Minister of Australia - Press Conference Transcript", op. cit.

behaviour, Australia is pursuing new partnerships with like-minded, militarily capable states (particularly democracies) which share a greater sense of urgency and resolve about the need to deter Chinese expansionism. Among the Southeast Asian states, Singapore and Vietnam have shown implicit support for AUKUS, whilst there appears to be a division of opinion between the defence and foreign policy establishments in Indonesia and between the president and national security bureaucracy in the Philippines.²⁹ What has been interpreted as a diplomatic win for Australia is the fact that ASEAN has not issued a joint statement on AUKUS, nor was the announcement of a comprehensive strategic partnership between Australia and ASEAN in October 2021 derailed.

Conclusion

Whilst it is still unclear what the full ramifications of the AUKUS announcement are for the region, it does reflect Canberra's stark re-assessment of the nature of the strategic environment in the Indo-Pacific, the prospects for military conflict and the urgent need to develop deterrent capabilities to avert that possibility. The AUKUS partnership has the potential to provide strategic benefits for Australia, the US and other like-minded countries that seek to maintain a balance of power in the region. With the announcement causing considerable diplomatic costs to Australia's relationship with France, uneasiness among some ASEAN member countries and predictable threats and condemnation from China,³⁰ it is now incumbent on Australian leaders and their US and UK partners to ensure that the promise of AUKUS comes to fruition.

The AUKUS partnership has the potential to provide strategic benefits for Australia, the US and other like-minded countries that seek to maintain a balance of power in the region.

29 William Choong and Ian Storey, "Southeast Asian Responses to AUKUS: Arms Racing, Non-Proliferation and Regional Stability", ISEAS Perspective, Issue 2021 no. 134, 14 October 2021.

30 "Wang Yi: US-UK-Australia Nuclear Submarine Cooperation Brings Five Harms to the Region", Chinese Ministry of Foreign Affairs, 29 September 2021, https://www.mfa.gov.cn/web/wjzbhd/202109/t20210929_9584104.shtml.

The Power and Potential of AUKUS

Drew Thompson

Summary

The AUKUS partnership, comprising Australia, the United Kingdom (UK) and the United States (US) reflects deepening alliances and a network based on trust, shared assessments of growing security threats and the need to enhance deterrence in Northeast Asia. It is a response to an assertive and militarily capable China under President Xi Jinping that uses coercion freely and explicitly threatens the use-of-force to settle disputes with its neighbours, particularly Taiwan. It reflects the recognition of the US, Australia and the UK that alliances are the foundation of regional security and a competitive advantage, as well as a tacit appreciation that China cannot be deterred by the US alone. AUKUS reveals the conviction of the three parties that a conflict in Northeast Asia would be detrimental to the interests of the entire Indo-Pacific and therefore must be prevented.

Introduction

To the shock and dismay of France, the birth of AUKUS announced the death of the French contract to build Australia's next generation of conventional submarines.

On 15 September 2021, US President Joe Biden, Australian Prime Minister Scott Morrison and UK Prime Minister Boris Johnson appeared together virtually in a hastily arranged trilateral broadcast where they announced the establishment of the AUKUS partnership. They announced that the US and the UK would share nuclear submarine propulsion technology with Australia and enhance cooperation in other critical defence sectors, including artificial intelligence (AI), cyber and underwater technologies. To the shock and dismay of France, the birth of AUKUS announced the death of the French contract to build Australia's next generation of conventional submarines. However, no details were forthcoming about how AUKUS would generate a submarine capability for Australia other than the nebulous indication that the AUKUS partners would study that question and produce a solution in 18 months.

AUKUS is, therefore, something of a blank page that the three parties can draw on, motivated by shared values, common interests and habits of cooperation built over generations. The 15 September announcement tells us little other than the three parties have agreed to substantially deepen cooperation. With virtually no official, authoritative information released between the announcement and the end of the year, AUKUS remains essentially a statement of intent. Despite the lack of details in the announcement, judging from global reactions, it is a very powerful statement of intent. Morrison described AUKUS as an effort to take the trilateral partnership to a new level – a partnership that seeks, “to engage, not to exclude; to contribute, not take; and to enable and empower, not to control or coerce.”¹

With virtually no official, authoritative information released between the announcement and the end of the year, AUKUS remains essentially a statement of intent.

AUKUS is clearly more than just a submarine programme, more than just the transfer of nuclear submarine propulsion or enhanced cooperation on AI. AUKUS reflects the shared desire to deepen cooperation amongst allies due to changing assessments of interests and perceived threats to regional stability. Most importantly, AUKUS represents the potential for expanded cooperation and shared interest in deterring threats to regional stability in Northeast Asia.

A New Agreement for the New Era Under Xi Jinping

Why did the US agree to share its most closely guarded technology with Australia? Why did Australia ask for it? For Canberra, it is a new assessment of the security environment. For Washington, it is both strategic opportunism and a deeply-held belief in the power of alliances. For all three AUKUS partners, it reflects the appreciation of changing security dynamics, shifting threat perceptions and recognition of the growing challenge that China under Xi presents to regional stability. Beijing’s propagandists describe Xi’s ascension to the top leadership positions of the Communist Party of China as a new era. His rise to

1 “Remarks by President Biden, Prime Minister Morrison of Australia, and Prime Minister Johnson of the United Kingdom Announcing the Creation of AUKUS”, The White House, 15 September 2021, <https://www.whitehouse.gov/briefing-room/speeches-remarks/2021/09/15/remarks-by-president-biden-prime-minister-morrison-of-australia-and-prime-minister-johnson-of-the-united-kingdom-announcing-the-creation-of-aukus/>.

power is reflected in a more assertive and sometimes aggressive foreign policy, backed by a two-decade investment in developing the People's Liberation Army (PLA) into a credible fighting force. China's military now includes the world's largest navy by the number of ships, a growing inventory of accurate, survivable conventional and nuclear ballistic missiles and a modern air force with fifth-generation fighters, aerial refuelling and strategic bombers. The PLA Air Force regularly conducts intimidation missions around Taiwan and practises attack missions against Guam, clearly signalling China's resolve to unify Taiwan by force, if necessary. Abandoning Deng Xiaoping's "hide and bide" strategy, China, under Xi, is quick to exercise coercive diplomacy, including economic embargos and political isolation, against countries that have political differences with Beijing.

Xi's assertiveness has negatively affected China's bilateral relations with many countries, including the US, Japan and Australia.

The new era under Xi has caused threat perceptions to shift. AUKUS reflects that shift with its focus on strategic, long-range capabilities relevant to a Northeast Asian conflict involving China. Xi's assertiveness has negatively affected China's bilateral relations with many countries, including the US, Japan and Australia. China-Australia relations, in particular, have significantly deteriorated since 2018, despite high levels of trade and people-to-people ties. Likewise, American efforts to develop a more equitable trade relationship with China during the Donald Trump administration resulted in acrimony, distrust and disengagement, which has continued in the Biden administration. The deterioration of China's relationships with many of its major trading partners indicates that deterrence, much less friendly relations, cannot be assured through multilateralism or economic inter-dependency. Significantly, AUKUS represents the acknowledgement that the US cannot single-handedly deter China from using military force to settle its political disputes.

A Strategic Rationale for AUKUS

Since World War One, the US has made allies the foundation of its security and defence strategy, and build on partnerships of necessity formed during World War Two and the Cold War into a global network of like-minded partners committed to deterring or defeating threats

to one another. Alliances have enabled the US military to sustain a global presence to protect its own interests and defeat threats far from American shores while providing tangible security benefits to its allies. The Biden administration came into office seeking to repair the damage done to alliance relationships by Trump, who viewed them transactionally rather than as an intrinsic strength and fundamental component of the US' national security. AUKUS is the logical extension of this most foundational American conception of its security, but it is extraordinary in its own way. The scale and scope of the security dilemma in Northeast Asia ultimately compelled Washington (and the US Navy) to share its most closely guarded technology, a capability where it maintains a considerable advantage over China and virtually every other country in the world. The decision to share it with Australia was made easier by the already close, trusting relationship and the well-founded belief that Australia could keep such closely held technology secure. Canberra's shared outlook and concern about deterring the use of force to settle political disputes in Northeast Asia in order to preserve stability and prosperity throughout Asia sealed the deal for Washington.

Canberra's shared outlook and concern about deterring the use of force to settle political disputes in Northeast Asia in order to preserve stability and prosperity throughout Asia sealed the deal for Washington.

Much of the public debate about AUKUS in Australian political circles has focused on the economic impact of the submarine programme, particularly the development of Australia's industrial base and job creation, not just the recognition that a Northeast Asia conflict would be devastating for the rest of the region and Australia as well. In a parliamentary democracy, a successful politician must always focus on job creation and constituent benefits, so such a debate is natural and to be expected. At its core, however, AUKUS is a strategic determination, not an economic calculus.

AUKUS reflects Australia's recognition that its strategic interests and attention are shifting northwards. Those interests lie more squarely in Northeast Asia, and AUKUS reflects the assessment that threats to regional stability are increasing more rapidly than expected, necessitating new investments in military capabilities that can protect Australian interests in Northeast Asia, beyond its periphery. In a larger context, AUKUS reflects a shift amongst all three partners, particularly

after the August 2021 Afghanistan withdrawal, where Australia and the UK (among many coalition partners) worked closely together. AUKUS enables the UK and Australia to rebalance their security focus to Northeast Asia, which Australia or the UK cannot really do effectively without partnering with the US and Japan. While it is oft-repeated that China is Australia's largest trading partner, it regularly goes unnoticed that Japan is Australia's second-largest trading partner and South Korea is Australia's third-largest export market. It is also worth recalling that over 17,000 Australians served in the Korean War, with 340 killed and 1,216 wounded; it remains one of eight partners in the United Nations Command for South Korea to this day. Northeast Asia is not only key to Australia's economy, but is also home to multiple security flashpoints – the East China Sea, Korean Peninsula, Japan-Russia territorial dispute and China's threat to "unify" Taiwan by force. AUKUS reflects Australia's shared interest with the US and the UK to bolster deterrence and prevent conflicts in Northeast Asia.

Whereas the Quad behaves like a G-4, addressing any timely global issue confronting the leadership of the four countries, AUKUS has military deterrence at its core.

AUKUS shares similarities to the Quad (comprising the US, Japan, Australia and India) in its minilateral structure and amorphous charter. Washington is grateful to have Canberra as an ally in both groupings, consistent with its vision of alliance networks contributing to regional stability. The Quad, however, has developed a much broader mandate, attempting to address non-military issues, including the COVID-19 pandemic, infrastructure investment, climate, technology, cybersecurity, space and people-to-people exchange.² Whereas the Quad behaves like a G-4, addressing any timely global issue confronting the leadership of the four countries, AUKUS has military deterrence at its core.

Australia has clearly signalled its intention to contribute to deterrence efforts in Northeast Asia in its military acquisition programmes, including the AUKUS submarine deal. Conventional diesel-electric submarines based in Australia lack the range and endurance to operate

2 "Fact Sheet: Quad Leaders' Summit", The White House, 24 September 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/09/24/fact-sheet-quad-leaders-summit/>.

for a meaningful time on station in Northeast Asia. Conventional submarines based in Perth enable the Royal Australian Navy (RAN) to effectively patrol in the South China Sea, projecting power to key geographies critical to Australia, including the Straits of Malacca and the Indonesian archipelago. While a conventional submarine departing Australia could reach Japan, it would be unable to remain at a patrol station for a meaningful length of time in Northeast Asia before needing to return to base, or surface and refuel in a friendly port, effectively revealing its presence in the theatre. A nuclear submarine operating from Australia can transit submerged to Northeast Asia and remain on patrol for an extended period. While conventional and nuclear submarines are both capable platforms, only a nuclear submarine gives Australia a strategic capability in Northeast Asia.

Australia's recent military acquisitions also reflect the strategic shift away from the "small wars" of the Middle East, where Australia notably contributed small, elite special forces units to operate on the ground in conjunction with coalition partners. Australia's future force is gearing up for a high-intensity conflict with a technologically capable adversary, where long-range, lethal stand-off weapons in the maritime domain will play a decisive role. At the same time as the AUKUS announcement, the Morrison government announced its intention to acquire such capabilities "throughout the decade", including Tomahawk cruise missiles for the RAN's Hobart-class destroyers and the AGM-158B Joint Air-to-Surface Standoff Missile for the Australian air force's F/A-18F Super Hornet and F-35A Lightning II fighter aircraft. In December 2020, then Defence Minister Linda Reynolds announced that Australia and the US had signed an agreement to "flight test full-size prototype hypersonic cruise missiles" under the Southern Cross Integrated Flight Research Experiment. Since 2020, the Morrison government announced its intention to procure the AGM-158C Long Range Anti-Ship Missile in July 2020 for the F/A-18F Super Hornet, the Precision Strike Missile in August 2021 for the Australian Army, and the development of a "Sovereign Guided Weapons Manufacturing

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Enterprise”, announced in March 2021, to the tune of AUD\$1 billion (S\$1 billion).³

AUKUS is clearly just one part of a military transformation taking place within Australia that will establish it as a credible military force in a major conflict, should one take place far from its shores. What was missing from the announcements of new weapons systems is the acknowledgement that many of these systems are integrated with sensors or are highly networked sensors such as the F-35. Fundamental to the effectiveness of these capabilities is networking and integrating sensors and weapon systems across a wide space, which give them much greater range and effectiveness than if they were operating independently.

Because many of these platforms are operated by each of the AUKUS parties and Japan, it creates the opportunity to develop a trans-national network of common platforms able to deploy relatively seamlessly in Northeast Asia. In the summer of 2021, the US, Japan and the UK each operated F-35B aircraft from aircraft carriers and engaged in a joint exercise in the South China Sea. The benefits and efficiencies from common platforms include shared training and logistics to support each nation’s systems. However, perhaps the greatest impact could come from networking the sensors and contributing to shared situational awareness between the participating militaries, creating what is known as a “common operating picture”. Increasing what the military calls “interoperability”, the ability to work together effectively gives Australia and the other parties common operating networked platforms more bang-for-the-buck. This deep integration and sharing of technology and critical information is what AUKUS really represents – the deepening of a trend that has been going on for over a century.

