

# DPG INDO-PACIFIC MONITOR DECEMBER 2022



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Delhi Policy Group Core 5A, 1st Floor, India Habitat Centre, Lodhi Road, New Delhi- 110003 www.delhipolicygroup.org



# DPG INDO-PACIFIC MONITOR Volume III, Issue 12 December 2022

#### ABOUT US

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#### DPG INDO-PACIFIC MONITOR

This publication is a monthly analytical survey of developments and policy trends that impact India's interests and define its challenges across the extended Indo-Pacific maritime space, which has become the primary theatre of global geopolitical contestation. It is authored by Cmde. Lalit Kapur (Retd.), DPG Senior Fellow for Maritime Strategy and assisted by Jayantika Rao Tiruvaloor Viavoori, Research Associate, based on open source reports and publications. Your comments and feedback may be addressed to Jayantika at jayantika@dpg.org.in. To subscribe, please <u>click here</u>.

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## DPG INDO-PACIFIC MONITOR

December 2022

#### Abstract

India formally assumed the G20 Presidency from Indonesia on December 1, 2022. This year's theme of 'One Earth, One Family, One Future' seeks to overcome the zero-sum mind-set and promote a new paradigm of humanity-centric globalisation through presenting India's unique experience as a possible template for others, particularly in the developing world. A challenging year lies ahead.

French President Emmanuel Macron visited Washington DC for the first incoming State Visit hosted by the Biden Administration on December 1, 2022. The Joint Statement reveals the steps envisaged to repair the fractured bilateral relationship. It dwells extensively on trans-Atlantic security and Ukraine, as well as cooperation in Africa and the Southern Pacific Islands. The Indian Ocean does not, however, figure in their bilateral agenda.

Australia's Deputy Prime Minister and Defence Minister Richard Marles and Foreign Minister Penny Wong travelled to Washington DC for the 32<sup>nd</sup> 2+2 meeting with their American counterparts on December 6, 2022. Their visit also witnessed the first AUKUS Defence Ministers' Meeting on December 7. While all sides expressed happiness about progress in their relationship, the proof will emerge when the path to provide Australia nuclear submarines is finally unveiled in the first quarter of 2023.

China's President Xi Jinping visited Riyadh on December 8 & 9, 2022, receiving a warm reception. Apart from his cordial dialogue with the apex level of Saudi Arabian leadership, his visit was marked by the First China-GCC Summit and the First China-Arab States Summit. As the US seeks to reduce its commitment in the Middle East, China's influence in the region is poised to grow.

The 10<sup>th</sup> Australia-Japan Foreign and Defence Ministerial Meeting took place on December 9, 2022. It identified areas of cooperation following the revised Japan-Australia Declaration on Security Cooperation signed in October 2022. The principals listed a wide range of areas for further cooperation, including in the Pacific Islands and Southeast Asia, as well as increased information sharing and coordination of development assistance policies.



49 African leaders visited Washington DC for the Second US-Africa Summit from December 13-15. Recognising that Africa will shape the future of the world in the years ahead, the Summit was intended to enhance collaboration not only with Africa's leaders, but also with civil society, business, diaspora, women and youth leaders and offer them alternatives to China's growing influence.

INS Mormugao, the second of India's Visakhapatnam-class destroyers, was commissioned into the Indian Navy on December 18, 2022, the 61<sup>st</sup> anniversary of destruction of the Portuguese frigate NRP Afonso de Albuquerque during the liberation of Goa. Seven years in the making, the ship has an indigenous content of over 75% and all her major weapons and sensors have been manufactured in India. As the year approached an end, India validated its long-range precision strike capability against maritime targets by testing the extended-range Brahmos ALCM against a ship target from a SU-30 MKI aircraft.

Japan's Cabinet adopted a revised National Security Strategy, a new National Defence Strategy and the Defence Build-up Programme for the period 2023-2027 on December 16, 2022. The new documents signal action by Japan to assume greater responsibility for its own security as the regional security environment worsens.

President Biden signed into law the US National Defense Authorisation Act for FY 2023 on December 23, 2022. The Act authorises a an expenditure of \$857.6 billion, of which the Department of Defense gets \$816.7 billion, \$45 billion more than was sought by the Administration and \$76.7 billion more than was authorised in FY 2022.

South Korea's Indo-Pacific Strategy, announced by President Yoon Suk-yeol at Phnom Penh on November 11, was unveiled December 28, 2022. Based on the principles of inclusiveness, trust and reciprocity, the strategy outlines nine core lines of effort that will shape South Korea's actions in the Indo-Pacific in the years ahead.

#### The US Australia Alliance

In a significant development in Australia – US relations, the 32<sup>nd</sup> AUSMIN (meeting of Australian and US Foreign and Defence Ministers) took place in Washington DC on December 6. The Defence Ministers were joined the next day by Ben Wallace, the UK Foreign Secretary, for the First AUKUS Defence Ministers' Meeting.



The AUSMIN Joint Statement focuses on five thematic areas<sup>1</sup>: strengthening engagement by the allies across the Indo-Pacific to ensure a free, open, stable, peaceful and prosperous Indo-Pacific; climate, clean energy and environment; prosperity, innovation and resilient supply chains; defence and security; and securing the technological edge. The 17-paragraph Indo-Pacific section focuses on strengthening relations across the region. It opposes China's destabilising actions in the South China Sea through unilateral claims and militarisation of disputed features; commits to maintaining peace and stability across the Taiwan Straits; speaks of managing great power competition responsibly while strengthening deterrence; commits to support the Pacific Island States; supports ASEAN centrality, the AOIP and the US-ASEAN Comprehensive Strategic Partnership while promising to work with ASEAN in its regional governance initiatives; welcomes the engagement of the Quad to respond to the region's needs; dwells on measures to strengthen the regional health architecture; condemns human rights violations in Xinjiang and Tibet, the systemic erosion of Hong Kong's autonomy; and seeks complete denuclearisation of the Korean Peninsula.



Australian Defence Minister Richard Marles, British Defence Secretary Ben Wallace and US Defense Secretary Lloyd J. Austin III with senior military leaders at the Pentagon at the First AUKUS Defence Ministers' Meeting, December 7, 2022. Source: The Pentagon

<sup>&</sup>lt;sup>1</sup> Joint Statement on Australia-US Ministerial Consultations (AUSMIN) 2022, <u>https://www.defense.gov/News/Releases/Release/Article/3238028/joint-statement-on-australia-us-ministerial-consultations-ausmin-2022/</u>



The Defence and Security Cooperation section comprises seven paragraphs. The ministers decided to identify priority locations in Australia to support enhanced US force posture with associated infrastructure including runway improvements, parking aprons, fuel infrastructure, explosive ordnance storage facilities and facilities to support the workforce (NDAA 2023 in fact authorises \$ 259.9 million for construction at the RAAF Base at Darwin for the USN). They agreed to invite Japan to increase its participation in force posture initiatives in Australia. They also confirmed that the AUKUS partners are on track to developing the optimal pathway for Australia to acquire a conventionally armed nuclear powered submarine and announcing it by early 2023. This confirmation was repeated in the AUKUS Defence Ministerial Joint Statement the next day<sup>2</sup>.

Speaking at the AUSMIN Press Conference, Australian Foreign Minister Penny Wong identified three areas where collaboration between the partners had a different approach and enhanced emphasis: climate; ASEAN and the ASEAN-US comprehensive strategic partnership; and developmental initiatives in the Indo-Pacific<sup>3</sup>. Deputy Prime Minister Richard Marles spoke of steps taken to create a more seamless defence industrial base between Australia and the US, of the need to break down barriers in regulation.

The next day, Foreign Minister Penny Wong noted that Australia was greatly encouraged by the value the Biden administration placed on America's network of alliances; and the Quad, now reinvigorated and giving more choices to the region, was a force multiplier<sup>4</sup>. She acknowledged that despite the (Indo-Pacific) region being home to the largest military build-up anywhere in the world with limited transparency and reassurance, the region was not enthusiastic about great power competition and did not want to be forced to take sides. She also observed that the response from the partners was not forcing countries to choose; it was directed towards giving them a choice. Her thrust was on advancing shared interests and increasing the economic

<sup>&</sup>lt;sup>2</sup> AUKUS Defense Ministerial Joint Statement, <u>https://www.defense.gov/News/Releases/Release/Article/3239061/aukus-defense-ministerial-joint-statement/</u>

<sup>&</sup>lt;sup>3</sup> Secretary Antony J. Blinken, Defense Secretary Lloyd Austin, Australian Foreign Minister Penny Wong and Australian Deputy Prime Minister and Minister for Defense Richard Marles at Joint Press Availability, <u>https://www.state.gov/secretary-antony-j-blinken-</u> <u>defense-secretary-lloyd-austin-australian-foreign-minister-penny-wong-and-australian-</u> <u>deputy-prime-minister-and-minister-for-defense-richard-marles-at-a-joint-press-avail/</u>

<sup>&</sup>lt;sup>4</sup> Speech to the Carnegie Endowment for International peace, <u>https://www.foreignminister.gov.au/minister/penny-wong/speech/speech-carnegie-endowment-international-peace</u>



engagement: she noted that the need for a fully developed economic dimension had become inescapable.

