



**Delhi Policy Group**

Advancing India's Rise as a Leading Power



# DPG POLICY BRIEF

## The New US Indo-Pacific Strategy

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**Delhi Policy Group**

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*The views expressed in this publication are those of the authors and should not be attributed to the Delhi Policy Group as an Institution.*

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*US President Joseph Biden providing an update on Russia and Ukraine from East Room, White House, Washington DC, February 15, 2022 (Source: EPA)*

*US Secretary of State Antony Blinken, Australian Foreign Minister Marise Payne, India's External Affairs Minister Dr. S. Jaishankar and Japan's Foreign Minister Hayashi Yoshimasa address the press in Melbourne on February 11, 2022. Source: DFAT Australia*

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**The New US Indo-Pacific Strategy**  
by  
Lalit Kapur (Part I) and V. S. Seshadri (Part II)

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## Part I: Regional Strategy and Geopolitics

by  
Lalit Kapur

The White House released the new Indo-Pacific Strategy (IPS) on February 12, 2022, a day after the Quad Foreign Ministers held their fourth ministerial meeting in Melbourne. Given the indispensability of the US to all members of this balancing coalition to counter China's push for hegemony in Asia, the IPS is of considerable interest. The 15 page unclassified version released by the White House<sup>1</sup> is divided into four parts: The Indo-Pacific's promise; a five-pillar strategy; a ten-point action plan and a conclusion.

### The Indo-Pacific's Promise

The introductory section begins with a changed geographical definition of the Indo-Pacific as "Stretching from our Pacific coastline to the Indian Ocean"<sup>2</sup>. This is a change from the "West coast of India to Western shores of the United States" contained in then President Trump's 2017 National Security Strategy. The geopolitical primacy of the Indo-Pacific still stands. The exclusion of Iran from the threats identified indicates that President Biden's vision of the Indo-Pacific excludes the Persian Gulf and the Red Sea. This will remain a hindrance to US-India cooperation, particularly as efforts to build the Indian Ocean security architecture gain traction.

The IPS describes the Indo-Pacific as "home to more than half the world's people, nearly two-thirds of the world's economy, and seven of the world's largest militaries". It goes on to highlight that more members of the US military are based in this region than in any other outside the US. The area "supports more than three million American jobs and is the source of nearly \$ 900 billion in FDI" in the US. A subsequent section brings out that US involvement supports more than five million jobs in the Indo-Pacific, and cumulative US FDI in the region is more than \$ 979 billion. The stakes are clearly substantial. Whether they are high enough for the US to risk what could turn into a military clash with China, with existential consequences for both, is the question that worries regional nations. The historical lessons of the last five decades are not easily forgotten. An unstated US objective is thus to convince nations hedging

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<sup>1</sup>Indo-Pacific Strategy of the United States, February 2022, <https://www.whitehouse.gov/wp-content/uploads/2022/02/U.S.-Indo-Pacific-Strategy.pdf>

<sup>2</sup>Unless otherwise indicated, all quotes are from the Indo-Pacific Strategy of the United States February 2022.

their bets that it will stand by their side. This is what the IPS, in addition to other US documents, seeks to do.



US President Joseph Biden providing an update on Russia and Ukraine from East Room, White House, Washington DC, February 15, 2022 (Source: EPA)

The introductory section thus forges a narrative of recognising the Indo-Pacific as being vital to US security and prosperity, effectively conflating the earlier Asia-Pacific with the current Indo-Pacific and downplaying the fact that till a few years ago, India and the Indian Ocean were completely excluded by the US from its Asia calculus. Much is also made of the consistent US support for ASEAN, though South East Asian countries do not see it quite the same way. The IPS states that the US “will focus on every corner of the region”, ignoring the gap between capacity and aspiration as well as the high material and manpower cost of prolonged forward deployment on its forces. It highlights that even European allies are turning to the Indo-Pacific. It speaks of the consistent US recognition of the strategic necessity of the Indo-Pacific and bipartisan commitment to the region, playing down the strategic mistakes over the last two decades of accommodating China as a responsible stakeholder and of even overlooking China’s transgressions in the South China Sea. But such obfuscation in what is first and foremost a political document is only to be expected.