This deep integration and sharing of technology and critical information is what AUKUS really represents – the deepening of a trend that has been going on for over a century.

3 Nigel Pittaway, “Sights on long-range precision strike weapons”, *The Australian*, 30 October 2021, <https://www.theaustralian.com.au/special-reports/sights-on-longrange-precision-strike-weapons/news-story/d142e7e5a26d82280c51b88cd493aae4>.

A History of Sharing

Australia, the UK and the US have a long history of military cooperation and information sharing on national security matters, making AUKUS the latest in a long line of agreements between the parties. At the outset of World War Two, American and British military experts exchanged information on German and Japanese signals intelligence, with British code breakers based in Singapore and American intelligence officers in the Philippines exchanging Japanese code books and other critical signals intelligence (SIGINT) before both stations fell to Japanese invaders in early 1942 and were subsequently re-constituted in Brisbane, Australia, under General Douglas MacArthur's command. In October 1942, the semi-formal Holden Agreement was formalised by the June 1943 BRUSA Agreement where it was agreed that the Americans and British would collaborate to collect "special intelligence" (what we call SIGINT today) with the British focusing on collecting and decoding German signals and while the Americans focused on the Japanese.

After the end of World War Two, the Five Eyes alliance was formed, adding Australia, New Zealand and Canada to the alliance to exchange intelligence and protect one another's sources and methods of intelligence collection. The Australia, New Zealand and US Security Treaty, signed in 1951, emphasised Australia and New Zealand's independence from the British Empire and the recognition of their security requirements in the Pacific as the People's Republic of China was established; and the US formalised its peace treaty with Japan, formally ending its occupation. The relationships forged during World War Two and the Cold War are a critical element of the "special relationship" based on sharing the most sensitive national security information and technology and recognition of respective national security interests and threat perceptions. Today, the relationship between Washington, London and Canberra extends well beyond intelligence sharing in a full-fledged alliance. Their troops have fought together in every major conflict since World War One. Elements of the modern alliance involve overseas basing, joint military training, participation in coalition operations as well as the exchange of

Today, the relationship between Washington, London and Canberra extends well beyond intelligence sharing in a full-fledged alliance.

personnel at various levels of their military organisations, including in their respective high commands. The presence of foreign military officers posted in key offices at the highest levels indicates the absolute trust shared between the three parties.

AUKUS is a natural evolution of this relationship. Australia's changing threat perception argues for a deepening of the existent close relationship to incorporate the sharing of new, critical technologies to enable Australia to deter the threats that it perceives, particularly emerging threats to stability in Northeast Asia.

Australia Joins the Special Relationship

The establishment of AUKUS was strategic opportunism on Washington's part rather than a strategy-driven outcome of American officials seeking to implement its Indo-Pacific approach.

By all accounts, the Australian government is the dynamic factor in the establishment of AUKUS, driven to seek deeper cooperation based on its own interests rather than pressure from the US or the UK. Australia, dissatisfied with its conventional submarine build programme with France, actively sought help from the UK, which enrolled the US to support Australia's quest to acquire a nuclear-propelled submarine. The origins of AUKUS are Australia's initiative and changing threat perception, not a product of the US influencing or imposing a levy on its allies. The establishment of AUKUS was strategic opportunism on Washington's part rather than a strategy-driven outcome of American officials seeking to implement its Indo-Pacific approach.

The US has historically not shared the core of submarine technology with any country other than the UK, a reflection of the special relationship between the two. The US Department of Defense has shared some submarine technologies with a broader array of partners, including its advanced torpedoes, harpoon submarine-launched anti-ship missiles as well as commercially-developed sonars and combat weapon systems not used by the US Navy. However, the core technologies integral to US Navy submarine hulls, mechanical and engineering systems as well as sub-launched ballistic missile systems are highly classified and not shared with any other country other than the UK. The agreement to share the most closely guarded submarine propulsion technologies with Australia makes it clear that

Canberra is joining the special relationship between Washington and London, deepening and strengthening the trilateral ties to an entirely new level.

At its heart, AUKUS is about sharing, which underscores its true value – an already close set of relationships becoming even deeper, creating new opportunities for collaboration. The notion of sharing inherent in AUKUS is reflected on many levels. It is not only the sharing, of submarine propulsion technologies. It reflects a paradigm shift in shared security priorities and shared threat perception. It is not a coincidence that AUKUS materialised after the military drawdown in Afghanistan and the Middle East were complete. Australia was a major coalition contributor to the so-called ‘War on Terror’, underscoring its interests and ability to actively work with the US to address global security threats and its value as a provider of key capabilities, particularly small, exquisite special forces units and their support networks. Those small, highly capable special forces units that Australia contributed to wars in the Middle East will be less relevant in deterring conflict in Northeast Asia, which is anticipated to be an intense, high-technology competition between sovereign air and naval platforms, rather than a dusty ground game against non-state belligerents. AUKUS, and its future nuclear-propulsion submarine programme for Australia, makes it very relevant in this new paradigm, reflecting new priorities and the shared notion of the requirement to deter aggression in Northeast Asia.

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Sharing in the AUKUS context can take many forms, as was alluded to in the September announcement, which also referred to collaboration in other realms, including AI. This builds on an intelligence-sharing relationship whose cooperation levels are already considerable, epitomised in the Five Eyes alliance. Militarily, AUKUS represents the opportunity to deepen sharing between geographically-distributed military systems and platforms, a concept known as interoperability. The F-35 fighter aircraft is an excellent example of interoperability and the potential for greater integration between militaries focused on deterrence in Northeast Asia. The year 2021 was a coming-out party for the F-35B, the short-take off, vertical-landing (STOVL) variant. A

squadron of US Marine Corps (USMC) F-35B fighters were stationed on the Royal Navy's flagship, the Queen Elizabeth, on its inaugural seven-month deployment to the Indo-Pacific. In October 2021, a USMC F-35B conducted trial landings and take-offs on the Japan Maritime Defense Force's helicopter destroyer JS Izumo, advancing the viability of Japan deploying a fixed-wing fighter on its two helicopter destroyers. For the first time in July, USMC F-35Bs were deployed in Australia at the annual Talisman Sabre exercise, operating alongside Australian F-35As. While Australia has not acquired the F-35B STOVL variant, there is an active debate domestically about whether it should and the feasibility of converting its own Canberra-class Landing Helicopter Dock ships to operate it.

Notably, Japan is the largest international customer for the F-35, and the USMC operates two squadrons of F-35Bs at Marina Corps Air Station Iwakuni, anchoring it squarely in Northeast Asia.

The F-35 is the epitome of multinational collaboration and interoperability, analogous with the AUKUS ethos. Eight countries partnered in its development, including the UK and Australia. Australia is also a significant component of its global supply chain, with the participation of over 50 Australian companies. Notably, Japan is the largest international customer for the F-35, and the USMC operates two squadrons of F-35Bs at Marina Corps Air Station Iwakuni, anchoring it squarely in Northeast Asia. While the F-35 is often distinguished by its stealthy airframe and low radar cross-section, it has the most advanced suite of sensors of any fighter aircraft in history. Connecting those sensors to an integrated battle network is a critical aspect of the fighter's function and a key task for military commanders seeking to fuse sensors and "shooters" – the kill chain – enabling missiles and other weapons to effectively eliminate enemy platforms. Integrating F-35s and other interoperable sensors from Japan, Taiwan, Australia, the UK and the US would create a common operating picture necessary for prevailing in a conflict with an advanced adversary. Building and sustaining an integrated, regional battle network bolstered by multinational sensors requires connectivity, making it very advantageous for the AUKUS parties and regional partners, particularly Japan and Taiwan to use common systems, including the current Link 16 and future Link 22 tactical data links to connect sensors and shooters from each country. By creating a common operating picture, by sharing information across

common platforms, sharing training, logistics, support – creating interoperability – AUKUS will bring each partner much more bang for the buck.

This multinational interoperability is part of a vision for deterrence in Northeast Asia. Importantly, interoperability creates escalation dilemmas for China, the presumed adversary. More sensors improve the performance of the shooters, creating the rationale for allied integration as a contribution to collective security. China's incentive to break that kill chain is high, but risks escalation and materialisation of a stronger alliance against it should it attack the sensors and platforms of American or Japanese allies who contribute to a common operating picture but are not full-fledged belligerents. Strengthening the bonds between allies, increasing interoperability and military effectiveness and creating dilemmas for adversaries are the ultimate goals of AUKUS.

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The Power and Potential of AUKUS

The AUKUS announcement generated almost immediate reaction from countries in the region, including China, whose foreign ministry spokespersons described it as irresponsible and a Cold War mentality. However, the tone of the US-China relationship appeared to improve noticeably after the announcement. The October 2021 meeting between US National Security Advisor Jake Sullivan and Politburo member Yang Jiechi in Switzerland was very positive, particularly when compared to the March 2021 meeting between Yang and US Secretary of State Tony Blinken in Alaska. In November 2021, the US and China released a joint statement on climate change at the United Nations Climate Change Conference in Glasgow, Scotland, from 31 October to 13 November 2021. A week later, Biden and Xi had a very constructive virtual dialogue. Were these positive bilateral interactions caused by AUKUS, or simply correlation? It is impossible to know if Xi responded to the AUKUS announcement by instructing his subordinates to seek agreement with Washington more actively. We also do not know if Xi recognises that China's assertive foreign policy has resulted in growing alignment against its assertiveness and

threats of aggression, particularly against Taiwan. It is also unknown if Xi recognises that Beijing's narrative of hostile Western forces seeking to contain China is a falsehood. The US and its allies, each a major investor in and trading partner with China, are not seeking to contain Beijing but to deter it from using force to settle political disputes.

At this point, the Southeast Asian states are clearly not prepared to contribute to the Northeast Asian deterrence efforts and will remain marginal actors in that respect.

The power of AUKUS lies in its emphasis on deterrence and the closer integration of allies to accomplish it. Common military platforms, integration and interoperability are only one small aspect of that effort. Multi-party cooperation and integration into a fused alliance create the opportunity to break the hub-and-spoke network that currently defines US-centric collective security in the Indo-Pacific. AUKUS is the recognition that the US cannot deter China alone and that other countries must step up their own efforts to actively prevent a future conflict in Northeast Asia and not simply dismiss it as a by-product of US-China animosity and competition. At this point, the Southeast Asian states are clearly not prepared to contribute to the Northeast Asian deterrence efforts and will remain marginal actors in that respect. Likewise, the European Union is divided and, therefore, marginal as well. On the other hand, Japan, the UK and Australia have increasingly aligned interests, assessments, concerns and commitment to contributing to deterrence efforts and sharing the burden to preserve peace in the region through strength, not isolationism.

AUKUS represents an opportunity to deepen cooperation between Japan, the UK and Australia, integrating Japan into a coalition to deter China from using force to settle disputes, particularly against its closest neighbour, Taiwan. Japan does not need submarine nuclear-propulsion technology to have a strategic underwater capability in Northeast Asia. Australia's conventional submarines are handicapped by distance, range and endurance limitations that place a Northeast Asia theatre largely out of its reach. Japan's value to the alliance is not only its location and proximity to the threat but also that Tokyo shares the same interests, values and need to deter China from using force. As such, increasing collaboration between AUKUS and Japan on Northeast Asian defence issues, particularly deterring the use of force against Taiwan, should be an explicit priority for AUKUS.

AUKUS is, therefore, practical and symbolic at the same time. It is a statement of intent, which is where its power also lies. AUKUS is the manifestation of a shared vision for deterrence centred on shared values and the constant cultivation and strengthening of an alliance network. Australia independently concluded that it needs to strengthen security alliances and acquire a strategic deterrence capability for Northeast Asia in light of a rapidly emerging threat to regional stability. It was not cajoled by the US but instead motivated by shared values, interests and requirements – these are the factors that make them natural partners. An expanded vision for AUKUS should incorporate Tokyo not as a consumer of submarine nuclear-propulsion technology but as a trusted partner in a network of sharing and part of an effort to move beyond the hub-and-spoke model of US alliances in the Western Pacific by building connectivity and interoperability between Japan and Australia, and Japan and the UK.

Ultimately, each of the AUKUS parties has a strategic interest in strengthening alliances and deterring countries from employing force to settle disputes. AUKUS is about more than just technology or the economic consequences of a shipbuilding programme. However, it is difficult to separate those factors if viewed through a narrow or domestic political lens. The goal of AUKUS is to boost a multilateral, regional alliance in order to deal with a growing, destabilising threat in Northeast Asia.

AUKUS is the manifestation of a shared vision for deterrence centred on shared values and the constant cultivation and strengthening of an alliance network.

After AUKUS: France Tailors its Indo-Pacific Strategy

Mathieu Duchâtel

Summary

Comprising Australia, the United Kingdom (UK) and the United States (US), AUKUS, a security pact, not only caught French foreign and security policy circles by surprise, but also undermined Paris' interests in the Indo-Pacific, resulting in adjustments to its Indo-Pacific strategy. Despite adopting adjustments on several fronts, France's security engagement with its partners in the Indo-Pacific, including the US, will continue unaffected and are even likely to deepen.

Introduction

AUKUS has raised painful questions regarding how much the US values European contributions to hard security in the Indo-Pacific.

AUKUS came as a shock to French foreign and security circles,¹ or, as the French Foreign Minister Jean-Yves Le Drian described it, a “betrayal” by and a “crisis of trust” between allies. The surprise announcement instantly belied the promises made by US President Joe Biden’s administration that unlike the Donald Trump government, which believed in unilateral actions, US foreign policy behaviour would, henceforth, consider the perspective and concerns of its allies. AUKUS has raised painful questions regarding how much the US values European contributions to hard security in the Indo-Pacific. AUKUS also destroyed the foundations of the French strategic partnership with Australia, one of the three pillars of French engagement in the Indo-Pacific region (the other two being India and Japan).

French interests in the Indo-Pacific, however, remain firmly ensconced. Therefore, the modalities of French foreign and security policy engagement to defend its interests in the Indo-Pacific will and must adjust to the reality of AUKUS. It has led to four immediate outcomes:

1 “‘Crisis of trust’: France snubs Australia as it outlines Indo-Pacific vision”, *The Sydney Morning Herald*, 24 November 2021, <https://www.smh.com.au/world/asia/france-snubs-australia-as-it-outlines-indo-pacific-vision-20211124-p59bp6.html>.