For much of the period after the surrender of Japan, Australia became geostrategically irrelevant. The Cold War focused on the Euro-Atlantic and Northeast Asia. ANZUS, which entered into force in 1952, was intended to convince Australia and New Zealand to support the US ending occupation and concluding a peace treaty with Japan. It merely established a Council comprising of Foreign Ministers or their deputies, to develop separately and jointly through self-help and mutual aid their capacities to resist armed attack<sup>5</sup>. China's maritime expansion and assertion in the Western Pacific coupled with its A2/AD capability has thrust Australia into a position of geostrategic relevance again.

Australia's long and continuous courtship of US security arrangements, including through participation in operations in Korea, Vietnam and Afghanistan and setting up of a satellite surveillance facility at Pine Gap, naval communications station Harold E Holt at the North West Cape and an earth station at Nurrungar, now appears to be on the verge of paying off with enhanced US presence on Australian soil, both as a deterrent and as a tripwire. The need for bases beyond the range of China's A2/AD missiles has forced the US to turn to Australia. But Australian leaders are not placing all their eggs in the American basket; they are also pushing hard to establish long-term security and economic relationships with Japan and India.

The central issue to be resolved with the US is setting aside of defence industry competition and combining capacities so as to address the very large Chinese threat, as sought by the Australian Defence Minister<sup>6</sup>. It is this integration that will hold the key, providing an indicator of how far US defence industry is willing to accept dilution of its earnings. India will carefully watch the contents of the pathway AUKUS partners are expected to disclose in early 2023 and the extent of compromise done by US defence industry.

On the submarine front, the AUKUS arrangement will result in the setting up of an eighth nuclear submarine production facility at Osborne, to add to the two US facilities and one each in Russia, France, China, India and Brazil. How soon this yard will come up and be able to deliver boats, and how it will be ensured

<sup>&</sup>lt;sup>5</sup> Security Treaty Between Australia, New Zealand, and the United States of America, <u>http://www.austlii.edu.au/au/other/dfat/treaties/ATS/1952/2.html</u>

<sup>&</sup>lt;sup>6</sup> Doorstop interview, Washington DC, <u>https://www.minister.defence.gov.au/transcripts/2022-12-08/doorstop-interview-</u> <u>washington-dc</u>



that Australia does not face a submarine capability gap as it Collins-class submarines age, will be known only in early 2023.

#### The Xi Jinping Visit to Saudi Arabia

The visit by China's President Xi Jinping to Saudi Arabia on December 8 & 9 yielded three outcomes: a bilateral dialogue at the apex level of Saudi Arabian leadership; the First China GCC Summit and the First China-Arab States Summit.

A signed article by President Xi in Saudi media set out his vision for the China's relationship with the Arab world<sup>7</sup>. Tracing the history of China-Arab relations back to over 2000 years ago, Xi sought solidarity and cooperation between the two to build a China-Arab community with a shared future in the new era. His other focal areas were to strengthen the China-GCC strategic partnership and to take the China Saudi Arabia Comprehensive Strategic Partnership to new heights.



President Xi Jinping and Prince Mohammed bin Salman Al-Saud flanked by GCC leaders at the First China-GCC Summit in Riyadh, December 9, 2022. Source: GCC Secretariat General.

<sup>7</sup> Full Text of Xi's Signed Article on Saudi Media, <u>http://english.www.gov.cn/news/topnews/202212/08/content\_WS63915a87c6d0a757729e4</u> <u>16c.html</u>



The differences between the visit by President Biden in July 2022 and that of Xi Jinping now were evident. Biden had first met King Salman and then held an extended working session with Crown Prince Mohammed bin Salman. Xi Jinping followed a similar pattern, with the addition that he and King Salman jointly signed the comprehensive strategic partnership agreement between China and Saudi Arabia on December 8<sup>8</sup>. They also agreed to host biennial meetings between heads of states in the two countries.

In subsequent talks with Crown Prince Mohammed bin Salman, Xi obtained Saudi Arabia's firm support for the one-China principle; for China's actions in safeguarding its own sovereignty, security and territorial integrity; its efforts for de-radicalisation; and the rejection by Saudi Arabia of interference by external forces in China's internal affairs under the excuse of human rights or other excuses<sup>9</sup>. Saudi Arabia agreed to expand trade and two-way investment; welcomed Chinese companies taking an active part in the industrialisation of Saudi Arabia including the construction of large infrastructure and energy projects; committed to expand people-to-people exchanges; committed to play an active role in the development of relations between China, the Arab States and GCC; appreciated China's support for its becoming a dialogue partner in the Shanghai Cooperation Organisation; and agreed to work with China to uphold regional peace, security and stability. The two sides agreed to upgrade the China-Saudi Arabia High-level Joint Committee to the Prime Minister's level.

Xi Jinping's keynote speech at the First China-GCC Summit on December 9 identified five priority areas where China and the GCC states could cooperate in the next three to five years<sup>10</sup>. First was strengthening energy cooperation through China purchasing more oil and LNG, investing in the upstream sector as well as storage, transportation and refining, Renminbi settlement for oil and gas trade through the Shanghai Petroleum and Natural Gas Exchange, clean and low carbon technologies, and the peaceful use of nuclear energy. Second was progressing finance and investment cooperation. Third was in innovation, science and technology, for which China offered to build big data and cloud computing centres in the GCC, strengthen 5G and 6G technology cooperation and build innovation and entrepreneurship incubators. Fourth

https://www.fmprc.gov.cn/mfa\_eng/zxxx\_662805/202212/t20221210\_10988408.html

<sup>&</sup>lt;sup>8</sup> President Xi Jinping Meets with King Salman bin Abdulaziz Al Saud of Saudi Arabia, <u>https://www.fmprc.gov.cn/mfa\_eng/zxxx\_662805/202212/t20221209\_10987704.html</u>

<sup>&</sup>lt;sup>9</sup> President Xi Jinping Holds Talks with Crown Prince and Prime Minister Mohammed bin Salman of Saudi Arabia,

https://www.fmprc.gov.cn/mfa\_eng/zxxx\_662805/202212/t20221209\_10987728.html <sup>10</sup> Building on Past Achievements and Jointly Creating a Brighter Future of China-GCC Relations,



was aerospace cooperation, including in remote sensing and communication satellites, space utilisation and aerospace infrastructure. Fifth was language and cultural cooperation, for which China would cooperate with 300 educational institutions and set up 300 Chinese language smart classrooms. The Joint Statement of the China-GCC Summit, however, focuses on shared political views and provides no indication that the GCC accepted China's offer of cooperation<sup>11</sup>.

The China-Arab States Summit, also on December 9, was attended by representatives from 21 members of the Arab League, including leaders from Saudi Arabia, Egypt, Jordan, Bahrain, Kuwait, Tunisia, Djibouti, Palestine, Qatar, Comoros, Mauritania, Iraq, Morocco, Algeria and Lebanon. In contrast to identification of concrete areas of cooperation in the China-GCC Summit, Xi's keynote speech to the China-Arab States Summit was restricted to exhortations of what they should do together. Xi called on the Arab community to "carry forward the spirit of China-Arab friendship, jointly build a China-Arab community with a shared future in the new era, and usher in an even brighter future for our relations"<sup>12</sup>. A Joint Communiqué was issued following the summit<sup>13</sup>.

This is the fifth time a Chinese President has visited Saudi Arabia, and China's relations have become stronger each time. Six points stand out from the summits. First is the warm welcome accorded to Xi Jinping, in sharp contrast to the lukewarm reception of President Biden in July 2022. The failure of the Biden administration to rein in its human rights concerns in dealing with an autocratic Saudi Arabia has weakened the US position in the Arabian Peninsula. China and Russia have both taken advantage and exploited their common interest with the Saudis of non-interference in internal affairs. Whether the Biden administration can understand the limits of its power and act decisively to at least maintain a balance or will continue allowing the relationship to deteriorate will play a significant part in determining how much influence China gains in the region.