The IPS highlights the challenge posed by China’s coercion and intimidation, putting this ahead of all other regional challenges. “The PRC is combining economic, diplomatic, military and technological might as it pursues a sphere of influence in the Indo-Pacific and seeks to become the world’s most

influential power. The PRC's coercion and aggression spans the globe, but it is most acute in the Indo-Pacific". It goes on to mention the economic coercion of Australia, the military conflict along the LAC with India, the growing pressure on Taiwan, bullying of neighbours in the East and South China Seas, and the undermining of human rights and international law, "including freedom of navigation, as well as other principles that have brought stability and prosperity to the Indo-Pacific".

The stated US objective "is not to change the PRC but to shape the strategic environment in which it operates, building a balance of influence in the world that is maximally favourable to the US, our allies and partners, and the interests and values we share". The US will, it claims, "seek to manage the competition with the PRC responsibly" and "will cooperate with allies and partners while seeking to work with the PRC in areas like climate change and non-proliferation". Given China's record of proliferation to Pakistan and North Korea, the continuing belief that the US can make common cause on non-proliferation appears strange.

Other challenges that threaten stability are identified as climate change, the pandemic and health security, North Korea's expansion of its nuclear and missile programme, natural disasters, resource scarcity, internal conflict and other governance challenges. To counter them, the IPS states that the US will modernise its alliances, strengthen emerging partnerships, invest in regional organisations and build collective capacity that will empower the Indo-Pacific to adapt to 21<sup>st</sup> century challenges and seize its opportunities. The guiding vision is "a free and open Indo-Pacific that is more connected, prosperous, secure and resilient".

## The Strategy's Constituent Elements

The strategy itself comprises five elements: advancing a free and open Indo-Pacific, building connections within and beyond the region, driving regional prosperity, bolstering Indo-Pacific security, and building regional resilience to transnational threats.

Advancing the Free and Open Indo-Pacific is to be done through three focal areas. The first is advancing democratic freedoms by supporting open societies and ensuring regional nations can make independent political choices without fear of coercion. The US will, accordingly, invest in democratic institutions, a free press and a vibrant civil society. The second is working with partners to ensure that the region remains open and accessible and the commons are used according to international law, particularly in the

South and East China Seas. The third is working with partners to advance common approaches to critical and emerging technologies, the internet and cyber space. The first and third focal areas are new, while the second is a continuation of the earlier Freedom of Navigation patrols and a maintaining presence in the region.

Building connections within and beyond the region involves four focal areas: strengthening cooperation with allies, partners, and the Quad; enhancing regional cooperation; coordinating with extra-regional allies and partners and enhancing people-to-people links. The first year of the Biden administration has seen visible action on the Allies' front, with signing of the AUKUS Agreement; renewal of financial arrangements for forward deployed US troops in Japan and South Korea; and an apparent return of the Philippines to the US fold with the revocation of an earlier decision by President Duterte to terminate the Visiting Forces Agreement as well as progress on the Enhanced Defence Cooperation Agreement. Thailand, however, remains a work in progress and is presently more tilted to the Chinese side in the balancing-bandwagoning spectrum.

Amongst partners, the continued recognition of the pivotal role of India in the Indo-Pacific and its lead role in the Indian Ocean portends well for the bilateral strategic partnership, though progress still depends on speeding up the strengthening of India's capability and comprehensive power.

The State Department's approval of an Indonesian request to buy 36 F-15ID aircraft from the US, at an estimated cost not exceeding \$ 13.9 billion<sup>3</sup>, along with a another decision to purchase 42 Rafale aircraft from France<sup>4</sup>, indicates an ongoing tilt by Indonesia away from China. Whether this will help overcome its traditionally "non-aligned" position is debatable. Taiwan has indubitably turned away from the PRC, while Singapore, Malaysia and New Zealand remain more towards the centre of the spectrum.

The Quad has moved rapidly to become a focal point of practical cooperation and support for normative order in the Indo-Pacific and President Biden's continued commitment to this dialogue is reassuring.

