



Delhi Policy Group

Advancing India's Rise as a Leading Power



DPG POLICY BRIEF

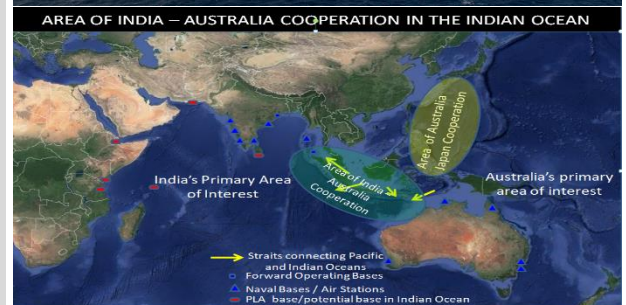
India and Australia: Partners for Indo-Pacific Security and Stability

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Cover Photographs:

Prime Ministers Narendra Modi and Scott Morrison at the India-Australia Virtual Summit, June 04, 2020. Source: MEA Photo Gallery

Ships from the Australian, Indian, Japanese and US Navies, led by the submarine INS Khanderi and aircraft carriers USS Nimitz and INS Vikramaditya, participate in the Arabian Sea in Phase II of Exercise Malabar 2020 on November 17, 2020. Source: US INDO-PACOM.

Areas of India - Australia Cooperation in the Indian Ocean. Source: Author

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By
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An Upgraded Partnership

On June 04, 2020, India and Australia elevated the strategic partnership they had established in 2009 to a comprehensive strategic partnership based on “mutual understanding, trust, common interests and the shared values of democracy and the rule of law”. The 11 pillars of the upgraded partnership¹ included “maritime cooperation for an open and inclusive Indo-Pacific” and defence cooperation. The two democracies also agreed on a shared vision for maritime cooperation in the Indo-Pacific², key elements being a “commitment to promoting peace, security, stability and prosperity in the Indo-Pacific region” and “supporting a rules-based maritime order that is based on respect for sovereignty and international law”.



Prime Ministers Narendra Modi and Scott Morrison at the India-Australia Virtual Summit, June 04, 2020. Source: MEA Photo Gallery

¹Joint Statement on a Comprehensive Strategic Partnership between Republic of India and Australia, https://mea.gov.in/bilateral-documents.htm?dtl/32729/Joint_Statement_on_a_Comprehensive_Strategic_Partnership_between_Republic_of_India_and_Australia

²Joint Declaration on a Shared Vision for Maritime Cooperation in the Indo-Pacific Between the Republic of India and the Government of Australia, https://mea.gov.in/bilateral-documents.htm?dtl/32730/Joint_Declaration_on_a_Shared_Vision_for_Maritime_Cooperation_in_the_IndoPacific_Between_the_Republic_of_India_and_the_Government_of_Australia

While this marks welcome progress which must continue with greater urgency, strategic cooperation between the two countries must also be part of a larger design intended to ensure that Asia's maritime commons remain free and open. This brief seeks to review the challenges to security and stability in the Indo-Pacific and assess what India and Australia must do together to achieve the desired objective.

The Indo-Pacific Environment

As the world's economic centre of gravity shifts to Asia, three primary geopolitical challenges command the attention of regional stakeholders. These are Islamist extremism, China's revisionism and stable governance of the maritime commons connecting Asian economies to each other and to the world.

Islamist Extremism. This challenge, centred on the region containing the world's largest store of exportable energy, had shaped the Carter Doctrine³ following the Iranian revolution. It came back into global prominence after the terrorist attacks in East Africa in 1998 and on the World Trade Centre and Pentagon on September 11, 2001, even though it had been simmering in Asia long before. It manifests itself in different forms, including that of state-sponsored terrorism nurtured by the Pakistan Army which has impacted both India and Afghanistan; non-state Sunni extremism, exemplified by organisations such as Al Qaeda and ISIS (and their ideological partner the Taliban), which have conducted terrorist attacks in the US, UK and France and seek to expand their primary area of influence from West to South and South East Asia; and militant Shia revolutionary fervour emanating from Iran, which has destabilised Iraq, Syria, Lebanon and Yemen.