1. France made serious diplomatic efforts to incorporate the Indo-Pacific region into the Franco-American and transatlantic agendas. However, given the Biden administration's low priority to further Indo-Pacific collaboration with Europe, French attempts are unlikely to succeed;
2. The simultaneous emergence of a "third-way" narrative, which emphasises a European alternative offer to Indo-Pacific states seeking to avoid a binary choice of aligning with China or the US, and which materialised in the Paris-held Indo-Pacific Ministerial Forum on 22 February 2022, to which neither Washington nor Beijing were invited;
3. A freeze in Franco-Australian relations, which lasted at least as long as Australian Prime Minister Scott Morrison was in power; and
4. Reinvigorated emphasis on Association of Southeast Asian Nations (ASEAN) centrality, with a focus on relations with Indonesia, perceived as a potential strong partner for France in the Indo-Pacific region.

France made serious diplomatic efforts to incorporate the Indo-Pacific region into the Franco-American and transatlantic agendas.

Understanding the French Loss

France lost an arms contract with AUKUS – the Barracuda submarine contract. In reality, the submarine contract was not vital for the French military shipbuilding industry. The programme was facing many obstacles, given the difficulties of sourcing credible Australian suppliers to meet the contractual obligations of a submarine deal, which would have required at least 50 per cent indigenous manufacturing – a quota raised to 60 per cent in 2020.² It explains why some in the arms industry have expressed relief at the termination of the contract – and why no negative impact is expected on future French arms sales in the region.

² Manon Lemerrier, «Sous-marins australiens classe Attack: contrat du siècle et risque réputationnel pour Naval Group», Portail de l'Intelligence Economique, 2 April 2020, <https://portail-ie.fr/analysis/2354/sous-marins-australiens-classe-attack-contrat-du-siecle-et-risque-reputationnel-pour-naval-group>.

As of early 2022, AUKUS has only been a political statement of intent.

Given such obstacles, many in Paris are highly sceptical that the nuclear-powered general-purpose attack submarine (SSN) deal under AUKUS will proceed smoothly. As of early 2022, AUKUS has only been a political statement of intent. When the 18-month period planned to conclude a deal on the technical specifications of the programme comes to an end in May 2023, the Australian public and its decision-makers will have to take stock of four major issues: the cost of the programme; the level of technology transfers to the Australian arms industry; how the presence of nuclear propulsion on Australian territory will be managed; and how many jobs will be created for Australian workers. Each could result in the programme becoming controversial and politicised. Some within the defence establishment and the arms industry in France do not rule out the possibility, albeit unlikely, that the failure of AUKUS' SSN project could lead a future Australian government resuming work on the Barracuda programme with the Naval Group.

Notwithstanding the relatively minor impact on the French military industry, AUKUS dealt a blow to the French strategy towards the Indo-Pacific. If the secretive negotiations leading to the deal and the pageantry displayed during its announcement disregarded France's status as a major European power and ally, it also undermined the French interests as a resident Indo-Pacific player and projected an image of French weakness. France has sovereignty disputes in the area regarding the delimitation of the French Exclusive Economic Zone (EEZ) between New Caledonia and Vanuatu and in the Mozambique channel with Madagascar. However, a significant milestone was crossed in December 2021 when the third and final referendum for the independence of New Caledonia ended with a favourable outcome for the French Republic.³

³ French Interior Ministry, «3e référendum d'autodétermination en Nouvelle-Calédonie», 10 December 2021, <https://www.interieur.gouv.fr/actualites/actu-du-ministere/3e-referendum-dautodetermination-en-nouvelle-caledonie>.

Protecting the French EEZ from future threats provided France with a pragmatic rationale to partner with Australia. Before AUKUS, Paris genuinely believed that the conventional Barracuda programme would embed France and Australia in a strategic partnership for decades to come, culminating in long-term trust-building and deepening of bilateral relations. AUKUS showed that this was possible with the Morrison government. However, a frozen relationship does not equal a halt in cooperation, including in the security sphere. France still extended an invitation to then Australian Foreign Minister Marise Payne to attend the Paris-hosted Indo-Pacific Ministerial Forum, and Paris and Canberra have collaborated to provide disaster relief to Tonga after the country was struck by a volcanic explosion and a tsunami, as a part of the FRANZ (France-Australia-New Zealand) cooperation agreement.⁴ These are signs of normalising communications despite distrust. On the other hand, an upgrade of France-Australia ties will have to wait for a change in the Australian government.

AUKUS was also a setback for France's tireless advocacy of an Indo-Pacific vision inside the European Union (EU). It is only because of close cooperation between France, Germany and the Netherlands that the EU is adopting a 'Strategy for Cooperation in the Indo-Pacific'. The published text by the EU Commission is currently under review by the European Council and Parliament.⁵ As a result of the consensus established among the EU member states, the document bridges two fundamental differences between the French and German approaches to the Indo-Pacific. The French vision favours deep bilateral partnerships with the region's most significant powers – Australia, India and Japan – which may include Indonesia in the future. Germany, on the other hand, supports multilateralism and ASEAN centrality. Further, Paris prioritises maritime security and the military dimension of the regional security architecture, whereas Berlin places trade and investment diversification at the heart of its Indo-Pacific strategy.

It is only because of close cooperation between France, Germany and the Netherlands that the EU is adopting a 'Strategy for Cooperation in the Indo-Pacific'.

4 "France sends aid to volcano-struck Tonga from neighbouring New Caledonia", *RFI*, 24 January 2022, <https://www.rfi.fr/en/international/20220124-france-sends-aid-to-volcano-struck-tonga-from-neighbouring-new-caledonia>.

5 European Commission, JOINT COMMUNICATION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL: The EU strategy for cooperation in the Indo-Pacific, 16 September 2021, https://eeas.europa.eu/headquarters/headquarters-homepage/104126/joint-communication-indo-pacific_en.

An inclusive embrace of the Indo-Pacific states and a rejection of bipolarity are thus the two sides of France's post-AUKUS positioning in the Indo-Pacific.

The outcome at the EU level favours the German approach. In France, the armed forces ministry was the principal advocate of an Indo-Pacific strategy and, hence, was heavily focused on maritime security. After the presidency and the foreign ministry reviewed the issue, a “third-way” narrative emerged, stressing that Europe should offer alternatives to Indo-Pacific countries pressed to choose between the US and China. An inclusive embrace of the Indo-Pacific states and a rejection of bipolarity are thus the two sides of France’s post-AUKUS positioning in the Indo-Pacific. The shift from a hard realist security vision of the balance of power in the Indo-Pacific to the “third-way” narrative has made it easier for Germany to adopt French views in its approach to the region. After three years of debate in Berlin, the German Navy sent a frigate to East Asia on a naval diplomacy mission, crossing the South China Sea and “bolstering international law”, according to the German foreign ministry.⁶ Similarly, a Dutch ship joined exercises with the UK, the US and Japan in the South China Sea for the first time in 2021.⁷ These modest contributions by Germany and the Netherlands strengthen Europe’s naval signals and its support of a maritime order based on the United Nations Convention on the Law of the Sea (UNCLOS).

Future of Transatlantic Cooperation in the Indo-Pacific

AUKUS sends a clear signal to France and the EU that the Biden administration sees no significant value in European contributions to the balance of military power in the Indo-Pacific. Notably, AUKUS has uncovered an unpleasant gap between the reality of transatlantic cooperation and an American narrative that emphasises building coalitions to counter Chinese influence.

In practice, Biden’s China policy stands on two separate pillars, which, as the AUKUS announcement showed, were not well coordinated by

6 Federal Foreign Office, “German engagement in the Indo-Pacific: Frigate ‘Bayern’ crosses the South China Sea”, 16 December 2021, <https://www.auswaertiges-amt.de/en/aussenpolitik/regionaleschwerpunkte/asien/frigate-bayern/2502176>.

7 “Three Nations’ Navies Join Royal Navy Carrier Near S. China Sea”, The Maritime Executive, 25 August 2021, <https://www.maritime-executive.com/article/three-nations-navies-join-royal-navy-carrier-near-s-china-sea>.

the White House. The first pillar is the trade and technology agenda, where Washington sees Europe as a priority partner. To the credit of the Biden administration, it took on board an EU proposition, the transatlantic Trade and Technology Council (TTC). The TTC provides a framework to design and implement an ambitious roadmap for export control, investment screening, building norms and standards for emerging technologies. At a later stage, joint industrial policy action is possible beyond the current commitment to jointly address short-term supply chain disruptions in the semiconductor industry. In short, the transatlantic trade and technology agenda is moving forward. There are, of course, differences, such as the preference given to American companies by the Department of Commerce when requesting export licences to sell goods to Chinese companies, which are widely seen as unfair in Europe. But there is a shared vision to counter Beijing, and the French government refrained from causing difficulties to the first Trade and Technology Summit in Pittsburgh by sensibly choosing not to draw a link between AUKUS and the transatlantic technology agenda.

The second pillar of the Biden administration's China policy is the power balance in the Indo-Pacific. Europe logically comes in the third tier of cooperation partners, following US alliances in the region – especially the US-Japan alliance – and after the Quad and AUKUS. In 2021, the French Navy operated an SSN in the South China Sea and had its most advanced signals intelligence (SIGINT) ship sail through the Taiwan Strait, on top of the regular deployment of a frigate through the South China Sea, demonstrating France's commitment to the UNCLOS. Amphibious assaults joint exercises were conducted with the US Marines and Japan in Sasebo in May 2021 for the first time.⁸ The SSN and SIGINT deployments are significant because they are typically capabilities the US would request allies to deploy in conflict scenarios in Asia. These French actions were conducted autonomously, but there was operational coordination with the US Navy at some stages of the SSN mission.

Europe logically comes in the third tier of cooperation partners, following US alliances in the region – especially the US-Japan alliance – and after the Quad and AUKUS.

8 Mathieu Duchâtel, "Australia and the Future of Deterrence Against China", Institut Montaigne, 22 September 2021, <http://www.institutmontaigne.org/en/blog/australia-and-future-deterrence-against-china>.

If the People's Liberation Army decides to create an incident with a Dutch, French or German ship to signal its intention to create a zone of exemption from international law, the US would need to respond.

In sum, the French Navy has already deployed the sort of capacity that the Royal Australian Navy will only be capable of deploying by late 2030s, assuming the AUKUS SSN programme is successful. How should the US incorporate French contributions and actions into its future vision of allied deterrence against unilateral Chinese attempts to change the status quo in East Asia and the South China Sea? So far, the US has provided vague answers. Washington may be unwilling to welcome autonomous engagement in the Indo-Pacific that does not follow a clear chain of command. At the same time, the US has a stake in a regular European naval presence in the South China Sea. If the People's Liberation Army decides to create an incident with a Dutch, French or German ship to signal its intention to create a zone of exemption from international law, the US would need to respond. Not answering would raise questions regarding the US commitment to peace and stability in the region.

AUKUS has resulted in greater Franco-American and transatlantic engagement in the Indo-Pacific. According to Kurt Campbell, the Indo-Pacific coordinator at the National Security Council who is widely credited for spearheading AUKUS, "The [US] has taken very serious efforts to ensure that our dialogue, our partnership, and our engagement with our European allies in the Indo-Pacific remains strong and is growing over time."⁹ The official US-EU dialogue on China in December 2021 resulted in a joint communiqué that makes no mention of the Indo-Pacific, but contains strong language on "China's problematic and unilateral actions in the South and East China Seas and the Taiwan Strait (which) undermines peace and security in the region", as well as on freedom of navigation – the real substance of Indo-Pacific security.¹⁰

The outcomes of post-AUKUS Franco-US consultations on the Indo-Pacific have not been released publicly. There are still two contending

9 "In Conversation: Kurt Campbell, White House Indo-Pacific Coordinator", Lowy Institute, 1 December 2021, <https://www.lowyinstitute.org/publications/conversation-white-house-indo-pacific-coordinator-kurt-campbell>.

10 US Department of State, US-EU: Joint Press Release by the EEAS and Department of State on the Second High-Level Meeting of the US-EU Dialogue on China, 2 December 2021, <https://www.state.gov/u-s-eu-joint-press-release-by-the-eeas-and-department-of-state-on-the-second-high-level-meeting-of-the-u-s-eu-dialogue-on-china/>.

explanations for Washington's behaviour in Paris, showing that the post-AUKUS process of bilateral consultations has not brought definitive clarity or restoration of mutual trust. One emphasises the lack of coordination at the National Security Council between the two pillars of America's China policy. It is a spin on Biden's characterisation of the AUKUS process: "What we did (with AUKUS) was clumsy".¹¹ The other sees a deliberate offensive against the idea of a European "third-way" in the Indo-Pacific, which French President Emmanuel Macron championed as a logical expansion of his emphasis on European strategic autonomy. The Biden administration should not be expected to invest many resources to strengthen security cooperation with Europe in the Indo-Pacific. However, it is essential to note that AUKUS has had no impact on the quality of Franco-US military-to-military ties. On the contrary, the two navies signed an ambitious Strategic Interoperability Framework in December 2021, framing naval cooperation for the next 20 years, with a focus on power projection and sea control.¹²

The Biden administration should not be expected to invest many resources to strengthen security cooperation with Europe in the Indo-Pacific.

Conclusion

AUKUS broadly underlines the importance of trust in international relations. Trust between states operating to safeguard and maximise their interests is hard to measure. Still, its centrality to the conduct of foreign policy is unveiled only when it suffers significant damage because of the actions of others.

AUKUS notwithstanding, French interests in the Indo-Pacific are permanent, and the overall *modus operandi* of French engagement in the region, including military operations, will not change dramatically. An effective Paris-Canberra partnership may be rebuilt over time with new leadership in Australia. In turn, France's relations with India and Japan have automatically increased in relative importance as Paris seeks to deepen engagement in the Indo-Pacific.

11 "Biden: We were clumsy over France submarine row", *BBC*, 29 October 2021, <https://www.bbc.com/news/world-us-canada-59085806>.