The intentions of seeking stronger cooperation with ASEAN and supporting closer ties between South Asia (i.e. India) and ASEAN, as well as the Quad and

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<sup>3</sup>Indonesia F-15ID aircraft, <https://www.dsca.mil/press-media/major-arms-sales/indonesia-f-15id-aircraft>

<sup>4</sup>Communiqué – 42 Rafale for Indonesia, [https://www.defense.gouv.fr/english/salle-de-presse/communiqués/communiqué\\_42-rafale-pour-l-indonesie](https://www.defense.gouv.fr/english/salle-de-presse/communiqués/communiqué_42-rafale-pour-l-indonesie)

ASEAN, mark a significant change from the previous era. A special US-ASEAN summit is in the offing. Three sticking points, however, remain. The first is the military coup in Myanmar, where the US approach of isolating the military junta conflicts with the more nuanced approach adopted by India and Japan. The second is the ham-handed US action in announcing an arms embargo on Cambodia<sup>5</sup>, overlooking that the country does not import US arms and alienating the present ASEAN chair. Third is the fact that the US has not appointed an Ambassador to ASEAN since Nina Hachigan left when President Trump assumed charge in January 2017; a Charge d'Affaires continues, despite a bipartisan appeal from members of the ASEAN caucus to expedite an appointment<sup>6</sup>.

Enhancing regional prosperity is a key concern of the IPS, particularly after the devastation caused by the pandemic. The US withdrawal from the TPP and the coming into force of RCEP are substantial disadvantages that must be overcome if US economic engagement with the region is to become effective. This US thrust has two spokes: a new Indo-Pacific Framework including a Digital Economy Framework, both yet to be announced and reiterated commitment to help the Indo-Pacific close the infrastructure gap.

The "bolstering Indo-Pacific security" component predictably sees the largest number of lines of thrust: making integrated deterrence across all domains and all levels, including economic and grey zone coercion, the cornerstone of the US approach; renewing innovation and developing new concepts of operations as well as resilient command structures; prioritising the network of allies and partners; fostering interlinking security ties between them and bringing in European partners in novel ways; managing DPRK provocations; meeting civilian challenges including through increased Coast Guard presence and cooperation; intensifying anti-terror cooperation; strengthening collective regional capabilities to respond to environmental and natural disasters, natural, accidental or deliberate biological threats; countering trafficking of weapons, drugs and people; and improving cybersecurity in region.

There is specific mention of advancing the Major Defence Partnership with India and supporting its role as a net security provider.

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<sup>5</sup>US Imposes Arms Embargo on Cambodia, <https://www.reuters.com/world/asia-pacific/us-imposes-new-restrictions-cambodia-over-human-rights-corruption-commerce-2021-12-08/>

<sup>6</sup>Reps Bera, Chabot, Castro and Wagner Urge President Biden to Promptly Nominate US Ambassador to ASEAN, <https://bera.house.gov/media-center/press-releases/bera-chabot-castro-and-wagner-urge-president-biden-to-promptly>



The commitment to maintain peace and security in the Taiwan Straits is firmly stated.

The final leg of the IPS strategy is building regional resilience to 21<sup>st</sup> century transnational threats. The two focal areas under this are working with partners to limit global warming to 1.5°C and partnering with others to end the COVID-19 pandemic.

## Action Plan

The ten-point action plan for the next 12-24 months covers the following:

1. Driving new resources to the Indo-Pacific through expanded diplomatic presence; intensifying climate, health, security and developmental work; expanding US Coast Guard presence and cooperation in South East and South Asia and the Pacific Islands; refocusing security assistance to build maritime capacity and maritime domain awareness; and working with Congress to ensure that both policy and resourcing have bipartisan backing to support the US role.
2. Leading an Indo-Pacific Economic Framework, to be launched in early 2022.
3. Reinforcing deterrence through funding the Pacific Deterrence and Maritime Security Initiatives; finding a path to deliver nuclear submarines to Australia and deepen cooperation; and enhancing interoperability.
4. Strengthening an empowered and unified ASEAN through the US-ASEAN special summit in Washington DC and implementing more than \$100 million worth in new US-ASEAN initiatives.
5. Supporting India's continued rise and regional leadership.
6. Delivering on the Quad through COVID response and global health security; advancing work in critical and emerging technologies; driving supply-chain cooperation, joint technology development and advancing common technology principles; building a green shipping network; coordinating on sharing of satellite data to improve domain awareness and climate response; providing high-standards infrastructure; improving cyber capacity; launching the Quad

fellowship formally in 2022; and regular meetings of the Quad at the leader and ministerial levels.