Second is Saudi Arabia's willingness to promote China's relations with Arab states and the GCC. China's thirst for oil and gas makes it an attractive partner for energy-rich Arab states, and Saudi Arabian influence in the region is

<sup>&</sup>lt;sup>11</sup> Statement of the Riyadh Summit for Cooperation and Development Between the GCC and the People's Republic of China, <u>https://www.spa.gov.sa/2408192</u>

<sup>&</sup>lt;sup>12</sup> Carrying Forward the Spirit of China-Arab Friendship and Jointly Building a China-Arab Community with a Shared Future in the New Era, https://www.fmprc.gov.cn/mfa\_eng/zxxx\_662805/202212/t20221210\_10988473.html

 <sup>&</sup>lt;sup>13</sup> Riyadh Arab-China Summit for Cooperation and Development Issues Final Communiqué, https://www.spa.gov.sa/2408273



considerable. The presence of Egypt at the China-Arab states summit is noteworthy. Arab disenchantment with US leadership in the region continues to offer China opportunity, one that is not being effectively addressed.

Third, while happy to grow its arms sales, China is not yet ready to assume responsibility for security of the Arab regimes. It's Strategic Partnership with Saudi Arabia and 11 other Arab states remain limited to economic, technological, educational and cultural initiatives. Security does not figure in the partnership statements. Moreover, China's relationship with Iran will limit the possibility of a security partnership between it and Arab nations. It is here that the West enjoys an undeniable advantage, one that it can exploit.

Fourth, Saudi Arabian support for China's efforts at de-radicalisation notwithstanding its excesses against Muslims in Xinjiang is noteworthy. Islamic solidarity evidently does not trump economic inducement, a fact that China has been able to exploit.

Fifth, the Arab adoption of China's line on Taiwan is noteworthy. Arab countries reaffirmed that Taiwan is an integral part of Chinese territory and rejected Taiwan's independence in all its forms. They also supported China's position and actions in Hong Kong. As was to be expected, democratic concerns found no resonance among Arab states.

Finally, there is need for India to watch China's moves in the region carefully, both on account of expectations from the I2U2 partnership, as well as from the perspective of China finding greater welcome in the Arabian Peninsula. India will have to find novel ways to ensure its own influence in the region does not become a victim to the economic and technological attractions offered by China.

#### The 10th Australia Japan 2+2 Ministerial Consultations

Australia's Defence Minister Richard Marles and Foreign Minister Penny Wong followed up their deliberations with the US at AUSMIN by meeting their Japanese counterparts Yoshimasa Hayashi and Yasukazu Hamada in Tokyo for the  $10^{\text{th}}$  Australia – Japan 2 + 2 Foreign and Defence Ministerial Consultations on December 9<sup>14</sup>. Their meeting enabled follow up on the vision

<sup>&</sup>lt;sup>14</sup> Tenth Japan-Australia 2+2 Foreign and Defence Ministerial Consultations, <u>https://www.foreignminister.gov.au/minister/penny-wong/media-release/tenth-japan-australia-22-foreign-and-defence-ministerial-consultations</u>



for the bilateral Joint Declaration on Security Cooperation signed during the visit of Prime Minister Fumio Kishida to Australia on October 22, 2022<sup>15</sup>.

The principals discussed a wide range of cooperative initiatives. These included:-

- Joint cooperation with Pacific Island countries on a range of subjects from explosive ordnance disposal to infrastructure; connectivity and maritime security needs; telecom; oil spills, provision of water and climate change.
- Coordination of activities in Southeast Asia.
- Strengthening economic security and addressing economic coercion.
- Cooperation on cybersecurity and cyber resilience.
- Space cooperation.
- Increased information sharing and coordination of development assistance policies in the region.
- Enhancing information sharing and exchange of views on information security.

On the defence and security cooperation front, the ministers agreed to:

- Advance discussions on the scope, objectives and forms of enhanced operational cooperation between the JSDF and ADF to build greater interoperability.
- Expanding air-to-air refuelling pairings between JASDF and RAAF aircraft.
- Unit exchanges and more complex exercises, including rotational deployment of Japan's F-35 fighters in Australia and Australian F-35s in Japan.
- Enhancing complexity of JSDF participation in Exercise Talisman Sabre.
- Conducting submarine search and rescue training jointly.
- Amphibious operations, exercises and guided weapon live-fire drills.
- Enhancing cooperation on strategic capabilities including long-range guided weapons, integrated Air and Missile Defence and Under Sea Warfare.
- Bolstering trilateral cooperation with the US to increase training opportunities with US forces in northern Australia; leveraging the asset

<sup>&</sup>lt;sup>15</sup> Japan-Australia Joint Declaration on Security Cooperation, <u>https://japan.kantei.go.jp/101\_kishida/documents/2022/\_00018.html</u>



protection framework, enhancing intelligence cooperation and ISR; and promoting the participation of the ADF in Japan-US bilateral exercises.

• Elevating defence equipment, science and technology and industry cooperation, including finalising R&D, test and evaluation arrangements to enable smoother cooperation; enhancing collaboration in autonomous systems in all domains; exploring opportunities for joint R&D, co-development and production of advanced defence capabilities; supporting policy dialogues on resilient supply chains; and dispatch of an Australian defence industry trade mission to Japan in 2023.

The decades since the end of WW II have witnessed a sea change in Australia's outlook towards Japan. Australia re-established relations in 1952 only after conclusion of the ANZUS Treaty, but remained concerned about a Japanese resurgence that could threaten it again. The change began with the 1995 declaration on the Australia-Japan partnership<sup>16</sup>, but the real thrust came from the Abe vision that resulted in the 2007 declaration on security cooperation<sup>17</sup>, at about the same time as Japan signed a similar agreement with India. 2022 witnessed the conclusion of the Japan Australia Reciprocal Access Agreement<sup>18</sup> as well as the updated security cooperation agreement<sup>19</sup>.

The driver for their expanded security relationship is shared concern about China. Whereas the 2007 agreement focused on law enforcement, border security, counter-terrorism, disaster relief and other non-traditional threats to security, the 2022 agreement is directed towards balancing China's asymmetric power. Both countries are also revising security policies: Japan made public its revised security and defence strategies on December 16; Australia will do so early in 2023. Both are substantially increasing their defence expenditure. Both are conscious that conflict with China will be prolonged, with staying power more important than initial victories.

However, the closest points of Japanese and Australian territory are physically separated by a distance of over 4200 Km. China (and Taiwan) lie just over 1000 Km west of the line connecting Japan and Australia. This geographic reality, coupled with their own capability limitations, mean that they can complement

<sup>&</sup>lt;sup>16</sup> Joint Declaration on the Australia-Japan Partnership, <u>https://www.mofa.go.jp/region/asia-paci/australia/join\_au.html</u>

<sup>&</sup>lt;sup>17</sup> Japan-Australia Joint Declaration on Security Cooperation, https://www.mofa.go.jp/region/asia-paci/australia/joint0703.html

<sup>&</sup>lt;sup>18</sup> Agreement Between Japan and Australia concerning the Facilitation of Reciprocal Access and Cooperation Between the Self-Defense Forces of Japan and the Australian Defence Force, <u>https://www.mofa.go.jp/files/100283786.pdf</u>

<sup>&</sup>lt;sup>19</sup> Australia-Japan Joint Declaration on Security Cooperation, <u>https://www.dfat.gov.au/countries/japan/australia-japan-joint-declaration-security-cooperation</u>



US power, but scope for mutual defence without the US is restricted. Consequently, both are conscious of the critical need to do all they can to keep the US engaged in Asia.



Senator Penny Wong, Australian Minister for Foreign Affairs and The Hon. Richard Marles, MP, Australia's Deputy Prime Minister and Defence Minister with Japan's Prime Minister Fumio Kishida, Minister for Foreign Affairs Yoshimasa Hayashi and Minister of Defence Yasukazu Hamada in Tokyo on December 9, 2022. Source: Prime Minister's Office, Japan

In order to make mutual defence work, the geographically vital area for both countries spans the Indonesian and Philippine Archipelagos. The shared need to counter China's growing influence in this region cannot be overstated. Hence the thrust towards enhancing cooperation with Southeast Asia. India could substantially supplement two of its major strategic partners, Australia and Japan, in this region. Trilateral cooperation to synergise the activities of these three middle powers could substantially fulfil their shared need.

More important than military cooperation will be defence industry and technology cooperation, especially in emerging critical technologies. Both countries seek to sharply enhance their own defence industry to ensure resilience and the easy availability of sufficient stocks of ammunition and weapon spares. That Australia seeks to partner Japan in developing critical technology becomes evident from the Ministerial. Does this desire stem from concern about how much the US will actually share? India, with its innovative talent, growing economy and military needs, could offer exciting opportunities for both Japan and Australia.



The expectation, therefore, is that in the coming year, both Japan and Australia will move to seek greater cooperation and coordination with India in Southeast Asian affairs, as well as defence R&D and industry cooperation. Such a development augurs well for security and stability in the region.

### Japan's New National Security Policy

The adoption by Japan's Cabinet on December 16<sup>20</sup> of new National Security Policy documents, including a National Security Strategy (NSS)<sup>21</sup>, National Defense Strategy (NDS)<sup>22</sup> and Defense Build-up Program sets the stage for Japan to assume greater responsibility for national and regional security. Coming at a time when the international order is severely challenged and the world stands at a crossroads, the implementation of plans contained in these documents will have a significant impact on the Indo-Pacific.