12 Xavier Vasseur, "US Navy, French Navy Ink Strategic Interoperability Framework", *Naval News*, 18 December 2021. <https://www.navalnews.com/naval-news/2021/12/us-navy-french-navy-ink-strategic-interoperability-framework/#:~:text=The%20U.S.%20Navy%20and%20the,and%20fight%22%20side%20by%20side.>

Can the French shipbuilding industry participate in an SSN programme in India, Japan or South Korea? It has the capacity and capability to do so. If Canberra had approached Paris and Washington for such a programme, the French answer could have been positive. However, such a demand was never made, and AUKUS has changed the parameters of the nuclear submarine equation in the Indo-Pacific. Of the three countries cited, India is the most likely to turn to France for its SSN programme, and AUKUS has strengthened India's negotiating position vis-à-vis prospective suppliers.¹³ Conversely, military competition with China in the Indo-Pacific could lead the US to make unprecedented offers to regional powers willing to contribute to the deterrence efforts against China.

With Macron being re-elected for a second term in May 2022, he will now have to work on circumventing a fundamental disagreement with Washington.

How will transatlantic relations vis-à-vis China evolve from now on, and what is the role for France in this dynamic? The February 2022 summit confirmed France's resolve to continue diplomatic efforts to increase European engagement in the Indo-Pacific. With Macron being re-elected for a second term in May 2022, he will now have to work on circumventing a fundamental disagreement with Washington. Under his leadership, Paris tends to see the return of bipolarity as a threat to European interests and seeks autonomous space to operate despite its alliance with the US. While French decision-makers mostly agree with Washington on the trajectory of Beijing's domestic governance and international behaviour, they perceive it as Sino-US rivalry rather than China's rise threatening French and European interests. This worldview is not incompatible with a robust transatlantic cooperation agenda, nor is it an obstacle to France joining a US-led coalition in the event of war in East Asia. But France's partners must consider this objective reality. And, in the end, it appears to be in Washington's best interests to encourage and value allied contributions to the Indo-Pacific maritime order instead of undermining them.

13 Yogesh Joshi, "AUKUS: Arms, Allies and the Geopolitics of the Indo-Pacific", ISAS Insights, 6 October 2021, <https://www.isas.nus.edu.sg/papers/aukus-arms-allies-and-the-geopolitics-of-the-indo-pacific/>.

Impact of AUKUS on Japan

Bonji Ohara

Summary

AUKUS, a security between the United States (US), the United Kingdom and Australia, has raised severe anxiety in China and has forced it to embrace two distinct policy responses: seeking dialogue with the US to avoid conflict while, at the same time, deepening military cooperation with Russia. Both moves significantly impact Japan. If the first aims to normalise China's relations with the US, the latter aims to create a wedge in the US-Japan alliance, which is particularly problematic for Tokyo's security interests.

Introduction

On 18 October 2021, five navy ships each from China and Russia sailed from the Sea of Japan through the Tsugaru Strait to the Pacific Ocean, then circumnavigated Japan and, on the 23rd of the same month, headed through the Ohsumi Strait to their respective destinations.¹ The Chinese media hailed the voyage as a “Strategic Joint Cruise”,² suggesting the strategic intent in the combined operations conducted by the Chinese and the Russian navies near Japan's territorial waters. The Chinese Navy's fleet also included one of the world's largest destroyers, the Type 055 destroyer, of which only three have been deployed so far. The Tsugaru Strait is a strait between Hokkaido and Aomori prefecture and is just over 20 kilometres wide at its narrowest point. In a clear act of military signalling to Japan, 10 naval vessels, including a destroyer with a displacement of over 10,000 tons, passed through this narrow strait. For China, there was strategic significance in militarily intimidating Japan in the period immediately after AUKUS' announcement.

For China, there was strategic significance in militarily intimidating Japan in the period immediately after AUKUS' announcement.

1 「中国及びロシア海軍艦艇の動向について」『統合幕僚監部 報道発表資料』2021年10月18日、https://www.mod.go.jp/js/Press/press2021/press_pdf/p20211018_02.pdf; and 中国及びロシア海軍艦艇の動向について」『統合幕僚監部 報道発表資料』2021年10月23日、https://www.mod.go.jp/js/Press/press2021/press_pdf/p20211023_01.pdf.

2 「中俄举行首次海上战略联合巡航有个可能性非常大」『新华网』2021年10月19日、http://www.news.cn/mil/2021-10/19/c_1211409880.htm.

Even naval vessels can navigate other countries' territorial waters if their purpose is clear, such as to reach their destination, and as long as they do not cause harm to the coastal state.

However, when enquired about the reasons behind the joint naval exercises, Chinese military officials claimed that the Sino-Russian naval manoeuvres did not intrude into Japan's territorial waters, nor were they in violation of international law. Justifications for the exercise notwithstanding, the question is hardly a legal one. Though Japan understands the Chinese need and intention to justify such operations under the cover of freedom of navigation of the Chinese Navy, the question is hardly regarding whether the Sino-Russian naval fleet violated any international law, which they did not. Under the United Nations Convention on the Law of the Sea (UNCLOS), the territorial seas are considered as 12 nautical miles (about 22 kilometres) from the baseline of coastal areas. Under such a scheme, the entire Tsugaru Strait would typically fall into Japan's territorial waters. However, Japan has set its territorial waters at three nautical miles for the five straits of Soya Strait, Tsugaru Strait, Tsushima Strait East Channel, Tsushima Strait West Channel and Osumi Strait.³ Therefore, there is a high sea about 10 kilometres wide in the centre of the Tsugaru Strait, rendering it international waters. Since the Sino-Russian naval fleet sailed in this part of the high seas, it did not violate international law, as China rightly claimed. In addition, even in territorial waters, the UNCLOS allows warships the right of innocent passage. Even naval vessels can navigate other countries' territorial waters if their purpose is clear, such as to reach their destination, and as long as they do not cause harm to the coastal state.

However, the real question is to understand the need behind the Sino-Russian joint armada and their intention behind conducting a joint cruise around Japan. The Russian and Chinese navies have respectively circumnavigated Japan before but have never been in concert. Why are both these countries pressuring Japan militarily? If China and Russia used military means, then it is reasonable to assume that the reasons are also militant.

3 "Limits in the Seas No.120 Straight Baseline and Territorial Sea Claims: Japan" Office of Oceans Affairs, Bureau of Oceans and Scientific Affairs, US Department of State, 30 April 1998, <https://www.state.gov/wp-content/uploads/2020/01/LIS-120.pdf>.

The announcement and establishment of AUKUS is the primary reason behind China's military pressure against Japan, even when the agreement hardly concerns Tokyo. AUKUS is a framework for trilateral military cooperation, where the US and the UK will support Australia's acquisition of eight nuclear-powered general-purpose attack submarines (SSN). The most apparent impact of the new Australian capability would be to reduce the effectiveness of China's nuclear deterrence against the US and its allies. Australia and the US will integrate their naval operations, especially their submarine operation in the South China Sea. In that scenario, China's nuclear-powered, ballistic missile-carrying submarine (SSBN), deployed on Hainan Island, will be tracked and followed by the combined SSN capability of the US and Australia. An SSBN is capable of launching an intercontinental ballistic missile (ICBM) equipped with a nuclear warhead. An SSBN's most significant advantage is its ability to conceal its location, and because it is more likely to survive the enemy's first strike, these nuclear platforms are the ultimate guarantor of a nuclear retaliatory strike against the adversary. Australian SSNs can contain the Chinese SSBNs before they can break out in the open sea and hunt them down during an open conflict or periods of crisis, thus diluting China's sea-based deterrence. However, they can also hem in the People's Liberation Army Navy within the First Island chain and the contested waters of the South China Sea. China's conventional maritime power will be equally neutralised.

The most apparent impact of the new Australian capability would be to reduce the effectiveness of China's nuclear deterrence against the US and its allies.

AUKUS has intensified China's sense of an impending crisis over the effectiveness of its nuclear deterrent. Soon after AUKUS was announced, the Chinese Communist Party-affiliated media reported that "AUKUS has opened a Pandora's box of arms race" in the region.⁴ However, Beijing sees AUKUS as an effort to tighten the noose of anti-China containment. In Chinese perceptions, AUKUS also signifies contradiction within the US alliance system as not all members of the Five Eyes network have joined the plan. As another media report observed, "Canada and New Zealand (even though they are also members of the Five Eyes alliance) did not join this framework

⁴ 「环球深壹度 美国又搞“小圈子”，美英澳新机制打开“潘多拉盒子”」『新华网』2021年9月18日、http://www.news.cn/world/2021-09/18/c_1211374442.htm.

because they do not have a strong posture of anti-China.”⁵ Such observation reveals Beijing’s deep-seated anxieties and it is an effort to create dissension within the Western alliance system.

New Zealand and Canada’s involvement was deeply problematic for China, as their claims that the US and Australia are particularly anti-China then do not hold much water.

In early October 2021, a six-nation joint naval exercise was held in the waters east of the Philippines, with naval vessels from Japan, the US, the UK, New Zealand, Canada and the Netherlands.⁶ In addition, American and Canadian naval vessels later passed through the Taiwan Strait.⁷ New Zealand and Canada’s involvement was deeply problematic for China, as their claims that the US and Australia are particularly anti-China then do not hold much water. China displayed growing anxiety when many of its military aircraft entered the air defence identification zone in the airspace southwest of Taiwan at the same time.

AUKUS is not the end but only the first of many stages in American efforts to balance Chinese military expansionism. AUKUS will not change the status quo immediately; it will take about 20 years for Australia to deploy the eight SSNs acquired under the agreement. Furthermore, Canada and New Zealand have yet to establish a new framework for military cooperation with the US. The incomplete nature of alliance dynamics and capabilities show that AUKUS and other alliance developments are still at the stage of political messaging from Washington and its allies to Beijing.

In response to the fact that the US has shown its intention to counter China’s military power by integrating its military operations with those of its allies, China is reacting and accelerating the development of new nuclear forces. For example, it is developing hypersonic flying vehicles to ensure nuclear deterrence against the US. China has feared that its nuclear deterrence would collapse because it is inferior in the number

5 「美英澳组新联盟AUKUS，新西兰和加拿大因“不够反华”被排除？」『环球网』2021年9月17日，<https://world.huanqiu.com/article/44niXlPAA8>.

6 “US leads 6 nations in military drills in PH Sea” *Manila Standard*, 7 October 2021, <https://manilastandard.net/news/top-stories/366816/us-leads-6-nations-in-military-drills-in-ph-sea.html>.

7 “China condemns US, Canada for sending warships through Taiwan Strait”, *Reuters*, 17 October 2021, <https://www.reuters.com/world/asia-pacific/us-canadian-warships-sailed-through-taiwan-strait-last-week-2021-10-17/>.

of nuclear warheads and ICBM launchers. Further, US ballistic missile defence can also attrite Chinese offensive nuclear forces. Given the fragility of the Chinese nuclear deterrent, China has been building A2/AD (Anti-Access Area-Denial) capabilities to discourage the US from conducting military operations against China. China's A2/AD aims to exclude the US and other foreign military forces from the East China Sea and South China Sea and gain sea and air superiority between the First Island chain and the Second Island chain to block the access of American carrier strike groups. Without eliminating the US and other foreign military forces from these waters, an armed invasion of Taiwan would be tough.

Taiwan is not the only game in Beijing's mind. For Beijing, the South China Sea is the safest haven for its ballistic nuclear submarines. At the same time, control of the East China Sea is required to maintain the effectiveness of A2/AD. If Japan and the US establish a precision strike network on the First Island chain and integrate the operations of the Japan Self-Defense Forces and the US forces, A2/AD could be neutralised, even if only for a limited time, allowing US military forces to launch an offensive against China. America's efforts to pursue military cooperation with its allies, mainly the UK and Australia, within the framework of AUKUS would help boost US President Joe Biden's emphasis on alliances as a fundamental aspect of American deterrent strategy against China. AUKUS can augur similar deepening security cooperation with Japan in the near future.

The Japan-US alliance perturbs China. Japan is geographically closer to China than any other US ally and will be the first significant roadblock against any Chinese attempt to push into the Pacific. China is aware of the formidable obstacle posed by the First Island chain. It would be a nightmare for China if Japan were to fully integrate its military operations with those of the US. In response to the Russian invasion of Ukraine, there are already calls from within Japan to host US nuclear weapons in the Japanese territory. Therefore, the Sino-Russian "strategic joint cruise" around the Japanese waters was an act of intimidation, signalling to Tokyo to maintain a healthy distance from the US. The Sino-Russian military manoeuvres were singularly

Without eliminating the US and other foreign military forces from these waters, an armed invasion of Taiwan would be tough.

It would be a nightmare for China if Japan were to fully integrate its military operations with those of the US.

aimed at creating a wedge between Tokyo and Washington. In response to AUKUS, China is signalling its intentions to cooperate with Russia militarily if Washington and its allies present a united defence against its revisionist agenda in the Indo-Pacific. Joint exercises also intended to send a message that Beijing too can play alliance politics in the Indo-Pacific. Moreover, these tactics aim to exploit Japan's geographical vulnerability, as Tokyo will be one of the first targets of Chinese retaliation in any military confrontation.

However, to caution Japan, China has indicated that military pressure is not the only means available. China has traditionally used both “coercive” and “cooperative” means to influence other countries. In a phone call between the foreign ministers of Japan and China on 18 November 2021, Chinese Foreign Minister Wang Yi warned Japan to “not waver, not back down and not cross the red line on important issues such as historical problems and Taiwan problem that concern the political foundation of Japan-China relations and the basic trust between the two countries.”⁸ At the same time, he also tried to create an atmosphere for bilateral dialogue by requesting Japanese Foreign Minister Yoshimasa Hayashi to visit China.

Economic enmeshment provides China with an avenue for future economic coercion and may help offset the implications of AUKUS.

China is equally using economic and diplomatic means to expand its regional and global footprint. Shortly after the establishment of AUKUS, China applied for membership in the Trans-Pacific Partnership (TPP). Economic enmeshment provides China with an avenue for future economic coercion and may help offset the implications of AUKUS.⁹ American media asserted that President Xi Jinping's bid to join the TPP and its timing were reminders that the Pacific trade pact is more than mere economics. It is also about the strategic balance of power in the world's most significant economic region. It is part of the “holistic national security architecture” imagined by Xi in 2014, akin to the US concept of “political warfare”. The US Department of Defence (DoD) defines “political warfare” as the “aggressive use

8 「王毅同日本外相林芳正首次通话 望重大问题上” 不动摇不倒退不越线”」【参考消息】2021年11月20日，<http://www.cankaoxiaoxi.com/china/20211120/2460437.shtml>.