7. Expanding US-Japan-ROK Cooperation.
8. Partnering to build resilience in the Pacific Islands.
9. Supporting good governance and accountability, including through the G-20.
10. Supporting open, resilient, secure and trustworthy technologies.

## China's Response

China immediately criticised the IPS, with its spokesperson saying, "Ill intentions underlie the so-called 'Indo-Pacific Strategy' devised under the pretext of the China Threat"<sup>7</sup>. He saw the US as forming "exclusive cliques through AUKUS and the Quad" as against the claim of advancing freedom of navigation. He spoke of the US asserting that it was strengthening regional security while generating grave nuclear proliferation risks that undermine regional peace and security; of "stoking opposition and confrontation between regional countries which undercuts the ASEAN-centred regional cooperation architecture" and thus posing a serious threat to regional cooperation outcomes and development prospects. "This strategy that resurrects the Cold War mentality and bloc politics has nothing new and no future, but will only bring division and turbulence to the Asia-Pacific. It will surely be greeted with nothing but vigilance and rejection from regional countries", he said.

## Observations

The IPS is the first regional strategy announced by the Biden administration and as such, the first building block of the yet to emerge national security strategy. It is not a China strategy; given the scope of Beijing's challenge, that will require a holistic global approach that will presumably be reflected in the NSS. It does, nevertheless, spell out the US regional approach towards China. There is recognition that China's intentions cannot be changed through dialogue accompanied by increased US pressure, as was attempted under the

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<sup>7</sup> All quotations in this paragraph are from the PRC Foreign Ministry Spokesperson Wang Wenbin's Regular Press Conference on February 14, 2022, [https://www.fmprc.gov.cn/mfa\\_eng/xwfw\\_665399/s2510\\_665401/2511\\_665403/202202/t202214\\_10642170.html](https://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/202202/t202214_10642170.html)

Trump presidency. The focus has now shifted to shaping the strategic environment around Beijing to advance the future that the US seeks, while blunting China's efforts to do the same. The prospects for the G-2 that China has long sought have thus receded further into the background. The two underlying trend lines of the IPS are creating the framework of a coalition, and convincing partners to join hands in balancing China rather than bandwagoning with it, while building collective capacity to meet the 21<sup>st</sup> century's challenges and seize its opportunities. It is this changed US approach that is responsible both for the rapid development of the Quad into a Leaders' Summit, as well as the AUKUS alliance.

The focus on building a balancing coalition and seizing future opportunities is reflected in the continued strategic engagement of India, notwithstanding its autonomous strategic outlook. The IPS continues the thrust of the previous four US administrations towards converting the "Estranged Democracies"<sup>8</sup> of the Cold War era to deeply engaged partners. The Biden administration's support for India's rise and leadership in South Asia and the Indian Ocean and as a net security provider is acknowledged and forms one of the ten core lines of policy direction. The criticality of India for soft-balancing and delivery of public goods provides the basis for the Quad. Hard power balancing focuses on East Asia while remaining in the background as a Quad activity, reflected through Exercise Malabar and the substantially increased bilateral interactions between the four partners.

This continued US engagement will create both opportunities and pitfalls for India. Acknowledgement of India's leadership role in South Asia will come with rising expectations from New Delhi, while meeting more resistance and antagonism from Pakistan. Acknowledgement of India's leadership role in the Indian Ocean will similarly come with increased expectations, from the Western Indian Ocean to South East Asia. On the other hand, it could trigger closer cooperation between China, Pakistan, Iran and even Russia in the maritime domain. But the fact remains that India's options are being circumscribed not by the US, but by China and its thrust for Asian hegemony. In effect, China leaves little choice to India but to shed its historical baggage and turn towards the coalition of democracies.