Chiefs of the Australian, Indian, Japanese and US Navies at the four-chiefs of Navies Talks at Yokosuka on the occasion of the 30<sup>th</sup> anniversary of Exercise Malabar, November 05, 2022. Source: PIB

As the supreme national security policy document, the NSS provides strategic guidance for all aspects connected with Japan's security, including diplomacy; defence; economic, technological, cyber, maritime, energy and space security; intelligence; and official developmental assistance. The 2022 NSS recognises

<sup>&</sup>lt;sup>20</sup> Adoption of the new "National Security Strategy (NSS)" (Statement by Foreign Minister HAYASHI Yoshimasa, <u>https://www.mofa.go.jp/press/release/press4e\_003192.html</u>

<sup>&</sup>lt;sup>21</sup> National Security Strategy of Japan, <u>https://www.mod.go.jp/j/approach/agenda/guideline/pdf/security\_strategy\_en.pdf</u>

<sup>&</sup>lt;sup>22</sup> National Defense Strategy, December 16, 2022, <u>https://www.mod.go.jp/j/approach/agenda/guideline/strategy/pdf/strategy\_en.pdf</u>



that the world has entered an era where confrontation and cooperation in international relations are intricately intertwined. It notes, "A permanent member of the United Nations Security Council (UNSC) has trampled over the fundamental international principle prohibiting the use of force. Some states, not sharing universal values, are exploiting unique approaches to rapidly develop their economies and technologies and challenging international order. On the other hand, there is a greater imperative than ever before for the international community to rally together to take on global challenges that transcend borders and put the existence of humanity itself at risk, such as climate change and pandemics".

The NSS defines three broad Japanese interests: maintaining sovereignty, independence, territorial integrity, freedom and ensuring respect for Japan; promoting economic growth in an open environment; and the development of a Free and Open Indo-Pacific. It spells out five fundamental principles: recognition that it is necessary for Japan to decisively undertake necessary reform and reinforce national security capabilities; the upholding of universal values such as freedom, democracy, respect for human rights and the rule of law; the execution of an exclusively defense oriented security policy without becoming a military power; the Japan-US alliance remaining the cornerstone of national security policy; and cooperation with like-minded countries. It notes that Japan's security challenges encompass unilateral changes to status quo by force including through non-military means; impediments being imposed to free access and utilisation of the cyber, maritime, space and electromagnetic domains and other areas; nations expanding their own influence through the use of economic coercion and debt trap diplomacy; the theft of advanced technology; the inability of the world community to counter common challenges such as climate change, arms control, terrorism, global health, food and energy security issues etc.; the continued inability of the G7 and the UNSC to manage the economic and security situation; and the buildup of large military forces including nuclear weapons by countries that don't share universal values in the Indo-Pacific.

Six paragraphs are devoted to the challenges from China, which is identified as posing "an unprecedented and the greatest strategic challenge in ensuring the peace and security of Japan and the peace and stability of the international community", to which Japan should respond with its comprehensive national power. Another four describe the challenge from North Korea and its continued military build-up, ballistic missile tests, nuclear capabilities and the abductions issue. Russia constitutes the third challenge.

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The NSS identifies four distinct security objectives: remaining capable of protecting sovereignty and independence and autonomously determining domestic and foreign policies; proactively ensuring an international environment in which Japan's economy can grow; joining with allies and likeminded nations to achieve a new balance of power; and multilateral cooperation on common challenges. The strategic approach adopted to achieve these objectives includes strengthening own diplomatic, defense, economic, technological and intelligence capabilities; strengthening the Japan-US alliance in all areas; realising a Free and Open Indo-Pacific through the Quad partnership; enhancement of security cooperation with Australia, India, Republic of Korea, European countries, ASEAN countries and others; and strengthening Japan's defense architecture as well as the domestic, economic and fiscal, social, intellectual bases. The NSS concludes by unequivocally stating, "Japan will ensure its security on the basis of comprehensive national power in areas where the international community is in confrontation. In areas where the international community should engage in cooperation, by contrast, we will continue to fulfil a leading and constructive role in resolving a broad array of issues. Japan's actions in this way worldwide will further enhance its presence and credibility in the international arena and expand the circle of like-minded countries and others, thereby leading to improve (sic) the security environment surrounding Japan".

The NDS sets three defense objectives: to shape a security environment that does not accept unilateral changes to the status quo by force; to deter unilateral changes to the status quo by force through cooperation with the ally and like-minded countries; and if deterrence fails, to rapidly respond to disrupt and defeat any invasion. Japan will, however, continue to depend on the US to provide extended deterrence.

Achieving the objectives necessitates reinforcing and strengthening own capability; reinforcing cooperation with the US; and strengthening collaboration with other like-minded nations. For the first pillar of its strategy, Japan will acquire the following seven key capabilities:

• Standoff strike capability using hyper velocity gliding and/or guided missiles and other stand-off missiles together with the target information gathering mechanism. The NDS elaborates that if Japan continues to rely solely upon ballistic missile defences, it cannot effectively address the burgeoning missile threat. Japan thus needs counterstrike capabilities if attacked, to prevent further attacks while defending against incoming missiles with the existing BMD network. It notes that the Government had as far back as in February 1956 expressed the view that such capabilities are



legally within the purview of self-defense and are thus permissible. The capabilities will be used only when the three new conditions for the use of force presented in the 2015 Legislation for Peace and Security are fulfilled<sup>23</sup>.

- Integrated Air and Missile Defense including through Aegis equipped vessels for warning and control, as well as the capability to respond to small UAVs including with directed energy weapons.
- Unmanned assets for a wide range of missions, including underwater.
- Cross-domain operation capabilities including in the space, cyber and electromagnetic domains.
- Real time command, control and intelligence functions including through satellite constellations and through cooperation between domestic intelligence-related organisations.
- Expanded mobile deployment capabilities, including through expansion of port and airport facilities and improved logistics.
- Enhanced sustainability and resilience through improved ammunition production capacity and storage as well as fuel storage.

The second pillar of Japan's security strategy is strengthening its alliance with the US. This involves strengthening joint deterrence and response capabilities; reinforcing alliance coordination functions, reinforcing joint response infrastructure, and support for stationing of US forces in Japan. Notably, Japan seems content in handing the US a greater degree of coercive leverage in the security domain than China has acquired in the economic domain. This speaks volumes of its comfort with the US and growing discomfort with China's actions.

The third pillar is enhancing collaboration with like-minded countries and others, through promoting institutional frameworks such as Reciprocal Access Agreements (RAA), Acquisition and Cross-Servicing Agreement (ACSA) and Agreements concerning Transfer of Defence Equipment and Technology. The first priority under this pillar is for Australia, with whom the NDS explicitly states it will build the closest cooperation next to the US-Japan alliance. Next is India, with whom Japan will deepen bilateral and multilateral defense exchanges including service-to-service exchanges in multiple fields including maritime security and cybersecurity while promoting training and exercises as well as defense equipment and technology cooperation. Third come partners like the UK, France, Germany and Italy, with whom Japan will reinforce involvement in global security issues as well as challenges in Europe and the Indo-Pacific. Next come NATO and the EU, with who Japan will reinforce

<sup>&</sup>lt;sup>23</sup> Japan's Legislation for Peace and Security, <u>https://www.mofa.go.jp/fp/nsp/page1we\_000084.html</u>



collaboration with regard to formulation of international rules and involvement in Indo-Pacific security. With South Korea, Japan will reinforce collaboration between the US, ROK and Japan to strengthen deterrence. Japan will also reinforce collaboration with Southeast Asian countries to reinforce the centrality and unity of ASEAN and will implement consultation at all levels, including the 2+2, strategic port calls and training and exercises, and implementing transfer of defense equipment and capability building assistance.

During the India-Japan 2+2 Ministerial Dialogue in September 2022, the Japanese side had expressed "its determination to fundamentally reinforce Japan's defence capabilities within the next five years" and securing "substantial increase of Japan's defence budget needed to effect it". This included the examination of "counterstrike capabilities". India, for its part, has signalled tacit acceptance of this momentous decision and announced its continued support "to work towards enhanced security and defence cooperation"<sup>24</sup>. The NSS and NDS effectively formalise the Japanese decision. Execution of this strategic approach will, however, necessitate the allocation of substantial additional resources. Prime Minister Kishida had late last month instructed his defense and finance ministers to increase the defense budget to 2% of the GDP by 2027, and to increase defence spending over the next five years from the current level of ¥ 27 trillion to ¥ 43 trillion. Providing funds for this will necessitate curtailment of expenditures in other areas as well as tax hikes, both unpopular steps. It is only if Kishida can engineer a consensus on this both within his own party and in the Diet that the strategic plan can succeed.