9 “China's Answer to Aukus”, *The Wall Street Journal*, 23 September 2021, <https://www.wsj.com/articles/chinas-answer-to-aukus-trans-pacific-partnership-xi-jinping-joe-biden-11632176674?mg=prod/com-wsj>.

of political means to achieve national objectives”.¹⁰ China’s holistic security architecture works on similar assumptions.

Japan should unwaveringly support global standards, rules and norms in international politics in response to China’s growing military and economic pressure. Japan will pursue such interests in less militarily oriented frameworks like the Quad. However, insofar as the ultima ratio of international politics, Japan will have to strengthen militarily to deter aggression and coercion by its adversaries.

Overall, Tokyo has welcomed the establishment of AUKUS, which will only help the Indo-Pacific’s democracies deter China’s use of force. Though Japan is not invited to join AUKUS, Tokyo is strengthening the Japan-US alliance and its security cooperation with other US allies to maintain peace and stability in the region. Such Japanese effort must relate to other frameworks like AUKUS and the Quad. Behind China’s posture toward Japan, including the joint cruise by China-Russian naval vessels, is the increasingly fraught US-China relationship. Though Japan does not want a military confrontation with China, it will not accept China’s unilateral attempt to change the status quo through military means and will support American efforts to deter military adventures by Beijing.

Though Japan is not invited to join AUKUS, Tokyo is strengthening the Japan-US alliance and its security cooperation with other US allies to maintain peace and stability in the region.

China’s sensitive response shows that AUKUS and the strengthening of the Japan-US alliance will provide an effective deterrent against Beijing’s misadventures. Although Japan’s military contribution is limited, the imperative is to accurately understand China’s political messaging and send back appropriate signals that accurately represent Japanese intentions and capabilities. The Russian invasion of Ukraine, China’s tacit support for Russian President Vladimir Putin’s miscalculations and German rearmament will also ignite a rethinking in Tokyo over its military posture. In the end, as the war in Ukraine illustrates, an effective deterrent that can ensure peace is far better than even the prospect of military victory once the violence of war is unleashed.

¹⁰ Definition of the term ‘political warfare’ per official documentation of the United States Department of Defense, https://www.militaryfactory.com/dictionary/military-terms-defined.php?term_id=4130

AUKUS: What is in it for India?

Sana Hashmi

Summary

India's response to AUKUS has been driven by its assessment of the changing regional security dynamics. Overwhelmed by challenges posed by an increasingly assertive and aggressive China, India seems to be of the view that despite the friction it has caused, AUKUS will eventually contribute to strengthening the forces that support a rules-based order in the Indo-Pacific region. India's tacit support for AUKUS could perhaps be seen from that perspective.

Introduction

AUKUS also facilitates the accommodation of the UK in the Indo-Pacific narrative.

In September 2021, a rather secretive trilateral defence arrangement between Australia, the United Kingdom (UK) and the United States (US), termed as AUKUS, was announced, creating an unexpected diplomatic upheaval and even leading to a parliamentary enquiry in Australia.¹ Within the AUKUS framework, the US and UK will jointly help Australia to build a class of nuclear-powered submarines and promote information and technology sharing, the complete details of which are yet to be made public.² According to the joint statement, the three countries, "...guided by (their) enduring ideals and shared commitment to the international rules-based order....resolve to deepen diplomatic, security, and defence cooperation in the Indo-Pacific region, including by working with partners, to meet the challenges of the twenty-first century."³ Undoubtedly, the decision was taken keeping China's aggressive postures in mind but it is also driven by the goal to advance the defence capabilities of Australia, an important regional ally of the US. AUKUS also facilitates the accommodation of the UK in the Indo-Pacific narrative.

1 "Controversial AUKUS Alliance to be the Subject of a Parliamentary Inquiry", *SBS News*, November 23, 2021, <https://www.sbs.com.au/news/article/controversial-aukus-alliance-to-be-the-subject-of-a-parliamentary-inquiry/5w6by6ro2>.

2 "Joint Leaders Statement on AUKUS", The White House, 15 September 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/09/15/joint-leaders-statement-on-aukus/>.

3 Ibid.

Contentious as it was, the pact sparked off several controversies.⁴ The announcement of AUKUS, the collapse of the Australian-French submarine deal and its announcement without consultation with France have seemingly dented the Western alliance system. The anticipated attempts to project AUKUS as a security grouping meant to protect the Indo-Pacific also generated curiosity and debates within the region. Since its promulgation, AUKUS broadened its mission from strengthening Australia's defence capabilities to protecting the entire Indo-Pacific region.⁵ AUKUS enthusiasts claim that it is a response to the growing geopolitical rivalry and hegemonic competition in the Indo-Pacific region. While AUKUS still needs to articulate its agenda and develop a well-structured roadmap, there is no denying that countering China was at the centre of this decision. AUKUS becomes all the more important when the Quad does not seem to be acquiring a military dimension anytime soon.

AUKUS becomes all the more important when the Quad does not seem to be acquiring a military dimension anytime soon.

The launch of AUKUS has worried China. This was evident from media briefings and press releases issued by China's Ministry of Foreign Affairs. China's state-owned media has been equally bitter about AUKUS, terming it "another gang to impose mob rule in unruly game"⁶ and the arrival of the "nuclear-powered submarine fever".⁷ While co-chairing the China-European Union (EU) High-Level Strategic Dialogue, Chinese Foreign Minister Wang Yi stated, "the AUKUS deal brings hidden danger to regional peace, stability and the international order."⁸ Several Chinese state-owned media outlets even published a series of articles by scholars from 'friendly' countries on the 'perils' of AUKUS. China has the world's largest navy and is consistently

4 Tom Stayner, "French ambassador savages Australia for 'stab in the back' over scuttled submarine deal", *SBS News*, 3 November 2021, <https://www.sbs.com.au/news/article/french-ambassador-savages-australia-for-stab-in-the-back-over-scuttled-submarine-deal/0nnu11c30>.

5 "Australia PM Says AUKUS Pact to Ensure Peace, Security in Indo-Pacific", *Reuters*, 21 January 2022, <https://www.reuters.com/world/asia-pacific/australia-pm-says-aukus-pact-ensure-peace-security-indo-pacific-2022-01-21/>.

6 "Washington Forms Another Gang to Impose Mob Rule in Unruly Game: China Daily Editorial", *China Daily*, 16 September 2021, <http://www.chinadaily.com.cn/a/202109/16/WS6143326fa310e0e3a68221c4.html>.

7 "AUKUS to bring 'nuclear-powered submarine fever' across globe: Global Times editorial", *Global Times*, 16 September 2021, <https://www.globaltimes.cn/page/202109/1234459.shtml>.

8 "China Senior Diplomat Wang Says AUKUS Brings Hidden Danger to Peace", *Reuters*, 28 September 2021, <https://www.reuters.com/article/aukus-security-china-idUKP8N2QP05E>.

improving its naval capabilities significantly. However, anti-submarine warfare is still not China's forte.⁹ In this context, a collective response via AUKUS presents a formidable challenge to China's growing maritime capabilities and ambitions.

Evidently, AUKUS is slowly getting accommodated into the Indo-Pacific discourse even though it is yet to receive formal acceptance from most of the countries in the region. Nonetheless, AUKUS has rapidly expanded its proposed roles and responsibilities to work beyond a trilateral mechanism – a goal that was perhaps not anticipated by many in September 2021 when the deal was formally launched.

India's Response

India is not a party to the AUKUS arrangement. As such, AUKUS does not have a direct impact on India's security calculations. However, there are several factors and equations that have shaped India's response. In this regard, it is important to keep in mind New Delhi's diplomatic and strategic proximity with both France and AUKUS the members. It is for this reason that India has found it difficult to take a clear and firm stand in supporting AUKUS.

India's response also derives from its policy of non-interference in other countries' affairs.

Three factors have shaped India's response to AUKUS. First, India maintains close strategic partnerships with all the AUKUS countries. India's response also derives from its policy of non-interference in other countries' affairs. Second, India's AUKUS response is also driven by its own concerns vis-à-vis China and the need for a coordinated response against China's assertive postures. Third, India prefers multiple platforms and mechanisms in the Indo-Pacific. In 2019, S Jaishankar, India's Minister of External Affairs, pointed out, "the more important task at hand is to invest time and effort to use the Indo-Pacific as an open, free and inclusive platform to deliver tangible and meaningful cooperative initiatives. For this to happen, it is in everyone's interest to ensure that the doors remain open to cooperation on as wide a

9 Amitav Acharya, "ASEAN and the New Geopolitics of the Indo-Pacific", East Asia Forum, 29 December 2021, <https://www.eastasiaforum.org/2021/12/29/asean-and-the-new-geopolitics-of-the-indo-pacific/>.

platform as possible.”¹⁰ India quietly supports those mechanisms that do not affect its national interests but strengthens the existent regional order. The more such mechanisms complement its interests, the more vocal is New Delhi’s support. India views AUKUS as one of the many mechanisms within the Indo-Pacific framework.

While the Indian government remained quiet, the only official response came from India’s Foreign Secretary Harsh V Shringla, whose statement was in response to the speculations over the impact of AUKUS on the Quad, “The new security alliance between Australia, the United Kingdom and the United States has no link with the Quad and will have no impact on the functioning of the grouping.”¹¹ The launch of AUKUS led to immediate concerns from some quarters that AUKUS might overshadow the Quad’s position in the Indo-Pacific order.¹² Shringla’s statement and the Quad leader’s summit on 24 September 2021 alleviated those concerns, at least for the time being.

The launch of AUKUS led to immediate concerns from some quarters that AUKUS might overshadow the Quad’s position in the Indo-Pacific order.

While the Indian government has chosen to remain somewhat silent, AUKUS has received mixed responses from the strategic community within the country. Sceptics believe that AUKUS and related developments do not help India, as building up Australia’s naval capabilities will not have much impact on China’s activities in the Himalayas.¹³ One analysis suggests that “the issue continues to split India’s security experts, with little consensus over whether it benefits New Delhi or is detrimental to Indian interests.”¹⁴ Some have also highlighted that under AUKUS, what might cause concerns in India is that “the United States is sharing coveted technology with one Quad

10 “Valedictory Address by External Affairs Minister at 11th Delhi Dialogue”, Ministry of External Affairs, Republic of India, 14 December 2019, <https://www.mea.gov.in/Speeches-Statements.htm?dtl/32212>.

11 Rezual Laksar, “AUKUS won’t Impact Quad Agenda: Harsh Shringla”, *Hindustan Times*, 22 September 2021, <https://www.hindustantimes.com/india-news/aukus-won-t-impact-quad-agenda-harsh-shringla-101632249495259.html>.

12 Alan Chong, “Reconciling the Quad and AUKUS: a bridge too far?”, *East Asia Forum*, 11 December 2021, <https://www.eastasiaforum.org/2021/12/11/reconciling-the-quad-and-aukus-a-bridge-too-far/>.

13 Bharat Karnad, “A Post-AUKUS World and India’s Options”, *Security Wise*, 27 September 2021, <https://bharat.karnad.com/2021/09/27/a-post-aukus-world-and-indias-options/>.

14 Abhijit Singh, “India Remains Divided about AUKUS”, *Lowy Interpreter*, 22 December 2021, <https://www.lowyinstitute.org/the-interpreter/india-remains-divided-about-aukus>.

partner but not another”.¹⁵ Another interesting criticism is regarding the potential impact of AUKUS on India’s stakes in the Indian Ocean.¹⁶ Interestingly, a minority view also concerns the US commitment to the region amid the Afghan crisis and the potential repercussions of taking AUKUS at face value.¹⁷

One of the most convincing positive views comes from India’s former National Security Advisor Shivshankar Menon, who, in a conclave held in New Delhi, called AUKUS an attempt to restore balance and, therefore, stability in the seas around China through the Indo-Pacific, but particularly in the seas near China-South China Sea and the East China Sea.¹⁸ Such positive responses to AUKUS are due to growing tensions between India and China.

The relationship between India and the US has been termed as the defining partnership by even the American and Indian heads of governments.

The sensitivities involved with AUKUS, particularly India’s close ties with France on the one hand, and Australia and the US on the other, make it difficult for India to openly take a stand. New Delhi, therefore, took a prudent decision to stay away from taking sides.¹⁹ India has been a close friend of France for the past several decades. France has been one of the most reliable security partners and a fast-growing defence trade partner for India. The US and Australia too are pivotal partners of India in the defence, security and strategic realms. The relationship between India and the US has been termed as the defining partnership by even the American and Indian heads of governments. With the decision to launch the India-UK Free Trade Agreement talks, the New Delhi-London relationship is also gaining salience. As far as Australia is concerned, AUKUS reinforces its commitments to be part

15 Manjari Miller Chatterjee, “The Quad, AUKUS, and India’s Dilemmas”, Council on Foreign Relations, October 13, 2021, <https://www.cfr.org/article/quad-aukus-and-indias-dilemmas>.

16 Abhijit Singh, “India Remains Divided about AUKUS”, *Lowy Interpreter*, 22 December 2021, <https://www.lowyinstitute.org/the-interpreter/india-remains-divided-about-aukus>.

17 Dinakar Peri, “With AUKUS, India must Keep its Head Above Water”, 6 October 2021, *The Hindu*, <https://www.thehindu.com/opinion/op-ed/with-aukus-india-must-keep-its-head-above-water/article36848460.ece>.

18 “Power balance shifted against us following China’s economic growth: Menon on Sino-India relations”, *India Today*, 2021, <https://www.outlookindia.com/newscroll/power-balance-shifted-against-us-following-chinas-economic-growth-memon-on-sinoindia-relations/2175929>.

19 Abhijit Singh, “India is not a Bystander in in AUKUS Saga”, *The Hindu*, 25 September 2021, <https://www.thehindu.com/opinion/op-ed/india-is-not-a-bystander-in-the-aukus-saga/article36659188.ece>.

of the Indo-Pacific security architecture. It also bridges the trust gap created by Australia's withdrawal from the first iteration of the Quad.