China's Revisionism and Expansionism. The COVID-19 pandemic has provided the Chinese Communist Party-led People's Republic of China (PRC) an ideal opportunity to establish itself as the 'Middle Kingdom', subordinating all of neighbouring Asia. China has moved rapidly to seize the opportunity. Towards its East, it has become more vocal and assertive about its revisionist claims and attempts to establish administrative control over the East China Sea and its islands, as evidenced during the visit of Foreign Minister Wang Yi to

³ Enunciated by President James Carter in his State of Union Speech to Congress on January 23, 1980, the doctrine committed the US to counter any attempt to gain control of the Persian Gulf, including through the use of Force. For full text of address, see <https://history.state.gov/historicaldocuments/frus1977-80v01/d138>

Tokyo⁴ in November, 2020. Taiwan faces sharply increased economic and military pressure from China, while the status of Hong Kong has been irretrievably changed despite vocal protests by the Western powers. To its South East, "China is now capable of controlling the South China Sea in all scenarios short of war with the United States"⁵. It continues to treat the South China Sea as an inland Chinese sea, disregarding universally accepted international law and coercing littoral nations, both economically and through military means. In the Southern Pacific, it has placed the region's leading power, Australia, under coercive economic pressure that deeply impacts the latter's prosperity. To its continental South, China's aggression has resulted in a continuing border standoff with India since May, 2020. China continues to nurture Pakistan as a proxy against India while also turning it into a colony through the CPEC. In the Indian Ocean, what started as an anti-piracy presence has progressed into a permanent PLA military base in Djibouti. Other sites for potential Chinese bases include Tanzania, Kenya, Seychelles, Oman, Pakistan, Sri Lanka and Bangladesh⁶. China has become too unreliable to trust, too powerful and aggressive to ignore and too prosperous, influential and connected to easily decouple from.

Maintaining the Rule of Law in the Maritime Commons. The vastly increased usage of the seas by littoral nations, not just for sea transportation but also for exploitation of mineral and fishery resources, has highlighted the need for an increased thrust towards governance of the maritime commons, particularly in Asia. Structures for such governance are poorly developed throughout the Indo-Pacific. This aspect thus gets primacy in discussions of regional bodies, including the East Asia Summit, the ADMM+ and IORA, as well as in bilateral agreements (such as between India and Australia) and national policies (such as India's SAGAR and IPOI initiatives). Mechanisms to enforce existing international law, and indeed the limitations of such law, have been shown up by China's unilateral actions in the South China Sea and elsewhere.

Tackling these challenges effectively requires the creation of three interlinked mechanisms. The first is comprehensive domain awareness throughout the Indo-Pacific, encompassing both the surface and underwater dimensions, to enable stakeholders to be aware of unwelcome developments. The second is

⁴ Wang Yi bluntly called for Japanese ships to avoid entering the waters around the Senkaku Islands, a position unacceptable to Tokyo. The Asahi Shimbun, November 26, 2020, <http://www.asahi.com/ajw/articles/13964432>

⁵ Testimony of Admiral Davidson, https://www.armed-services.senate.gov/imo/media/doc/Davidson_APQs_04-17-18.pdf

⁶ As per the December 01, 2020 report to Congress of the US-China Economic and Security Review Commission, <https://www.uscc.gov/annual-report/2020-annual-report-congress>

creation of preventive capacity that can deter lawbreakers and revisionist states, denying them the ability to achieve their objectives without resistance. This in turn requires the ability to ensure adequate deterrent presence throughout the region, thus pre-empting fait accompli situations, as well as extended reach to enable coordinated operations across the Indo-Pacific. The third is creation of security architecture to curb lawbreakers and deter revisionist nations who ignore international law and norms to suit their own purposes.

The traditional security challenge posed by China, being by far the most difficult to deal with, has inevitably come to the forefront. Mechanisms created to deal with it can also be used to manage lesser non-traditional challenges. Regional stakeholders, however, have developed the habit of free-riding on the security umbrella long provided by the US, and have failed to deploy the resources necessary to secure themselves. As Australia and Japan join the US in countering these challenges from forward deployed locations, they are conscious that the seas insulate them from territorial assertions and they can focus their financial resources elsewhere. India, on the other hand, is forced by geography to confront revisionism at its continental doorstep, reducing its capacity to commit enhanced resources to the maritime commons.

Achieving the Common Objective

The common objective for India and Australia in the Indo-Pacific can be defined as “maintaining a stable and secure commons in an interconnected Indo-Pacific while preserving an order based on sovereignty and the rule of law”. This will inevitably require balancing China, to ensure that its preponderant power does not enable it to impose its will on the region without consequences.