As noted by Kurt Campbell, the White House Asia Coordinator, India desires to become a great power and will not be an ally of the US<sup>25</sup>. India aspires for a multipolar world with itself as one of the poles, unlike Japan, which is content to accept US leadership. Despite this, if India still occupies third position among Japan's security partners behind the US and Australia but ahead of others in Europe, it is a reflection of India's potential, its role in the Quad as well as its Special Strategic and Global Partnership with Japan. Whether this position will translate into real support for enhancing India's comprehensive national power at the same time that Japan enhances its own power, and will

<sup>&</sup>lt;sup>24</sup> Ibid. All quotes from Para 5 of Joint Statement.

<sup>&</sup>lt;sup>25</sup> "India Won't Be US Ally, Will be Another Great Power": White House Official, <u>https://www.ndtv.com/india-news/white-house-official-india-will-not-be-ally-of-us-will-be-another-great-power-3591378</u>



result in effective security cooperation including in R&D and defence production remains to be seen.

Reactions from the world to the momentous policy changes announced by Japan have been on predictable lines. The US has voiced strong support<sup>26</sup>. China, on the other hand, has questioned Japan positioning China as the "biggest strategic challenge so far", falsely claiming that China's external posture and military activities are serious concerns of the international community, accusing China of launching missiles that have harmed local residents and calling out China's economic coercion<sup>27</sup>. The Chinese statement goes on to raise fears of Japan's turn to militarism and urges Japan to return to the political consensus that Japan and China are partners and don't pose a threat to each other. A South Korean official has meanwhile been quoted as saying that since North Korea is effectively Korean territory, any use of the counterstrike option against that country would require prior South Korean approval<sup>28</sup>.

Japan's assumption of responsibility for its own security has gradually evolved, from the Basic Policy on National Defense of 1957, to the first National Security Strategy of 2013 and now the more nuanced NSS of December 2022. As China's unilateral assertion and use of coercive grey zone strategies increases, the new NSS will undoubtedly add to deterrence in East Asia. It is a welcome move towards the democratic security diamond visualised by former Prime Minister Shinzo Abe. Much more will, however, need to be done if China's hegemonic ambitions are to be thwarted in the decisive decade ahead. The direction has been set, how the road ahead is traversed will determine Asia's future.

#### The US National Defense Authorization Act 2023

President Biden signed the US National Defense Authorisation Act 2023 into law on December 23<sup>29</sup>, marking the culmination of the long annual process of

<sup>&</sup>lt;sup>26</sup> Statement by National Security Advisor Jake Sullivan on Japan's Historic National Security Strategy, <u>https://www.whitehouse.gov/briefing-room/statements-</u> releases/2022/12/16/statement-by-national-security-advisor-jake-sullivan-on-japans-<u>historic-national-security-</u> strategy/#:~:text=The%20strategy%20sets%20forth%20the,modernize%20the%20U.S.%2DJap an%20Alliance.

<sup>&</sup>lt;sup>27</sup> Spokesperson of the Chinese Embassy in Japan made a statement on the negative content related to China in the three security strategy documents released by the Japanese government, <u>http://jp.china-embassy.gov.cn/sgkxnew/202212/t20221216\_10991313.htm</u>

<sup>&</sup>lt;sup>28</sup> North Korea is constitutionally "South Korean Territory," Japan needs approval to fight back: South Korean military, <u>https://m-jp.yna.co.kr/view/AJP20221216001700882</u>

<sup>&</sup>lt;sup>29</sup> Statement by the President on H.R. 7776, the James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, <u>https://www.whitehouse.gov/briefing-</u>



deciding the spending policies and priorities of the US Department of Defense. NDAA 2023 as passed authorises a total expenditure of \$ 857.6 billion, as compared to \$ 777.7 billion in  $2022^{30}$ . Of this, the Department of Defense (DoD) gets \$ 816.7 billion (\$ 76.7 billion higher than last year's level of \$ 740 billion, and \$ 45 billion more than had been sought by the Biden Administration). Of the balance, \$ 30.3 billion goes to the Department of Energy, while \$ 10.6 billion goes to defense related activities outside NDAA jurisdiction. Procurement expenditure is over \$ 163 billion; R&D expenditure is \$ 138 billion, operations and maintenance account for \$ 278.8 billion; Personnel costs are \$ 172 billion; and military construction costs are \$ 19.5 billion.



USS Ronald Reagan in formation with USN and RAN ships in the Philippine Sea, November 20, 2022. Source: US Indo-Pacific Command Image Gallery

The authorised strength of the US Armed Forces shrinks as compared to FY 2022. The strength of the US Army reduces from 485,000 to 452,000 personnel; that of the USAF from 329,220 to 325,334; of the USMC from 178,500 to 177,000. The strength of the US Navy, on the other hand, increases from 346,920 to 354,000; while that of the Space Force goes from 8,400 to 8,600. Total personnel costs are expected to be \$ 172 billion. The Act authorises 4.6% pay increase for military service members and the DOD civilian workforce, as compared to the 2.7% authorised in FY 2022. This increase does not compensate for the annual inflation rate, which is estimated to be an average of over 8.4% for the current year.

The Act authorises multi-year buy contracts for 25 ship-shore connectors (LCAC-100 Landing Craft), 15 Arleigh Burke Class Destroyers; eight Lewis class

room/statements-releases/2022/12/23/statement-by-the-president-on-h-r-7776-the-

james-m-inhofe-national-defense-authorization-act-for-fiscal-year-2023/

<sup>&</sup>lt;sup>30</sup> HR 7776, <u>https://www.congress.gov/117/bills/hr7776/BILLS-117hr7776enr.pdf</u>

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Oilers; five amphibious ships and CH-53K helicopters. It provides a shipbuilding budget of \$ 32.58 billion for the coming year, around \$ 4.7 billion more than was sought by the administration, to build three destroyers; two Virginia class attack submarines, two expeditionary fast transports, one Constellation class frigate, one San Antonio class amphibious ship and others. It authorises procurement of eight F-18-E/F aircraft for the USN; 16 F-35C; 15 F-35B, 12 CH-53K; two V-22; seven E-2D; five KC-130J tankers; three MQ-4 Triton UAS, four MQ-25 Stingray UAS and five Marine Group 5 Unmanned Air Systems, among others.

The Act extends the Ukraine Security Assistance Initiative and authorises \$800 million for it in FY 2023. It reiterates the ironclad commitment of the US towards NATO; extends the Pacific Deterrence Initiative and identifies about \$11.5 billion of investment required to support PDI objectives; authorises the Taiwan Enhanced Resilience Act including increased security cooperation with Taiwan. "It shall be the policy of the US to maintain the capacity of the US to resist a fait accompli that would jeopardise the security of the people of Taiwan", says the Act. It says Taiwan's naval forces should be invited to participate in Exercise RIMPAC. It authorises a pilot programme to enhance DOD engagement with young civilian defense and security leaders in the Indo-Pacific and requires the establishment of a Joint Force Headquarters within the Indo-Pacom Area of Responsibility.

Section 1260 of the Act directs that not later than 90 days after enactment, the Secretary of Defense in consultation with the Secretary of State engage with appropriate counterparts in India's Ministry of Defence for the purpose of expanding cooperation on emerging technologies, readiness and logistics. The areas identified include intelligence collection capabilities, unmanned aerial vehicles, fourth and fifth generation aircraft, depot-level maintenance, joint research and development, fifth generation wireless communications and Open Radio Access Network technologies; defensive Cyber capabilities, cold weather capabilities, critical and emerging technologies, and any other matters considered relevant. Not later than 180 days after enactment, the Secretary of Defense is required to brief the appropriate committees of Congress on his assessment of the feasibility and advisability of expanding cooperation with India; opportunities to expand cooperation in other areas; the challenges that need to be addressed to expand cooperation; security considerations to ensure protection of R&D, intellectual property and US provided equipment from being stolen or exploited by adversaries; and the opportunities and challenges related to reducing India's reliance on Russianbuilt weapons and defence systems.



Further, Section 1265 provides the sense of the Congress that the US should enhance cooperation with Japan including by developing advanced military capabilities; reinforce the alliance with South Korea; foster bilateral and multilateral cooperation with Australia; advance alliances with Philippines and Thailand and partnerships with other SE Asian nations; broaden US engagement with India including through the Quadrilateral Security Dialogue; strengthen the partnership with Taiwan; reinforce the status of Singapore as a Major Security Cooperation Partner; engage with Southern Pacific island nations to strengthen regional security and issues of mutual concern; collaborate with Canada, UK, France and other members of the EU and NATO to build connectivity and advance a shared vision for the region; and invest in enhanced military posture and capabilities within the Indo-Pacific Command.