## Conclusion

Although complex enough in itself, announcing a strategy is merely the first step. The challenge will lie in execution, deploying requisite funding and

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<sup>8</sup> Professor Dennis Kux, "India and the United States: Estranged Democracies 1941 – 1991"

resources, amidst contrary pulls and pressures generated by a difficult domestic and external environment. The National Defense Authorisation Act for 2022 has been passed, but appropriations are still awaited. Consequently, defence spending under a third continuing resolution remains pegged at pre-ISP levels, restricting the launch of new schemes including the Pacific Deterrence Initiative<sup>9</sup>. US Ambassadors to numerous Indo-Pacific countries are yet to be appointed or approved, posing diplomatic impediments to the Biden strategy. Nonetheless, the ISP marks a long awaited advance in terms of outlining an approach towards the central arena of global geopolitics.

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<sup>9</sup>House Passes Further Additional Extending Government Funding Act, <https://appropriations.house.gov/news/press-releases/house-passes-further-additional-extending-government-funding-act>

## Part II: An Indo-Pacific Economic Framework

by  
V.S. Seshadri

The Indo Pacific Strategy 2022 (IPS) released by the US carries five broad objectives and ten points in its action plan, to be pursued in the next 12 to 24 months. Under the objective of 'Drive Indo-Pacific Prosperity', the strategy is seeking to put forward, early in 2022, a new Indo-Pacific economic framework for the 21st century.

From the limited description that has been provided of such a framework - to develop new approaches to trade that meet high labour and environmental standards, and to govern digital economies and cross border data flows as per open principles - it is not clear what its precise geographical contours will be, and if the US will move towards revival of the TPP in some form. The revised US -Mexico-Canada Agreement was the last trade agreement to receive US congressional approval in December, 2019 and had included some of these new approaches. USTR Katherine Tai, in her earlier role as Trade Counsel for the Democratic Party in the House Ways and Means Committee, had played a key role in negotiating stronger trade rules into the USMCA, which had facilitated its passage. Perhaps the Biden Administration could be looking for the inclusion of similar provisions in a remodelled TPP, in addition to the restoration of the TPP provisions suspended in the CPTPP. Will such a remodelled TPP be part of the US' response to China seeking to join CPTPP?

The IPS also talks of the US using its host status at the APEC 2023 summit to further promote free, fair and open trade and investment in the region and to make shared investments in decarbonisation and clean energy. While APEC lost its sheen during the Trump years and the annual APEC summit in 2021 was held online, the Biden Administration is perhaps looking at using the forum, in which China is also a member (as is the Russian Federation), to try and push for greater adoption of market economy principles in promoting fair and open trade. While pursuing issues like carbonisation and clean energy may not find much resistance, it will be interesting to see how APEC will move forward on free, fair and open trade in the context of the intensifying strategic competition between the US and China. More will become clear later this year when the APEC Summit is hosted by Thailand.

One of the ten action points in the IPS is to support India's continued rise and regional leadership. While the plan talks of the two countries deepening their economic and technology cooperation and contributing to a free and open

Indo Pacific, there is no specific reference to strengthening bilateral trade ties, arriving at quick solutions to the pending trade issues, or where India and the US might figure in possible economic frameworks. India is neither an APEC member, nor is there an immediate possibility of India becoming part of any Indo-Pacific economic framework that may call for high standards in labour, environment and digital governance, as envisaged by the US. In the absence of any indication in this regard, the IPS suggests that the US has not made up its mind yet on where India could figure in its vision for trade.



US Secretary of State Antony Blinken, Australian Foreign Minister Marise Payne, India's External Affairs Minister Dr. S. Jaishankar and Japan's Foreign Minister Hayashi Yoshimasa address the press in Melbourne on February 11, 2022. Source: DFAT Australia

At the same time, the US and India countries are members of the Quad, and the action point in the IPS relating to 'Delivering on the Quad' does talk of:

- advancing work on critical and emerging technologies and common technology principles and driving supply chain cooperation;
- Building a green shipping network;
- Sharing of satellite data to improve maritime domain awareness and climate responses;

- Cooperating to provide high standards infrastructure in the region and work to improve their cyber capacity.

These areas relate more to regional cooperation for capacity building and infrastructure enhancement, which are no doubt important. However, regional trade and investment can multiply only when there is greater clarity about the underlying framework for facilitation and understanding.

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