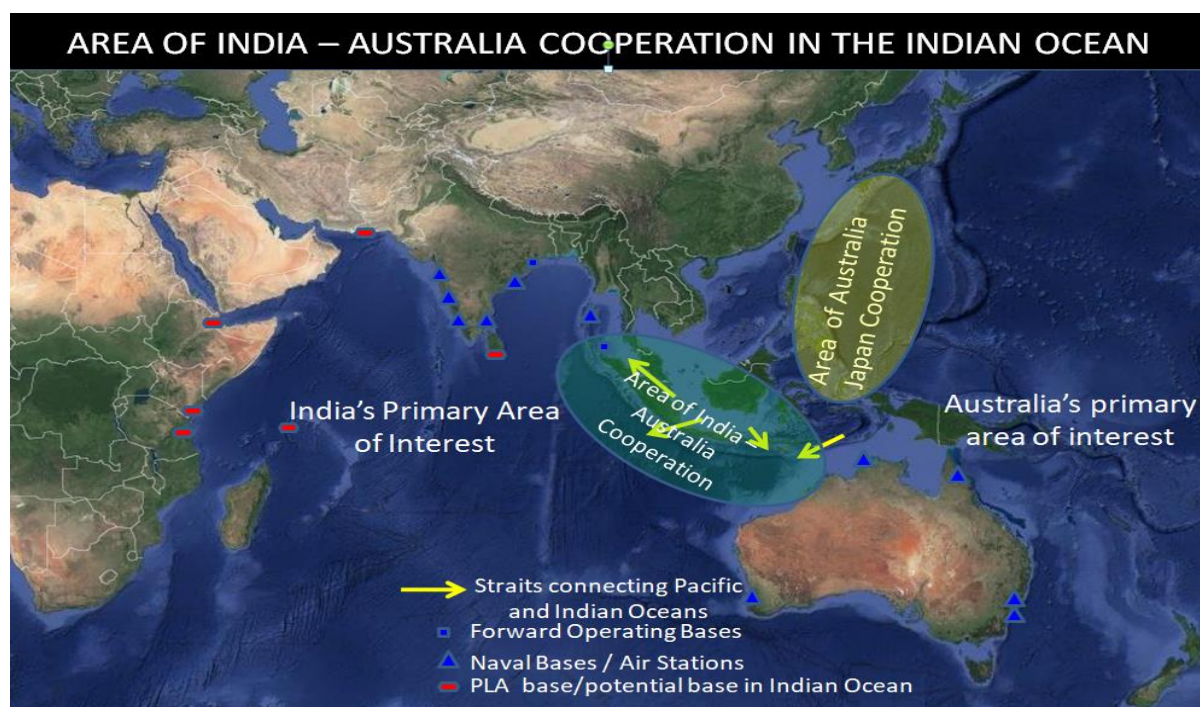
Assuming that China is unlikely to change its coercive drive for dominance, there are three possible paths to the desired objective: acting independently, bilaterally, or as part of a larger mechanism. All three merit attention.

Independently

No Asian nation currently has the capability or the resources needed to balance China on its own. This only reinforces the importance of Asia's middle powers developing greater comprehensive national power.

Bilaterally

- Agreements. India-Australia defence cooperation has come a long way since the first MoU on Defence Cooperation was signed on March 06, 2006. This was followed by a Joint Declaration on Security Cooperation on November 12, 2009; a framework for security cooperation on November 18, 2014; and the Joint Declarations on the Comprehensive Strategic Partnership and a Shared Vision for Maritime Cooperation in the Indo-Pacific on June 04, 2020.
- Dialogue Structures. After holding 2+2 dialogues in 2017, 2018 and 2019, India and Australia have committed to holding a ministerial level 2+2 dialogue biennially. Other bilateral mechanisms in place include defence policy talks; an India-Australia Maritime Dialogue; a track 1.5 Defence Strategic Dialogue; Service to Service Staff Talks; and regular summits. All of these are functional.



Areas of India – Australia Cooperation in the Indian Ocean. Source: Author

- Service to Service Engagement. A number of bilateral exercises bring the armed forces of the two countries together, providing opportunities to develop familiarity, habits of cooperation and interoperability. These include, but are not limited to, Exercises AUSINDEX, AUSTRAHIND, MILAN, KAKADU, PITCH BLACK and TALISMAN SABRE. HMAS Ballarat participated in both phases of the multilateral Exercise MALABAR in

November, 2020. High level visits and training exchanges between the armed forces, including of students at the National Defence College and the Defence Services Staff College, have also grown.