The continued increase in military spending and the pronounced maritime thrust point to a bipartisan consensus within the US on opposing China's endeavour to impose its own hegemony over Asia, and particularly in East Asia, as part of its objective of national rejuvenation. To counter China's design, the US Congress is providing more resources to the administration than it had sought. Success, however, comes not just from resources alone; it also requires an effective strategy. The primary objective of such a strategy must remain enhancing deterrence across the board. Deterrence must rest on creating doubt in the aspiring power that it can attain its objective at manageable cost. Whether US actions are actually deterring China is questionable. As the experience of Ukraine highlights, the financial, materiel and manpower costs of allowing deterrence to break down can be extraordinarily high. A long and difficult road remains to be traversed by the US.

The basic strategy chosen is strengthening own capability as also that of its partners. The US has moved to beef up its hard balancing structure in the Western Pacific. The first pillar of this structure is Japan, with which the US relationship is being strengthened. The second pillar is engendering closer links between Japan and other hub-and-spoke allies, including Australia and South Korea. All three are moving closer together while sharply enhancing their military spending, much of which will go to US defense industry. The third pillar is other allies like Thailand and the Philippines, where the US will need to both curtail China's influence and strengthen its own. The key, however, will be India and how far the US can draw India into its Indo-Pacific partnership.

Along with building up own capability, strengthening the capacity and capability of the already formidable group of US allies and partners will be necessary. Moves in this direction have been there for long, including through



the DTTI with India. The inclusion of Section 1260 in NDAA 2023 points to a realisation of the urgency of producing results.

The focus with India remains shaping the regional environment and providing public goods, including through the Quad. It is noteworthy, however, that the NDAA contains little of note regarding the Indian Ocean. There are three short paragraphs on Af-Pak, essentially to bar utilisation of US funds for specific purposes or to make any payment to the Taliban. However, unless India's continental concerns including from its northwest and north are effectively addressed, India's ability to contribute to Indo-Pacific objectives will remain constrained.

#### South Korea's Indo-Pacific Strategy

"I plan to create a free, peaceful and prosperous Indo-Pacific region through solidarity and cooperation with ASEAN and other major nations", said South Korea's President Yoon Suk-yeol on arrival in Phnom Penh to attend the South Korea-ASEAN Summit<sup>31</sup>. A comprehensive articulation of his strategy became available on the Republic of Korea MFA website on December 28, 2022<sup>32</sup>.

"The Indo-Pacific accounts for 62% of the world's GDP, 46% of international trade and half of global maritime transport", says the strategy. It notes the recent rise of a combination of challenges that threaten a free, peaceful and prosperous Indo-Pacific, including rising uncertainties in the security environment, growing concern about democratic backsliding, and challenges to universal values such as freedom, the rule of law and human rights. Acknowledging that rising geopolitical competition has stalled the drive for cooperation in the Indo-Pacific, it says that a deepening arms race coupled with lack of action to build transparency and trust in the military and security domains, as well as North Korea's advancement of its nuclear and missile capabilities are making the region less secure. In parallel, weakening of governance in a globalising world, including the spread of protectionism and supply chain disruptions have led to the international free-trade order unravelling, while the region's economic growth engine loses momentum.

Three principles underpin the strategy's guiding vision of a free, peaceful and prosperous Indo-Pacific: inclusiveness, trust and reciprocity. In the North Pacific, the ROK will strengthen its alliance with the US, which has evolved into a global comprehensive partnership encompassing security, the economy,

<sup>&</sup>lt;sup>31</sup> Yoon unveils S. Korea's strategy for free, peaceful and prosperous Indo-Pacific, <u>https://en.yna.co.kr/view/AEN20221111009500315</u>

<sup>&</sup>lt;sup>32</sup> Strategy for a Free, Peaceful, and Prosperous Indo-Pacific Region, https://www.mofa.go.kr/eng/brd/m\_5676/view.do?seq=322133&page=1



cutting edge technologies, cyber-space and supply chains. It will seek a forward-looking partnership that supports common interests and values with Japan. With China, it will "nurture a sounder and more mature relationship as we pursue shared interests based on mutual respect and reciprocity, guided by international norms and rules. The ROK will also expand cooperation with Canada and Mongolia. In other regions, the ROK prioritises cooperation with Southeast Asia and ASEAN; South Asia; Oceania, the African Coast of the Indian Ocean; and Europe and Latin America.

India is identified as the ROK's key partner in South Asia. "India presents great potential for growth, having the world's second largest population and cuttingedge IT and space technologies. We will increase strategic communications and cooperation through high-level exchanges in foreign affairs and defense, while strengthening the foundation for enhanced economic cooperation by upgrading the ROK-India Comprehensive Economic Partnership Agreement (CEPA)". South Korea will also pursue "reliable and mutually beneficial economic partnerships with Pakistan, Bangladesh, Sri Lanka, Nepal and other South Asia countries through increased economic and development cooperation, including in the areas of trade, investment and development assistance". It will contribute to building an open and inclusive regional architecture in South Asia through substantive cooperation programmes with minilaterals such as IORA and SAARC, in both of which South Korea has observer status.

The strategy identifies nine core lines of effort, as follows:

- Building a regional order based on norms and rules.
- Cooperating to promote the rule of law and human rights.
- Strengthening non-proliferation and counter-terrorism efforts across the region.
- Expanding comprehensive security cooperation. Towards this end, South Korea will deepen regional maritime security cooperation, particularly in real-time maritime monitoring and information sharing in regional domain awareness systems; participation in multinational combined exercises hosted by Indo-Pacific nations; contribute towards security, free and safe sea lines of communication, and working with ASEAN states to counter maritime terrorism and enforce maritime laws; and strengthening cooperation in cyber, health and other non-traditional domains and in cyber-space. South Korea will also expand cooperation with NATO to address transnational security challenges; and will seek to gradually expand nodes of cooperation with the Quad, beginning with cooperation



in infectious diseases, climate change and emerging technologies and expanding into other areas later.

- Building economic security networks.
- Strengthening cooperation in critical domains of science and technology and closing the digital gap.
- Leading regional cooperation on climate change and energy security. Tucked away under this section is the intent to resume the ROK-Japan-China Trilateral Summit to seek now opportunities and momentum for regional cooperation in Northeast Asia, particularly in the areas of green and digital transitions.
- Engaging in contributive diplomacy through tailored development cooperation partnerships.
- Promoting mutual understanding and exchanges.

Relevant ministries of the South Korean government have been directed to prepare detailed implementation plans based on this strategy, focusing on the nine priority areas, so as to enhance the consistency and predictability of the ROK's foreign policy and expand the horizons of its partnerships.

The US welcomed South Korea's adoption of its new Indo-Pacific Strategy "as a reflection of our shared commitment to the region's security and growing prosperity"<sup>33</sup>. It congratulated the people of ROK on their new strategy, "which will help the United States and our partners advance a free, peaceful and prosperous Indo-Pacific"<sup>34</sup>. China's spokesperson said, "China believes that countries should work together in solidarity for the region's peace, stability, development and prosperity and against exclusive coteries ... we hope the ROK will work with China for the sound and steady growth of bilateral ties and jointly contribute to regional peace, stability, development and prosperity"<sup>35</sup>. This muted response makes it evident that China remains sanguine about the ROK's adoption of an Indo-Pacific strategy.

South Korea interest in the Indo-Pacific framework is a new phenomenon. The Moon administration, conscious of China's allergy to the 'Indo-Pacific' and having been at the receiving end in 2017 of economic coercion from its largest trading partner over the THAAD system, chose not to join in Indo-Pacific

<sup>&</sup>lt;sup>33</sup> Statement by National Security Advisor Jake Sullivan on the Republic of Korea's Indo-Pacific Strategy, <u>https://www.whitehouse.gov/briefing-room/statements-</u> releases/2022/12/27/statement-by-national-security-advisor-jake-sullivan-on-therepublic-of-koreas-indo-pacific-strategy/

<sup>&</sup>lt;sup>34</sup> Ibid.

<sup>&</sup>lt;sup>35</sup> Foreign Minister Spokesperson Wang Wenbin's Regular Press Conference on December 28, 2022,

https://www.fmprc.gov.cn/mfa\_eng/xwfw\_665399/s2510\_665401/2511\_665403/202212/t20 221228\_10997479.html



structures. Instead, it formulated the ROK's New Southern Policy to engage the world's economically most dynamic region without doing anything that could antagonise China. While all US allies condemned China's unilateral maritime claims in the South China Sea and its human rights violations in Xinjiang, Tibet and Hong Kong, South Korea remained circumspect and guarded in its choice of words.