For India, therefore, the AUKUS deal is something that does not directly concern it. In such a situation, it is natural for India to neither openly endorse nor oppose it. Overall, the sense is that India has accepted AUKUS in the Indo-Pacific region.

Is AUKUS Good News for India?

To understand India's position better, it is important to consider the changes that have taken place in India-China relations over the past two years, particularly after the Galwan Valley clashes in June 2020. In all probability, two years back, India might have had a completely different response to AUKUS or any other attempt to securitise the Indo-Pacific region. Lately, one of India's primary objectives has been to effectively deal with China's hegemonic behaviour and repeated territorial incursions. India's objective of containing China has been primarily shaped by the latter's non-accommodative stance towards the India-China border dispute and a complete disregard for Indian territorial integrity. From India's perspective, AUKUS might distract China, compelling Beijing to focus on the three-country defence partnership rather than upping the ante on the India-China border standoff.²⁰ Additionally, with their advantages of greater stealth, endurance and carrying capacity, the possession of nuclear-powered general-purpose attack submarines by Australia, a Quad partner, might strengthen the overall military power projection in the Indo-Pacific.²¹

India's objective of containing China has been primarily shaped by the latter's non-accommodative stance towards the India-China border dispute and a complete disregard for Indian territorial integrity.

Despite rising tensions with China, India is still not ready to be a part of an overt military-centric anti-China coalition. Nonetheless, it appears to support the idea of a group of friends and partners taking up the joint responsibility of maintaining strategic equilibrium in the region and protect a rules-based order. A strategic-military centric

20 Manpreet Sethi, "AUKUS from an Indian Perspective", Asia Pacific Leadership Network, 29 September 2021, <https://www.apln.network/projects/aukus/aukus-from-an-indian-perspective>.

21 Ibid.

mini-lateral or multilateral arrangement aimed at containing China's assertive postures would be in India's best interests. Both the Quad and AUKUS aim to play that role. These arrangements are something that even other countries are now coming to terms with. Such moves and platforms might create a credible diplomatic and military balance of power against China and help like-minded countries preserve the status quo and the rules-based order in the region.

The bottom line for India and its policymakers is that AUKUS helps India, though indirectly, in dealing with the biggest source of its security anxieties. Both diplomacy and competition have shaped India's policy towards China in the past decade. However, diplomacy such as informal summits (Wuhan and Mamallapuram) and establishing military hotlines and deterrence mechanisms have failed to work in India's favour.²² China is denying India its rightful place at international forums such as the Nuclear Suppliers Group and the International Atomic Energy Agency.

Greater security for Australia would naturally favour India's security and strategic interests.

Second, AUKUS does not pose any kind of military or security threat to India. Since none of these countries has any disputes or differences with India, this does not seem problematic for New Delhi. AUKUS will only strengthen Australia's security, a goal that aligns with India's interests. Australia is emerging as India's important security partner in the region. If Australia's security is enhanced, that would benefit India in the long run. Australia is one of the prominent stakeholders in the Indian Ocean region. In addition to the Quad, India and Australia share several traditional and non-traditional security-centric regional platforms such as the Indian Ocean Rim Association and the Indian Ocean Naval Symposium. Now, Australia is also participating in India-led Malabar exercises. Greater security for Australia would naturally favour India's security and strategic interests.

Third, India prefers to engage countries in an issue-based coalition. With the emergence of the Indo-Pacific, it welcomes the increased

²² For a detailed primer on the issue, please see Sana Hashmi, "Will we see an India-China re-set.", *Rediff.com*, 26 April 2018, <https://www.rediff.com/news/column/will-we-see-an-india-china-re-set/20180426.htm>.

presence of the US in the region while trying to deal with China's assertive postures more effectively. AUKUS is one example of how New Delhi has managed to utilise the situation to the best of its advantage. For instance, one of the first casualties of AUKUS was the cancellation of the meeting of the foreign ministers of Australia, India and France. India went ahead and met the two ministers separately on the sidelines of the United Nations General Assembly in late September 2021. Taken together, these three points explain why India responded the way it did and how AUKUS would possibly impact India's interests in the region.

Challenges

One of the perceived challenges was that AUKUS will overshadow the Quad and impact its functioning like how it eclipsed the EU Indo-Pacific strategy. So far, there seems to be no serious conflict of interest between the Quad and AUKUS. Scott Morrison, then Australian Prime Minister, stated that "the trilateral AUKUS security alliance complements partnerships like the Quad".²³ It is interesting to note that over the past few months, the Quad has expanded its mandate and scope of cooperation to non-traditional security domains, suggesting a reluctance to assume an overtly military dimension. In this context, AUKUS might facilitate the smooth functioning of the Quad by letting it focus on broader strategic issues. How this materialises and to what extent this complementarity is achieved is something that India would be watching closely.

It is interesting to note that over the past few months, the Quad has expanded its mandate and scope of cooperation to non-traditional security domains, suggesting a reluctance to assume an overtly military dimension.

Another potential challenge for India is to balance relations with the AUKUS countries and France since all of them are India's key strategic partners. With a focus on strengthening defence and strategic partnership, Florence Parly, France's Minister of the Armed Forces, visited India on 17 December 2021. Her visit was seen in the context of the AUKUS controversy and, seemingly, was an attempt to forge a stronger defence partnership with India amid the rising tensions in the

23 "AUKUS Complements Quad; Warm Embrace of it by India: Australia PM Morrison", *The Times of India*, 30 September 2021, <https://timesofindia.indiatimes.com/india/aukus-complements-quad-warm-embrace-of-it-by-india-australian-pm-morrison/articleshow/86643595.cms>.

Indo-Pacific. During her visit, Parly emphasised France's engagement in the Indo-Pacific and the centrality of India in the French strategy.²⁴ She even stated that "AUKUS does not change geography. France is a nation of the Indo-Pacific, and India is our foremost strategic partner to keep this region free, open, and prosperous."²⁵ India has to tread carefully on its bilateral relations with the AUKUS countries and France.

Way Forward

India would not openly support AUKUS and may formally remain neutral.

There are visible positives and negatives of AUKUS for India, but there is nothing much New Delhi can do. India's Indo-Pacific vision aligns with its decades-old policy of non-interference. While India does welcome the inclusion of the UK in the Indo-Pacific, it has to be careful with how AUKUS and its regional response pans out. India would not openly support AUKUS and may formally remain neutral. One of the main reasons why it has shown restraint in its response is due to the China factor. India has always favoured a regional response to geopolitical situations.

Outsiders are often worried by the fact that AUKUS is a pact between Anglo-Saxon countries. It remains to be seen whether the Quad remains the focal point of the Indo-Pacific or whether AUKUS will overshadow other mechanisms in the region. The onus lies on the AUKUS members. They should work together in ensuring that like-minded countries stay close and do not feel alienated from the US-led political and security mechanisms. Finding ways to develop synergies between AUKUS, the Quad and other existing bilateral military and defence mechanisms is another equally significant task.

24 "Official Visit to India of Florence Parly", France in India, French Embassy in New Delhi, 17 December 2021, <https://in.ambafrance.org/Official-Visit-to-India-of-Florence-Parly-18755>.

25 Interview with Rajat Pandit, "India's Foremost Strategic Ally of France in Indo-Pacific Region", *Times of India*, 17 December 2021, <https://timesofindia.indiatimes.com/india/india-foremost-strategic-ally-of-france-in-ino-pacific-region/articleshow/88329463.cms>.

Is Southeast Asia 'Ambivalent' about AUKUS?

Concerns, Contexts and Consequences of ASEAN Responses

Ristian Atriandi Supriyanto

Summary

The Australian, British and American creation of AUKUS generated 'ambivalent' reception from the Southeast Asian countries. This ambivalence apparently stemmed from the divergent responses from the Association of Southeast Asian Nations (ASEAN) member states, which fall under three categories: critical, supportive and ambiguous. Upon closer scrutiny, however, those countries most critical of AUKUS, namely, Malaysia and Indonesia, are concerned over the operationalisation of AUKUS rather than its concept as a whole. Meanwhile, the rest of the ASEAN member states are either supportive or ambiguous, which may imply consent, if a guarded one. However, AUKUS might threaten ASEAN's centrality in the region. While trying to deter China, AUKUS bypasses ASEAN-led regional security institutions that specifically avoid the exclusion of China.

While trying to deter China, AUKUS bypasses ASEAN-led regional security institutions that specifically avoid the exclusion of China.

Introduction

If there is a single word to describe Southeast Asia's apparent reception of the AUKUS security partnership, it must be 'ambivalence.' This essay seeks to address why this ambivalence exists and how it bears on one of the most prominent regional groupings in the Indo-Pacific, ASEAN.¹ Some authors have taken this ambivalent reception as symptomatic of the divergence among the ASEAN member

¹ This essay employs 'Southeast Asia' as a term to refer to the geographic area of ASEAN, while the term ASEAN specifically concerns policies of the individual member countries of the politico-diplomatic grouping. Given the overlap between the geographic and diplomatic coverage of ASEAN, the interchangeable use of both terms is inevitable. Admittedly, Southeast Asia also includes the Republic of Timor-Leste, but its absence in ASEAN discussion on AUKUS renders it irrelevant to this essay.

The rest of the ASEAN member countries are either ambiguous or silent in their responses, which may imply a guarded consent.

countries.² Malaysia and Indonesia voiced criticisms of AUKUS, while the Philippines and Singapore lent their consent, if not support. The rest of the ASEAN member countries sat somewhere in between.³ Malaysian and Indonesian reservations fundamentally originated from concerns over a regional arms race, nuclear non-proliferation, the provocation of China and the sidelining of ASEAN. Even so, their reservations mainly targetted the operationalisation of AUKUS as opposed to AUKUS as a concept. The Philippines and Singapore, by contrast, are more supportive of AUKUS as it helps to keep the US and the United Kingdom (UK) engaged in Southeast Asia to balance and deter China. The rest of the ASEAN member countries are either ambiguous or silent in their responses, which may imply a guarded consent.

AUKUS in Concept and Operation

At the heart of Southeast Asia's ambivalent reception of AUKUS is the distinction between the conceptualisation and operationalisation of AUKUS. Conceptually, AUKUS is a partnership that consolidates but does not replace the alliance or semi-alliance between Australia-United States (US) and Australia-UK that currently exist in two 'separate rooms': the Australia-New Zealand-US (ANZUS) Treaty and the Five Power Defence Arrangement (FPDA) respectively.⁴ AUKUS

2 For examples, see Ahmad Syamsuddin, Tria Dianti and Jason Guterrez, "Southeast Asian Nations Cautious Over New AUKUS Defense Pact", *Radio Free Asia*, 17 September 2017, <https://www.rfa.org/english/news/china/aukus-southeastasia-09172021164007.html>; Susannah Patton, "Australia must take Southeast Asian reactions to AUKUS seriously", *The Strategist*, 22 September 2021, <https://www.aspistrategist.org.au/australia-must-take-southeast-asian-reactions-to-aukus-seriously/>; Laura Southgate, "AUKUS: The view from ASEAN", *The Diplomat*, <https://thediplomat.com/2021/09/aukus-the-view-from-asean/>; William Choong and Ian Storey, "Southeast Asian Responses to AUKUS: Arms Racing, Non-Proliferation and Regional Stability", *ISEAS Perspective*, 14 October 2021, https://www.iseas.edu.sg/wp-content/uploads/2021/09/ISEAS_Perspective_2021_134.pdf; Evan Laksmana, "AUKUS mixed reception a symptom of strategic fault-lines in Southeast Asia", *East Asia Forum*, 17 October 2021, <https://www.eastasiaforum.org/2021/10/17/aukus-mixed-reception-a-symptom-of-strategic-fault-lines-in-southeast-asia/>; Dino Patti Djalal, "ASEAN responses to AUKUS security dynamic", *East Asia Forum*, 28 November 2021, <https://www.eastasiaforum.org/2021/11/28/asean-responses-to-aukus-security-dynamic/>.

3 Ristian Atriandi Supriyanto, "Why Southeast Asia Should Welcome AUKUS", *Foreign Policy*, 28 September 2021, <https://foreignpolicy.com/2021/09/28/southeast-asia-asean-australia-aukus-china-united-states/>.

4 ANZUS and the FPDA were founded in 1951 and 1971 respectively. Both are treaty agreements that oblige its signatory member states to consult in the event of an attack against some or all of its members. While ANZUS covers the defence of all its members, the FPDA concerns only the defence of Malaysia and Singapore by Britain, Australia and New Zealand. The FPDA, moreover, is not construed as an alliance.

has finally placed Australia and its “great and powerful friends” in the ‘same room’.⁵ In their official statement, the three powers claim that AUKUS “will strengthen the ability of each to support our security and defence interests, building on our longstanding and ongoing bilateral ties.”⁶ In other words, AUKUS has emplaced upon Australia an exclusive and prestigious recognition of status from its traditional Western allies.

Nevertheless, AUKUS falls short of being a formal security treaty as is the case with ANZUS and the FPDA.⁷ The AUKUS members have only released joint statements that detail their commitments to the agenda of military technology sharing. AUKUS has not entered into any treaty agreements publicly stipulating its members as allies, let alone any obligations for its members to aid or consult one another in the event of an attack, unlike ANZUS and the FPDA. Instead, AUKUS merely indicated Australia as being the first among equal, if not the most important, security partner of the UK and the US in the Indo-Pacific. In this sense, AUKUS is arguably more akin to the Quad – an informal security partnership between Australia, India, Japan and the US. The main difference is that AUKUS is more Australia-focused and catered to meet Australia’s security requirements.⁸

AUKUS has not entered into any treaty agreements publicly stipulating its members as allies, let alone any obligations for its members to aid or consult one another in the event of an attack, unlike ANZUS and the FPDA.

Operationally, AUKUS is more controversial for ASEAN. As its first initiative, AUKUS aims to arm Australia with at least eight nuclear-powered general-purpose attack submarines (SSN). In addition, Australia will acquire an array of standoff strike capabilities such as Tomahawk land-attack cruise missiles, long-range anti-ship missiles as well as other guided air-to-surface and surface-to-surface missiles.⁹

5 This is not to say that ANZUS and the FPDA have neither interface nor maintain mutual consultations. It simply means Australian alliances with Britain and the US exist on two different frameworks.