- Domain Awareness and Measures to Extend Reach. A technical agreement for White Shipping Information Exchange has been in place since October, 2015. An arrangement concerning mutual logistics support was signed on June 4, 2020.
- There is, however, a disparity between the technological capabilities of India and Australia, and the platforms they operate. This must gradually be bridged for bilateral cooperation to become more effective. There are agreements for cooperation between defence industries as well as science and technology establishments, but no meaningful results have been realised so far. Both sides need to demonstrate greater purpose.
- Bilateral security cooperation between India and Australia thus continues to grow. Their widely separated geographic locations, however, result in different security perspectives. India's primary areas of concern are its Himalayan borders and the Indian Ocean, while that of Australia have expanded beyond the Asia-Pacific into the Eastern Indian Ocean only recently⁷. Even though the ISR and military capability of both nations is far ahead of that of other Indian Ocean states, it is dwarfed by the vast geographic expanse of the region. Capacity limitations create difficulty in maintaining the surveillance and presence needed even within their primary focal areas, without leaving a surplus for the broader region. The need for India and Australia to coordinate and synergise their limited resources is thus self-evident. The ideal area for them to complement each other lies between them, at the junction of the Indian and Pacific Oceans.

As Part of a Larger Mechanism

- A broader regional structure backed by US power provides the best option for balancing China. This requires a continuous effort to keep the US engaged in Asia, as recognised during the discussions between Prime Ministers Morrison and Suga in November, 2020.

⁷ As recently as March 2019, David Brewster was arguing that Australia needs a comprehensive strategy for its second sea, the Indian Ocean. See <https://www.aspi.org.au/report/australias-second-sea-facing-our-multipolar-future-indian-ocean>

- The structures for such a broader balance already exist. The Quadrilateral Security Dialogue, bilateral 2+2 dialogues involving all Quad partners and Exercise Malabar, are all part of these structures, but the Quad is at present intended mostly for soft balancing and not deterrence. There is need to develop a combined strategy to share responsibilities, commit resources and institutionalise cooperation.
- US commitment and leadership in the Indo-Pacific under a Biden administration remains uncertain, and may fall short of the robust Indo-Pacific strategy we have witnessed recently under the Trump administration. For instance, it remains to be seen whether the proposal to resuscitate the US First Fleet⁸, enabling continuous USN presence at the seam between the Indian and Pacific Oceans, will see light of day.
- The need, therefore, is to base deterrence on enhanced regional action by like-minded powers, with the US providing the backup. This need is most critical in South East Asia, the area between India and Australia, where both countries and their two other Quad partners must synergise their approaches to bolster confidence among regional nations.



Ships from the Australian, Indian, Japanese and US Navies, led by the submarine INS Khanderi and aircraft carriers USS Nimitz and INS Vikramaditya, participate in the Arabian Sea in Phase II of Exercise Malabar 2020 on November 17, 2020. Source: US INDO-PACOM.

⁸ The proposal was voiced by Navy Secretary Kenneth Braithwaite on October 27, 2020. See <https://news.usni.org/2020/11/17/secnav-braithwaite-calls-for-new-u-s-1st-fleet-near-indian-pacific-oceans>

Ways Forward

India and Australia have two choices on the path forward. The first is continuing with the present approach, which is contingent on active US involvement. The second must be to take the lead in combining the power of India, Australia and Japan, as well as other potential partners (such as Vietnam, Indonesia, France, the UK and Germany), to act together to strengthen deterrence.

The lure of economic opportunities provided by China is, however, not going to be easy to resist. The signing of the Regional Comprehensive Economic Partnership agreement (RCEP) by Asia-Pacific nations, including Australia and Japan, thus effectively creating a China-centric economic bloc, highlights this reality. RCEP, in conjunction with China's Belt and Road Initiative, will deepen the region's economic dependency on China, which comes only with associated costs, such as China's recent 14-point demands to Australia.

Conclusion

The Indo-Pacific region's experience of the East Asia Summit has amply demonstrated that feeble multilateralism is not suited for dealing with great power revisionism. As geopolitical competition in Asia intensifies and the US turns inwards, the imperative for Asia's middle powers to assume the responsibility to balance China is becoming stronger. India and Australia, both democratic middle powers with the Indian Ocean's best-developed blue water capability, are best suited to assume this responsibility in the Indian Ocean Region, just as Japan and Australia are well suited to do so in the Western and Southern Pacific. Assumption of such responsibility will also enable them to better aggregate the power of the US, France and others who are committed to maintaining a free and open Indo-Pacific.

To start with, however, India and Australia must strengthen their bilateral strategic, maritime security and economic cooperation with greater resolve and urgency.



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