President Yoon Suk-yeol had articulated his aspiration for a greater South Korean role in regional affairs in February 2022<sup>36</sup>. The Strategy for a Free, Peaceful and Prosperous Indo-Pacific Region is an outcome of that aspiration. The strategy remains "inclusive" and seeks partnerships based on 'trust', notwithstanding the experience of China's oft-exercised penchant for economic and grey zone coercion. It continues to seek relationships guided by international norms and rules, despite China's apparent intent to revise these rules in its own favour. It seeks revival of the ROK-China-Japan Trilateral Summit, however unrealistic that might appear to be in today's environment. And the desire to work with the Quad appears to be limited at present to inclusive areas such as climate change and health, where China's cooperation is essential.

The description of India as South Korea's key South Asian partner and the stated intent to advance the bilateral special strategic partnership, including revision of the bilateral CEPA agreement provides an opportunity. Juxtaposed with this is the stated intent to enhance mutually beneficial economic cooperation with Pakistan, as well as the intent to help build SAARC. The principle of inclusiveness evidently trumps the thrust to strengthen non-proliferation and counter-terrorism efforts. The reality that SAARC has been all but dead since the failure to hold the 2016 summit seems to have been lost on South Korean planners.

In sum, South Korea appears to be making an effort to join the Indo-Pacific bandwagon without risking its lucrative relationship with China. This will temper the core thrusts towards building partnerships based on rules and norms, and advancing a human rights agenda. Whether South Korea will stand with other Indo-Pacific countries to promote the freedom of navigation and open sea lines of communication remains an open question. Yoon's ability to implement the changes he seeks, including upgrading the relationships with Japan and India, will depend to a large extent on his domestic approval ratings, which have recently risen to 36% after having remained below 30% for much of

<sup>&</sup>lt;sup>36</sup> Yoon Suk-yeol, "South Korea Needs to Step Up", <u>https://www.foreignaffairs.com/articles/south-korea/2022-02-08/south-korea-needs-step</u>



his presidency<sup>37</sup>. It will also be influenced by how China views the change. South Korea has much to offer the Indo-Pacific, provided it can find the political will to overcome long-held hedging habits.

#### Other Indo-Pacific Developments

India's G20 Presidency. India formally assumed the G20 Presidency from Indonesia on December 1, 2022<sup>38</sup>. An article penned by Prime Minister Narendra Modi spoke of India working to promote the universal sense of oneness<sup>39</sup>, hence the chosen theme 'One Earth, One Family, One Future'. He noted that the world today had the means to produce enough to meet the basic needs of all people in the world, that there was no longer a need to fight for survival, that the current era must not be one of war. Humanity's greatest challenges could be solved only by acting together. As a microcosm of the world with the oldest-known tradition of collective decision-making, India's national consensus blended millions of free voices into one harmonious melody. India would, during the forthcoming year, present its unique experience, learning and models as possible templates for others, particularly the developing world. Those whose needs were greatest would be India's first concern. Making a success of India's presidency will necessitate overcoming Lord Palmerstone's long-held dictum regarding pursuing own permanent interests and the primacy of the nation over humanity, not an easy task.

The Macron Biden Summit. President Macron of France visited Washington DC for the First State visit of the Biden Administration on December 1, 2022. The Joint Statement on the occasion dwelt on Trans-Atlantic Security and Ukraine, as well as cooperation in Africa, the Middle East, on nuclear deterrence, emerging technologies, space, economic issues, energy, climate and biodiversity, strengthening the international financial architecture, global health and food security, democracy and human rights, and cyber and disinformation. The section on the Indo-Pacific focused on the internation for maritime security and US will increase support for French and European air

<sup>&</sup>lt;sup>37</sup> Has Yoon's Approval Rating Bottomed Out, Korea Times, December 19, 2022, <u>https://www.koreatimes.co.kr/www/nation/2022/12/356\_341955.html</u>

<sup>&</sup>lt;sup>38</sup> India assumes G20 Presidency, <u>https://mea.gov.in/press-</u> releases.htm?dtl/35939/India\_assumes\_G20\_Presidency

<sup>&</sup>lt;sup>39</sup> Today, India commences its G20 Presidency, https://www.pmindia.gov.in/en/news\_updates/today-india-commences-its-g20presidency/?comment=disable



and maritime deployments to the Pacific Islands. There was no mention of cooperation in the Indian Ocean<sup>40</sup>.



Presidents Emmanuel Macron and Joseph Biden at the White House during the France – US Summit, December 01, 2022. Source: Twitter@EmmanuelMacron

India's UNSC Presidency. India completed its current two year tenure as an elected member of the UNSC by assuming its Presidency for the second time commencing December 01. The month witnessed India chairing two open debates on December 14 & 15. In the first, on reformed multilateralism, Dr. S. Jaishankar noted that the question of equitable representation on and increase in membership of the Security Council had now been on the UN agenda for over three decades<sup>41</sup>. He sought credible and continuing representation for member states from Latin America, Africa, Asia and Small Island Developing States. In the second, on the global counter-terrorism approach, he noted that terrorism remains an existential threat to international peace and security and must be combated collectively by the international community<sup>42</sup>. Addressing four specific challenges of terror financing and state culpability; ensuring the

<sup>&</sup>lt;sup>40</sup> Joint Statement Following the Meeting Between President Biden and President Macron, <u>https://www.whitehouse.gov/briefing-room/statements-releases/2022/12/01/joint-statement-following-the-meeting-between-president-biden-and-president-macron/</u>

<sup>&</sup>lt;sup>41</sup> Statement by External Affairs Minister at the United Nations Security Council Open Debate on 'Maintenance of International Peace and Security: New Orientation for Reformed Multilateralism, <u>https://pminewyork.gov.in/IndiaatUNSC?id=NDg4NQ</u>

<sup>&</sup>lt;sup>42</sup> Statement by External Affairs Minister at the UNSC Briefing on 'Global Counter-terrorism Approach: Challenges and Way Forward', <u>https://mea.gov.in/Speeches-</u> <u>Statements.htm?dtl/36013/Statement\_by\_External\_Affairs\_Minister\_at\_the\_UNSC\_Briefing</u> <u>on\_Global\_Counter\_terrorism\_Approach\_Challenges\_and\_Way\_Forward</u>



integrity and accountability of counter-terror multilateral mechanisms, double standards and politicisation, as well as threats from the misuse of new and emerging technologies by terrorists, he called for a comprehensive, contemporary and result-oriented approach to tackling them, and for the Security Council to lead the global response in this regard.

<u>The US Africa Summit</u>. President Biden convened the Second US Africa Leaders' Summit in Washington DC from December 13-15, with the intention of fostering new economic engagement; advancing peace, security and good governance; reinforcing the commitment to democracy, human rights and civil society; working collaboratively to strengthen regional and global health security; promoting food security; responding to the diaspora crisis; amplifying diaspora ties; and promoting education and youth leadership<sup>43</sup>. Leaders from 49 Africa countries attended. Three months earlier, the Biden Administration had launched its strategy for Sub-Saharan Africa<sup>44</sup>. Geopolitical competition in this long-neglected continent has been well and truly joined. China's response will become visible next month, when its Foreign Minister undertakes his customary first visit of the year to the continent.

<u>Australia – China Foreign and Strategic Dialogue</u>. The sixth Australia-China Foreign and Strategic Dialogue between Australian Foreign Minister Penny Wong and China's State Councilor and Foreign Minister Wang Yi took place at Beijing on December 21, 2022<sup>45</sup>. Both sides agreed to a relationship based on mutual respect, equality, mutual benefit and navigating differences. They agreed to maintain high-level engagement and commence or restart dialogue in bilateral relations, trade and economic issues, consular affairs, climate change, defence, and regional and international issues. They also agreed to support people-to-people exchanges and visits by bilateral business delegations. The resumption of dialogue is something of a climb-down for China, which had at one stage talked of turning Australia into the poor white trash of Asia and produced a 14-point list of demands that have not yet been complied with.

<u>Global Combat Air Programme</u>. Japan, Italy and the UK announced the launch of the Global Combat Air Programme (GCAP), an endeavour to develop a next

<sup>&</sup>lt;sup>43</sup> About the US-Africa Leaders' Summit, <u>https://www.state.gov/africasummit/about/</u>

<sup>&</sup>lt;sup>44</sup> US Strategy Toward Sub-Saharan Africa, <u>https://www.whitehouse.gov/wp-</u> <u>content/uploads/2022/08/U.S.-Strategy-Toward-Sub-Saharan-Africa-FINAL.pdf</u>

<sup>&</sup>lt;sup>45</sup> Australia-China Foreign and Strategic Dialogue Joint Outcomes Statement, <u>https://www.foreignminister.gov.au/minister/penny-wong/media-release/australia-china-foreign-and-strategic-dialogue-joint-outcomes-statement</u>



generation fighter aircraft by 2035<sup>46</sup>. The three countries will share the costs and benefits of the programme. The US supported the endeavour, while agreeing to begin collaboration through a series of discussions on autonomous systems capabilities to complement GCAP<sup>47</sup>.