6 “Joint Leaders Statement on AUKUS”, The White House, 15 September 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/09/15/joint-leaders-statement-on-aukus/>.

7 The Australian government categorically stated that AUKUS “is not a defence alliance or pact” despite misgivings about this claim from ASEAN and other countries. “Australia’s steadfast commitment to ASEAN centrality”, Australian Department of Foreign Affairs and Trade, 20 September 2021, <https://www.dfat.gov.au/news/news/australias-steadfast-commitment-asean-centrality>.

8 Initiated in 2007 and revived in 2017, the Quad is reportedly aimed to deter China militarily and diplomatically in the Indo-Pacific.

9 “Australia to Pursue Nuclear-powered Submarines Through New Trilateral Enhanced Security Partnership”, Prime Minister of Australia, 16 September 2021, <https://www.pm.gov.au/media/australia-pursue-nuclear-powered-submarines-through-new-trilateral-enhanced-security>.

Canberra's official statement, however, is unclear on what weapon systems will be fitted with the SSN.¹⁰ The Tomahawks, for instance, are to be "fielded on" Australia's Hobart-class destroyers, but this does not negate their placement in Australian submarines. That Malaysian and Indonesian critiques focus on the SSN rather than the other stand-off capabilities and highlight that they are most sensitive about the prospect of nuclear proliferation, which would violate the spirit, if not the letter, of the Southeast Asian Nuclear Weapon Free Zone Treaty.¹¹ Aside from nuclear proliferation, Malaysia and Indonesia have accused AUKUS of accelerating the regional arms race, provoking China and marginalising ASEAN. The following sections will examine each of these critiques.

Southeast Asian 'Ambivalent' Reception

While AUKUS is essentially Australia's reaction to China's belligerence, it also indicates the overall deterioration in relations between China and Australia (and its American and British allies).

Southeast Asia's apparent ambivalence about AUKUS underlines the following trends. First, AUKUS came on the heels of Australia's strained relations with China. While AUKUS is essentially Australia's reaction to China's belligerence, it also indicates the overall deterioration in relations between China and Australia (and its American and British allies). Second, AUKUS is yet another initiative besides the Quad that confounded ASEAN. Both the Quad and AUKUS signified a US-centred and an out-of-ASEAN response to great power rivalries, which aims to isolate and deter China. Finally, AUKUS implicitly casts into doubt the centrality of ASEAN as the 'power broker' or the manager, if not the arbiter, of great power involvement and competition in the region. Indeed, former Indonesian diplomat and ambassador, Dino Djalal, expects that China would respond to AUKUS by creating "AUKUS-like defence arrangements with other countries in the region", thus further undermining ASEAN centrality.¹²

10 Choong and Storey, "Southeast Asian responses to AUKUS", op. cit., p. 8.

11 Abdul Kadir Jailani, "RI has legitimate reasons to worry about Aussie nuke subs", *The Jakarta Post*, 28 September 2021, <https://www.thejakartapost.com/academia/2021/09/28/indonesia-has-legitimate-reasons-to-worry-about-aussie-nuke-subs.html>.

12 Dino Patti Djalal, "Southeast Asian responses to AUKUS security dynamic", op. cit.

Publicly declared official and semi-official responses from the ASEAN member countries on AUKUS can be divided into three categories: critical, supportive and ambiguous/silent. Critical reception connotes statements of concerns or regrets about AUKUS and its potentially adverse implications for regional security. For instance, the Indonesian Foreign Ministry (Kemlu) on 17 September 2021 stated that it would “cautiously” approach Australia’s decision to acquire nuclear-powered submarines and that it was “deeply concerned” about “the continuing arms race and power projection in the region”.¹³ Despite acknowledging that submarines will only have nuclear propulsion, Kemlu still stressed “the importance of Australia’s commitment to continue meeting all of its nuclear non-proliferation obligations.”¹⁴ The semi-official response from a Kemlu Director-General, Abdul Kadir Jailani, on 28 September 2021 conveyed a similar concern: Australian nuclear submarine acquisition could “set a dangerous precedent” that other non-nuclear countries may follow.¹⁵ Likewise, Malaysia’s Prime Minister Ismail Sabri Yaakob on 18 September 2021 – Malaysia’s first official statement – accused AUKUS of being “a catalyst towards a nuclear arms race in the Indo-Pacific region”, which he reiterated during the ASEAN-led East Asia Summit in late October 2021.¹⁶

Critical reception connotes statements of concerns or regrets about AUKUS and its potentially adverse implications for regional security

Supportive positions recognise AUKUS as more or less a reaction to Chinese provocation and/or commends AUKUS for bringing stability in the region. Obvious examples are the responses from Philippines and Singapore. Initially, President Rodrigo Duterte of the Philippines, like the Malaysian prime minister, expressed concerns over AUKUS. However, Duterte’s words were significantly diluted when senior officials from his foreign and defence ministries welcomed AUKUS

13 “Statement on Australia’s Nuclear-powered Submarines Program”, Indonesian Ministry of Foreign Affairs, 17 September 2021, https://kemlu.go.id/portal/en/read/2937/siaran_pers/statement-on-australias-nuclear-powered-submarines-program.

14 Ibid.

15 Abdul Kadir Jailani, “RI has legitimate reasons to worry about Aussie nuke subs”, op. cit.

16 “Aukus pact could provoke powers to act more aggressively: Malaysian PM Ismail”, *The Straits Times*, 18 September 2021, <https://www.straitstimes.com/asia/se-asia/aukus-pact-could-provoke-powers-to-act-more-aggressively-malaysia-pm-ismail>; and Bernama, “PM Ismail Sabri expresses Malaysia’s concern over AUKUS at East Asia Summit”, *The New Straits Times*, 27 October 2021, <https://www.nst.com.my/news/nation/2021/10/740294/pm-ismail-sabri-expresses-malaysias-concern-over-aukus-east-asia-summit>.

Ambiguity aptly characterises the responses from Vietnam and Cambodia.

as a deterrent against Chinese belligerence.¹⁷ Less explicit than the Philippines, but supportive of AUKUS, Singapore's Foreign Minister Vivian Balakrishnan said on 26 September 2021 that he was "not unduly anxious" about AUKUS and even commended Singapore's "longstanding relationship" with the three AUKUS powers.¹⁸

Ambiguous reception means the statement is unclear about whether it supports or criticises AUKUS. Silent reception means the absence of official and semi-official statements on AUKUS in the public domain. Ambiguity aptly characterises the responses from Vietnam and Cambodia. Hanoi's official statement implicitly attributed AUKUS to Australia's pursuit of "the same goal of peace, stability, cooperation and development in the region and the world over", while, at the same time, emphasising the use of nuclear energy only "for peaceful purposes."¹⁹ Similarly, Cambodian Foreign Minister Prak Sokhonn on 8 October 2021 expressed the hope that AUKUS "will not fuel unhealthy rivalries and further escalate tension", and he looked forward to cooperating with Australia, especially within the Mekong-Australia Partnership framework.²⁰ Thailand has stayed silent on AUKUS, but non-official Thai sources indicate concerns similar to those of Malaysia and Indonesia: arms race and nuclear proliferation.²¹ Brunei, Laos and

17 Catherine Valente, "Duterte 'concerned' over AUKUS nuclear submarine deal – Palace", *The Manila Times*, 28 September 2021, <https://www.manilatimes.net/2021/09/28/news/duterte-concerned-over-aukus-nuclear-submarine-deal-palace/1816380>; "Statement of Foreign Affairs Teodoro L. Locsin, Jr. on the Australia-United Kingdom-United States (AUKUS) Enhanced Trilateral Security Partnership", Philippine Department of Foreign Affairs, 19 September 2021, <https://dfa.gov.ph/dfa-news/statements-and-advisories/update/29484-statement-of-foreign-affairs-teodoro-l-locsin-jr-on-the-australia-united-kingdom-united-states-aukus-enhanced-trilateral-security-partnership>; and Priam Nepomuceno, "Australia has right to improve sub defense capability: Lorenzana", *Philippine News Agency*, 17 September 2021, <https://www.pna.gov.ph/articles/1153864>.

18 "Transcript of Minister for Foreign Affairs Dr Vivian Balakrishnan's Doorstop with Singapore Media via Zoom at the 76th Session of the United Nations General Assembly, on 25 September 2021", Singapore Ministry of Foreign Affairs, <https://www.mfa.gov.sg/Newsroom/Press-Statements-Transcripts-and-Photos/2021/09/20210926-76th-UNGA-doorstop>.

19 Tu Anh, "Vietnam spells out stance on AUKUS", *Hanoi Times*, 23 September 2021, <https://hanoitimes.vn/vietnam-spells-out-stance-on-aukus-318802.html>.

20 Voun Dara, "Sokhonn: Aukus should not fuel rivalries, escalate tension", *The Phnom Penh Post*, 9 October 2021, <https://www.phnompenhpost.com/national-politics/sokhonn-aukus-should-not-fuel-rivalries-escalate-tension>.

21 Tita Sanglee, "AUKUS: A New Justification for Thailand's Submarine Acquisition Plans?", *The Diplomat*, 14 October 2021, <https://thediplomat.com/2021/10/aukus-a-new-justification-for-thailands-submarine-acquisition-plans/>; Kavi Chongkittavorn, "Op-Ed: Thai view on the new AUKUS alliance", *Thai PBS World*, 21 September 2021, <https://www.thaipbsworld.com/op-ed-thai-view-on-the-new-aukus-alliance/>; and Hua Xia ed. "Interview: AUKUS pact risks nuclear proliferation, threatening regional stability – Thai expert", *Xinhua*, 4 October 2021, http://www.xinhuanet.com/english/asiapacific/2021-10/04/c_1310225939.htm.

Myanmar have remained silent for unknown reasons but perhaps could relate to similar concerns over antagonising China.²²

Concerns, Contexts and Consequences

Given the seemingly ambivalent reception of AUKUS in Southeast Asia, how justified are ASEAN's concerns over AUKUS? At issue is whether Southeast Asia's concerns about AUKUS represent national or sub-national viewpoints. Vocal sub-national viewpoints can often muddle external observations, leading to an erroneous perception of them as official positions. Equally important is the context within which state responses are situated such as other events and developments that occurred parallel or coincidental with the AUKUS announcement. Understanding the context also implies the necessity to identify and explain the absence of relevant topics, words and names in Southeast Asian public statements, which can speak volumes about a country's implicit political message or signal. Finally, it is important to consider the consequences AUKUS will have on ASEAN.

The Concerns

There are several issues of concern that the ASEAN member countries have expressed about AUKUS. Understandably, these concerns tend to emanate from countries either critical of or ambiguous about AUKUS, namely, Malaysia, Indonesia, Cambodia and Vietnam. Four concerns are particularly relevant. First, AUKUS could intensify an arms race in the region. AUKUS could make China more insecure, which would prompt it to react and, in turn, aggravate the insecurity of Southeast Asian countries as well. As a result, Southeast Asia must spend more on defence, which, as the former Indonesian foreign minister, Marty Natalegawa, mentioned, would only undermine Southeast Asia's priorities in public health and economic development.²³ Second, AUKUS could undermine nuclear non-proliferation. AUKUS could allow

AUKUS could make China more insecure, which would prompt it to react and, in turn, aggravate the insecurity of Southeast Asian countries as well.

22 Myanmar is a special case. Since the military coup of February 2021, the military junta in power has come under economic sanctions from the West and is increasingly isolated in ASEAN. That it did not raise any fuss over AUKUS was bewildering indeed.

23 Marty Natalegawa, "AUKUS: A Wake-up Call for ASEAN?", Asia-Pacific Leadership Network (APLN), 17 September 2021, <https://www.apln.network/analysis/the-pulse/implications-of-the-aukus-deal>.

While Australia does not violate the Nuclear Non-Proliferation Treaty, it could set a precedent for other non-nuclear countries like Iran, Japan and South Korea to search for access to similar technology despite their reassurances to the contrary.

Australia to acquire weapon-grade highly enriched uranium to fuel its submarine reactor. While Australia does not violate the Nuclear Non-Proliferation Treaty, it could set a precedent for other non-nuclear countries like Iran, Japan and South Korea to search for access to similar technology despite their reassurances to the contrary.²⁴ Third, AUKUS could provoke China to become more belligerent in Southeast Asia, especially in the South China Sea where Beijing and some ASEAN member countries are embroiled in maritime disputes. When these ASEAN member countries support or are seen as supporting AUKUS, China might find stronger justification to bully them. Finally, AUKUS could sideline ASEAN. AUKUS challenges ASEAN's so-called centrality because the ASEAN *raison d'être* is to replace great power politics with multilateralism through ASEAN-led regional security institutions.

Southeast Asia's criticisms of AUKUS need to be understood in perspective. For example, Malaysia is concerned about AUKUS provoking China unnecessarily. Malaysia is a member of the FPDA, which includes AUKUS members Australia and the UK. Malaysia's criticism could be an attempt to prevent Beijing from associating Malaysia with Australian and British positions on AUKUS. Being a claimant state in the South China Sea disputes, Malaysia might have also been concerned about Chinese retaliation in the South China Sea if it did not criticise AUKUS.

Indonesia is more critical about the operationalisation of AUKUS rather than AUKUS per se. Indonesia fears that Australia could renege on its commitment to nuclear non-proliferation in the same way it had reneged on the Attack-class diesel submarine project with France.²⁵ However, Jakarta does not seem to be gravely concerned about the prospect of AUKUS undermining ASEAN. In its official statement,

24 James M Acton, "Why AUKUS Submarine Deal Is Bad for Nonproliferation—And What to Do About it", Carnegie Endowment for International Peace, 21 September 2021, <https://carnegieendowment.org/2021/09/21/why-aukus-submarine-deal-is-bad-for-nonproliferation-and-what-to-do-about-it-pub-85399>.

25 Victor Mallet, "France recalls envoys from US and Australia in protest at submarine deal", *Financial Times*, 18 September 2021, <https://www.ft.com/content/d7d354e2-6218-4bd3-a186-14f31fa63a35>; and Ben Stevens, "The Attack-Class Submarine: Mistakes and Future Implications", *Australian Outlook*, 22 September 2021, <https://www.internationalaffairs.org.au/australianoutlook/the-attack-class-submarine-mistakes-and-future-implications/>.