India-Australia ECTA. The India Australia Economic Trade and Cooperation Agreement (ECTA) came into effect from December 29, 2022<sup>48</sup>, becoming the second such agreement concluded by India (after the CEPA with the UAE) in 2022. The agreement provides for 96% of India's goods exports being allowed into Australia duty-free, rising to 100% in three years. 85% of Australia's goods exports will now be able to enter India duty-free, rising to 90% within six years. The ECTA will help cement growing India-Australia strategic cooperation.

<u>Quad Fellows</u>. Selection of the first batch of Quad Fellows, 25 each from India, Australia, Japan and the US, was announced on December 9, 2022<sup>49</sup>. Each Quad fellow will receive a one-time award of \$ 50,000 for study in STEM graduate programmes in the US. They may also apply for additional needs-based funding up to \$ 25,000 to support completion of their academic study. The Quad fellows will begin their studies in the US in August 2023.

Operational Activity in East Asia. Four operational events involving China and its partners contributed to rising security concerns in East Asia. In the first, four Russian TU-95MS bombers, two Chinese H-6 bombers and two Su-35 fighters conducted a joint patrol over the Sea of Japan on November 30, 2022, causing South Korea and Japan to scramble aircraft to intercept<sup>50</sup>. The Russian aircraft were also reported to have landed at an unnamed Chinese airfield. In the second, warships from the Russian and PLA navies conducted the China-Russia Joint Sea-2022 naval exercise in the East China Sea from December 21-27, 2022, exercising blockade and sea control, VBSS operations, air defence and

<sup>49</sup> Statement by National Security Advisor Jake Sullivan Congratulating Inaugural Quad Fellows, <u>https://www.whitehouse.gov/briefing-room/statements-</u> releases/2022/12/09/statement-by-national-security-advisor-jake-sullivan-congratulatinginaugural-quad-fellows/

<sup>&</sup>lt;sup>46</sup> Joint Leader's Statement Regarding Cooperation in the Joint Development of Nextgeneration Fighter Aircraft by Japan, Italy and the United Kingdom, https://japan.kantei.go.jp/101\_kishida/documents/2022/\_00028.html

<sup>&</sup>lt;sup>47</sup> US Department of Defense and Japan Minister of Defense Joint Statement on Cooperation for Japan's Next Fighter Aircraft, https://www.defense.gov/News/Releases/Release/Article/3241016/us-department-of-

https://www.defense.gov/News/Releases/Release/Article/3241016/us-department-ofdefense-and-japan-ministry-of-defense-joint-statement-on-coope/

<sup>&</sup>lt;sup>48</sup> India Australia Economic Trade and Cooperation Agreement Comes into Force, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1887259</u>

<sup>&</sup>lt;sup>50</sup> Japanese, Korean Fighters Scrambled in Response to Joint Russia-China Bomber Patrol, <u>https://news.usni.org/2022/11/30/japanese-korean-fighters-scrambled-in-response-to-joint-russia-china-bomber-patrol</u>



ASW and other exercises<sup>51</sup>. In the third, a PLA (Navy) J-11 intercepted a US RC-135 'Rivet Joint' reconnaissance aircraft operating in the South China Sea on December 29, 2022 and then "flew an unsafe manoeuvre by flying in front of and within 20 feet of the nose of the RC-135, forcing the RC-135 to take evasive manoeuvres to avoid a collision"<sup>52</sup>. In the fourth, North Korea fired three shortrange ballistic missiles into the sea east of the Korean Peninsula on December 30, 2022, raising the number of missiles launched by it in 2022 to at least 95, including 46 in November alone<sup>53</sup>.

<u>ANI-Aceh Connectivity</u>. The second edition of the Joint Task Force (JTF) meeting on development of connectivity between India's Andaman and Nicobar Islands and Indonesia's Aceh Province took place in Port Blair on December 19, 2022<sup>54</sup>. The JTF agreed to enhance opportunities for interaction between business chambers and potential investors from both sides; to encourage sail tourism, cruise ships and interaction between tour operators; and in capacity building for fishing. Rapid establishment of connectivity will play an important part in improving relations between India and Indonesia.

<u>IN Capability Accretion</u>. The strength of India's Western Fleet received a significant addition with the commissioning on December 18, 2022, of INS Mormugao, the second indigenously built Visakhapatnam class destroyer<sup>55</sup>. The Indian Navy also took delivery of the fifth Scorpene class submarine, to be commissioned in early 2023<sup>56</sup>. 43 warships and two submarines are at different stages of construction in India's shipyards, while Acceptance of Necessity has been accorded for the indigenous construction of another 49 ships and six submarines. 111 naval utility helicopters and six P-75(I) submarines are planned for induction under the Strategic Partnership route. Arnala, the first ship of the

<sup>54</sup> Second Joint Task Force Meeting on Andaman & Nicobar Islands and Aceh Connectivity, <u>https://www.mea.gov.in/press-</u> <u>releases.htm?dtl/36031/Second\_Joint\_Task\_Force\_Meeting\_on\_Andaman\_Nicobar\_Island</u> <u>s\_and\_Aceh\_Connectivity</u>

<sup>&</sup>lt;sup>51</sup> China-Russia naval exercise "Joint Sea-2022" demonstrates both sides' ability to safeguard peace and stability: Defense spokesperson, <u>http://eng.chinamil.com.cn/view/2022-12/29/content\_10208403.htm</u>

<sup>&</sup>lt;sup>52</sup> USINDOPACOM Statement on Unsafe Intercept of US aircraft over South China Sea, <u>https://www.pacom.mil/Media/News/News-Article-View/Article/3256219/usindopacom-</u> <u>statement-on-unsafe-intercept-of-us-aircraft-over-south-china-sea/</u>

<sup>&</sup>lt;sup>53</sup> Tracking North Korea's Record Number of Missile Launches, https://www.nytimes.com/article/north-korea-missile-launches.html

<sup>&</sup>lt;sup>55</sup> Indigenous stealth guided-missile destroyer INS Mormugao, second warship of the P15B class, commissioned by Raksha Mantri in Mumbai, <u>https://indiannavy.nic.in/content/indigenous-stealth-guided-missile-destroyer-ins-mormugao-second-warship-p15b-class</u>

<sup>&</sup>lt;sup>56</sup> Delivery of Fifth Scorpene Submarine Vagir to Indian Navy, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1885173</u>



ASW Shallow Water Craft Project being built by GRSE Kolkata, was launched by the L&T Shipyard at Kattupalli, Chennai on December 20, 2022<sup>57</sup>.

IAF Maritime Strike Capability. The maritime strike capability of the Indian Air Force received a boost with the successful test of an extended range version of the supersonic Brahmos ALCM against a ship target on December 29, 2022. The 700 Km range missile will provide the IAF with the ability to strike land and ship targets from extended ranges<sup>58</sup>.

<u>IN International Outreach</u>. IN Ships Shivalik and Kamorta, reported to be forward-deployed in the South China Sea, visited Ho Chi Minh City in Vietnam to commemorate the 50<sup>th</sup> anniversary of diplomatic relations between the two countries<sup>59</sup>. The 39<sup>th</sup> edition of the India-Indonesia coordinated patrol (CORPAT) was conducted on December 15, 2022<sup>60</sup>.

<u>Sinking of RTNS Sukhothai</u>. The 35-year old Thai corvette RTNS Sukhothai sank in the Gulf of Thailand after strong waves caused water to enter the ship's electrical systems causing loss of power on December 18, 2022<sup>61</sup>. At least 18 of the 105-member crew were reported to have died, while 11 were still missing<sup>62</sup>.

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<sup>&</sup>lt;sup>57</sup> Launch of 'Arnala', First Ship of ASW SWC (GRSE) Project on 20 Dec 22 at M/s L&T, Kattupalli, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1885185</u>

<sup>&</sup>lt;sup>58</sup> Successful Firing of Extended Range Version of Brahmos Air Launched Missile Against Ship Target from SU-30 MKI Aircraft, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1887335</u>

<sup>&</sup>lt;sup>59</sup> Indian Navy Ships Shivalik and Kamorta Visit Ho Chi Minh City, Vietnam, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1880480</u>

<sup>&</sup>lt;sup>60</sup> 39<sup>th</sup> Edition of India-Indonesia Coordinated patrol, <u>https://pib.gov.in/PressReleasePage.aspx?PRID=1882468</u>

<sup>&</sup>lt;sup>61</sup> Updated: Royal Thai Navy Corvette Sinks in Gulf of Thailand, <u>https://news.usni.org/2022/12/18/royal-thai-navy-corvette-sinks-in-gulf-of-thailand</u>

<sup>&</sup>lt;sup>62</sup> Death tolls from sinking of Thai navy ship rises to 18, <u>https://edition.cnn.com/2022/12/25/asia/thai-warship-death-toll-rises-intl/index.html</u>



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