Indonesia did not even mention AUKUS. During the last ASEAN Summit and the East Asia Summit, there were no joint statements specifically criticising AUKUS even when Malaysia's Defence Minister Hishammuddin Hussein had earlier suggested so to his Indonesian counterpart, Prabowo Subianto, and other ASEAN member states governments.²⁶

Meanwhile, proponents of AUKUS in ASEAN perceive it as a counterbalancing move against China's growing influence and a deterrent to China's expanding military capabilities. However, it is unclear how precisely AUKUS will achieve such an objective because the Chinese strategy is to achieve compliance below the threshold of open and active hostilities through so-called grey-zone operations. China's law enforcement vessels, especially the coastguard, are the tip of the country's spear in coercive maritime diplomacy, where they are deployed to pressure and intimidate Southeast Asian claimants who oppose Beijing's 9-dash line claim in the South China Sea. The SSN and other big-ticket weapon systems that Australia would acquire from the US and/or the UK may help Australia's defence, but it is doubtful how they could deter China's coercive maritime diplomacy. Although AUKUS might deter China from initiating war, how AUKUS will address grey-zone operations or 'neither war nor peace' types of situations is far from clear.²⁷

Although AUKUS might deter China from initiating war, how AUKUS will address grey-zone operations or 'neither war nor peace' types of situations is far from clear.

The Contexts

Southeast Asia's responses to AUKUS did not exist in a vacuum. Rather, they resided within certain relevant contexts. These contexts may explain the presence or absence of particular words and expressions in their statements on AUKUS. First, while both are similarly critical of

26 In fact, a month later, Prabowo accepted AUKUS as Australia's legitimate response to Chinese belligerence. *Reuters*, "Malaysia calls for ASEAN consensus on Australian nuclear sub pact", *The Jakarta Post*, 12 October 2021, <https://www.thejakartapost.com/seasia/2021/10/12/malaysia-calls-for-asean-consensus-on-australian-nuclear-sub-pact.html>; and Dawn Chan, "AUKUS could provoke others to aggressive action", *The New Straits Times*, 29 October 2021, <https://www.nst.com.my/news/nation/2021/10/740706/aukus-could-provoke-others-aggressive-action>.

27 Natalie Sambhi, "Australia's nuclear submarines and AUKUS: The view from Jakarta", *Brookings*, 21 September 2021, <https://www.brookings.edu/blog/order-from-chaos/2021/09/21/australias-nuclear-submarines-and-aukus-the-view-from-jakarta/>.

AUKUS, Malaysia seems more scathing in its criticisms than Indonesia. Indeed, Kemlu's statement refrained from mentioning AUKUS at all. One Australian press report suggested the AUKUS announcement was the reason behind Indonesian President Joko Widodo cancelling his meeting with Morrison in Jakarta. However, there is little evidence for such an interpretation as "the decision [for Morrison] not to go to Jakarta was made before the announcement".²⁸

Second, official statements from the Southeast Asian countries on AUKUS indicate the apparent ambivalence within the individual countries. For example, Duterte raised reservations about AUKUS at first, but his foreign and defence secretaries later contradicted him. Likewise, Prabowo commented that he understood Australia's decision to announce AUKUS, making his statement appear less scathing than the Kemlu.²⁹

It is also noteworthy that Indonesia and Malaysia were embroiled in maritime standoffs with China when AUKUS was announced.

Third, some of the criticisms of AUKUS are levelled not just at Australia, but also other countries, including China.³⁰ When Malaysia and Indonesia mentioned the dangers of arms race, it is within the context of regional (in)stability to which China is a proactive contributor.³¹ It is also noteworthy that Indonesia and Malaysia were embroiled in maritime standoffs with China when AUKUS was announced.³² This might have explained why the Indonesian official statement was only

28 Anthony Galloway and Chriss Barrett, "Morrison-Joko meeting called off before Australian submarines announcement", *The Sydney Morning Herald*, 17 September 2021, <https://www.smh.com.au/politics/federal/morrison-and-jokowi-meeting-called-off-before-australian-submarines-announcement-20210917-p58slj.html>.

29 17th Regional Security Summit, The International Institute for Strategic Studies Manama Dialogue, Opening Address by Lieutenant General (Retd) Prabowo Subianto, Minister of Defense, Indonesia. The text is downloadable from <https://www.iiss.org/events/manama-dialogue/manama-dialogue-2021>; and Chris Barrett, "Indonesia was up in arms over AUKUS but its Defence Minister has different take", *The Sydney Morning Herald*, 22 November 2021, <https://www.smh.com.au/world/asia/indonesia-was-up-in-arms-over-aukus-but-its-defence-minister-has-different-take-20211122-p59azu.html>.

30 Supriyanto, "Why Southeast Asia Should Welcome AUKUS", op. cit.

31 Collin Koh dismisses the concern of the Southeast Asian countries about an arms race spiraling out of AUKUS since the SSN is not a "breakthrough capability" in the region, with China and India already operating them. Collin Koh, "No AUKUS arms race in Southeast Asia", *The Conversation*, 2 November 2021, <https://www.eastasiaforum.org/2021/11/02/no-aukus-arms-race-in-southeast-asia/>.

32 Asian Maritime Transparency Initiative, "Nervous Energy: China Targets New Indonesian, Malaysian Drilling", Center for Strategic and International Studies, 12 November 2021, <https://amti.csis.org/nervous-energy-china-targets-new-indonesian-malaysian-drilling/>.

critical of the nuclear submarine deal, but not AUKUS as a whole. The Southeast Asian countries also expressed little concern about Australia's acquisitions of long-range strike weapons, including the Tomahawks, under AUKUS.

Fourth, the long gestation period for the Australian SSN fails to register in the perceptions and analyses of the Southeast Asian critics of AUKUS. Indeed, the first SSN would only join the Australian fleet sometime in the late 2030s.³³ Between now and then, relations between China and some ASEAN member countries might deteriorate further. China's increasing use of grey zone tactics, or something more aggressive, could cause more ASEAN member countries to openly back AUKUS even before the first SSN joins the Australian fleet.

Fifth, the ASEAN member countries that are critical of AUKUS are noticeably reserved about levelling similar critiques at China's growing military power and maritime power projection. By the late 2030s, China would have at least three operational aircraft carriers and a larger number of other major surface combatants. These warships could act as the latent force behind Beijing's 'law enforcement' spear. Ironically, ASEAN seems less critical about the destabilising potential of China's maritime power projection, especially its submarine operations, in the Indian Ocean against rival major naval powers, particularly India. Although there is little indication that China would deploy nuclear-powered, ballistic missile-carrying submarines in the South China Sea, the country has deployed the SSNs in the Indian Ocean.³⁴

Ironically, ASEAN seems less critical about the destabilising potential of China's maritime power projection, especially its submarine operations, in the Indian Ocean against rival major naval powers, particularly India.

33 Andrew Nicholls, Jackson Dowie and Marcus Hellyer, *Implementing Australia's Nuclear Submarine Program* (Canberra: Australian Strategic Policy Institute, 2021), p. 5. https://ad-aspi.s3.ap-southeast-2.amazonaws.com/2021-12/Implementing%20Australia%27s%20nuclear%20submarine%20program.pdf?VersionId=QNKdZOLGpF_lvY2MsQ_ic8c6bRc7kFpx.

34 Joshua White, "China's Indian Ocean Ambitions: Investment, Influence, and Military Advantage", *Global China*, The Brookings Institution, June 2020, p. 11, https://www.brookings.edu/wp-content/uploads/2020/06/FP_20200615_chinas_indian_ocean_ambitions_white-1.pdf; Iskander Rehman argues, however, that future anti-submarine warfare against SSBN would rely less on SSN than on unmanned technology and remote sensors. Iskander Rehman, *Murky Waters: Naval Nuclear Dynamics in the Indian Ocean* (Washington, DC: Carnegie Endowment for International Peace, 2015), pp. 46-7. This still does not invalidate the overall utility of the SSN. In fact, China's fleet of the SSN is only set to grow, despite commensurate research and development in underwater unmanned technology and remote sensors.

The Consequences

As far as ASEAN is concerned, AUKUS can cut both ways. On the one hand, AUKUS is welcome insofar as it reaffirms ASEAN centrality as the regional power broker. As Amitav Acharya puts it, the “normative purpose behind ASEAN centrality” was to make the Great Powers “comfortable” with the ASEAN-led institutions as “deliberative forums” within which to engage each other in confidence-building and generate a shared understanding of regional security issues that might limit their rivalry and induce strategic restraint and counter-realist behaviour in them.³⁵

In other words, the Quad and AUKUS could challenge ASEAN’s centralising effort in brokering or arbitrating great power interactions. Both arrangements are evidence of great powers bypassing ASEAN to pursue their own agendas and means to compete and settle differences in the region.

Eventually, ASEAN’s acceptance of AUKUS could be similar to that of the Quad.

However, ASEAN’s understanding of its centrality is also evolving. Eventually, ASEAN’s acceptance of AUKUS could be similar to that of the Quad. A 2018 survey by the Australian Strategic Policy Institute revealed that “a plurality” of Southeast Asian respondents regard the Quad as complementary to ASEAN. Only a minority believe that the Quad is challenging or sidelining ASEAN centrality. Tellingly, “57 per cent of respondents associated the Quad with the need to balance China”.³⁶ Although a Southeast Asian opinion survey on AUKUS is unavailable yet, it would not be surprising if the result turns out to be quite similar. As Evan Laksmana observes, despite ASEAN’s criticisms of the Quad, “this does mean it would seek or prevent the Quad from moving forward”.³⁷ The same perhaps could be said of AUKUS in future.

35 Amitav Acharya, “The Myth of ASEAN Centrality?”, *Contemporary Southeast Asia*, 39:2 (2017), pp. 275-76.

36 Huong Le Thu, Southeast Asian perceptions of the Quadrilateral Security Dialogue: Survey Findings (Canberra: Australian Strategic Policy Institute), p. 19, https://ad-aspi.s3.ap-southeast-2.amazonaws.com/2018-10/SR%20130%20Quadrilateral%20security%20dialogue.pdf?VersionId=Fm448sn_MfBnQebAdDv1bBqIKOu8iWud.

37 Evan Laksmana, “Whose Centrality? ASEAN and the Quad in the Indo-Pacific”, Jagannath Pand ed., *The Journal of Indo-Pacific Affairs*, 3:5 (2021), p. 114, <https://media.defense.gov/2021/Mar/12/2002599864/-1/-1/0/6-LAKSMANA.PDF/TOC.pdf>.

On the other hand, AUKUS can divide or even sideline ASEAN further when it tries to goad regional countries into containing China, militarily or otherwise. Hugh White and others suggest that AUKUS aims at arming Australia to help America fight China in a future war such as over Taiwan.³⁸ This appalling scenario could subject Southeast Asia to collateral damage, which only confirms regional suspicions of AUKUS. AUKUS members, specifically Australia, should explain and articulate to the ASEAN member countries how it can strengthen the independence and centrality of ASEAN, which they have done neither sufficiently nor convincingly. Australia reaffirmed its commitment to ASEAN centrality only after Malaysia and Indonesia criticised AUKUS, emphasising that Canberra's "commitment to ASEAN remains as steadfast as ever".³⁹ However, the fact that this reaffirmation did not appear during the AUKUS' announcement itself hinted that Australia's commitment to ASEAN centrality is more like an after-thought of a secondary importance.⁴⁰

Conclusion

The extent to which AUKUS can affect Southeast Asia's security, especially the centrality of ASEAN as the regional power broker, ultimately depends on how Australia, the UK and the US intend to operationalise it. On the surface, regional responses to AUKUS appear quite ambivalent. Upon closer scrutiny, however, ASEAN critiques of AUKUS are neither vitriolic nor hostile. In fact, the ASEAN member countries openly critical of AUKUS are in the minority, namely, Malaysia and Indonesia. Their critiques are primarily levelled at the operationalisation of AUKUS, namely, on introducing the SSN

On the surface, regional responses to AUKUS appear quite ambivalent.

38 Matt Coughlan, "Australia sub deal 'full of risks': expert", *The Canberra Times*, 16 September 2021, <https://www.canberratimes.com.au/story/7432657/australia-sub-deal-full-of-risks-expert/>; John Power, "US should give Australia access to operations in Singapore, Guam, Philippines: report", *The South China Morning Post*, 15 October 2021, <https://www.scmp.com/week-asia/politics/article/3152504/us-should-give-australia-access-operations-singapore-guam>.

39 Australian Department of Foreign Affairs and Trade, "Australia's steadfast commitment to ASEAN centrality", Will Nankervis, Australian Ambassador to ASEAN, 20 September 2021, https://asean.mission.gov.au/aesn/HOM_statement_01.html.

40 See the excellent piece by James Chin, "Why is Southeast Asia so concerned about AUKUS and Australia's plans for nuclear submarines?", *The Conversation*, 20 September 2021, <https://theconversation.com/why-is-southeast-asia-so-concerned-about-aukus-and-australias-plans-for-nuclear-submarines-168260>.

technology to Australia. That these criticisms were levelled at the operational rather than the conceptual or strategic level may point to discreet regional acceptance of AUKUS being a potential deterrent to China's belligerence, especially in the South China Sea where some ASEAN member countries are embroiled in maritime disputes with Beijing. That said, how Australian SSN and other weapon systems to be acquired under AUKUS pact could deter China's maritime expansionism, which mostly occurs in the grey-zone realm, remains an open question.

Appendix 1

About the Authors

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Security Perspective (co-author and editor, the Tokyo Foundation, 2014) and *Maritime Security and the Right of Self-Défense in Peacetime* (co-author and editor, the Tokyo Foundation, 2013). He earned his Master of Science in Development Studies from the London School of Economics and Political Science.

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Mr Thompson has authored monographs and articles on Sino-US relations, international security and public health in *Singapore's The Straits Times*, *Foreign Policy*, *The National Interest*, *China Security*, *The China Business Review*, *The International Herald Tribune*, *The Financial Times*, *China: An International Journal* and *The South China Morning Post*. Mr Thompson has conducted live television interviews for *CNN*, *C-SPAN*, *Fox News*, *Bloomberg*, *the BBC*, *Voice of America* and *CNBC Asia*. In addition, he has conducted interviews on *National Public Radio*, including appearances on the Diane Rehm show.

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