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AUKUS Security Pact: Setting the Rivalry with China in the Indo-Pacific

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Introduction

The announcement of the trilateral security pact between Australia, the United Kingdom, and the United States, known by the acronym AUKUS, intended to enhance cooperation between the three countries in the Indo-Pacific region in defense and security, has sent shockwaves throughout the world, especially in China and Europe.

The key element of the AUKUS pact, signed on 15th September 2021, is the acquisition of nuclear-powered submarines from the US and

the UK for the Royal Navy of Australia. The nuclear fueled submarines will be armed by conventional weapons, the number of acquired vessels will be at least eight, and as a typically Australian request, part of the vessels will be constructed in Australia's naval shipyards. So far, the US, the UK, Russia, China, France and India are the only six countries that have commissioned nuclear-powered submarines. Furthermore, before signing the AUKUS pact, the UK was the only country in the world

with which the US was sharing the nuclear propulsion technology, under the Mutual Defense Agreement signed back in 1958.

The supply of Australia with British and American nuclear-powered attack submarines, as the most delicate part of the AUKUS pact, attracted by far the most of media attention and provoked China's aggressive reaction. Even more, the three nations security pact, which is in principal intended to bring "enhanced trilateral security partnership for the 21st century", has made Beijing particularly worried as China fears that this triple alliance is pointed directly against it.

The three countries intend to step up their cooperation in the security and defense sector, and apart from cooperation in industrial production of new military equipment, AUKUS also envisages a broad cooperation in the fields where the three countries feel particularly threatened by China's staggering growth, and they include cyber security, quantum computing and artificial intelligence.

The pact also comes at a heavy price for transatlantic relations, relations between the UK and the EU, and Australia and the EU, as Australia had decided to scrap the deal with France in order to sign AUKUS. The cancellation of the deal between Australia and France worth 56 billion euros, which included the acquisition of diesel-powered submarines from France, has

occurred without and previous notifications from Australia, and comes at the vulnerable time for Europe and France.

Declaratory, AUKUS pact is not targeting China overtly, but it rather promotes Western values, such as human rights, freedom and cooperation between the three maritime powers, but China sees itself as the primal target, indicating that the pact will undermine the security in the region of West Pacific, ignite new arms race, undermine efforts to harness nuclear proliferation, introduce nuclear weapons in the region (Southeast Asia), and ultimately lead to a new Cold War in the Pacific.

Containment of China

On its side, China has been conducting an unprecedented build-up of its army and navy. Measured by the sheer number of vessels, China can boast to have the biggest fleet in the world, although the US is still the world's leading naval power. The US navy by far exceeds China in number of aircraft carriers, but the Chinese naval dominance concept is far from what the US navy doctrine has been promoting since the clash of epic proportions with the Imperial Japanese Navy in the Pacific in World War II. While the US has access to two oceans, West Pacific is the only Chinese access to naval routes. Instead of building a vast aircraft fleet,

China focuses on deploying a vast number of its vessels in the West Pacific, and on development of new ballistic missile systems, including the advanced hypersonic weapons. Along with Russia, China has the upper hand in competition with the US in development of this cutting-edge military technology.

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China wants to challenge the US as the master of the Pacific, and to do so, China needs to dominate the West Pacific, especially the South China Sea and have uncompromised control of the Taiwan Strait, as well as access to South Asian waters and the Malacca Strait in order to protect its already stretched and vulnerable supply chains. The growing need to dominate the Austronesian island nations, means that Australia finds itself on the first line of defense against Chinese assertiveness. Hence, the American efforts to form new alliances (including AUKUS) to meet the new resurgent Chinese military rise seek to contain China by forming an alliance including West Pacific nations, primarily Japan, South Korea and Taiwan.

Japan is deeply worried with the growing Chinese and also growing Russian assertiveness, and with its animosity toward China dating from medieval times to present day in continuum.

Japan was the most vocal among Asian nations to support the announcement of AUKUS and Australian acquisition of nuclear-powered submarines. After decades of suppressed ambitions in defense and security policies, Japan has finally decided to protect its sovereignty more adamantly and sees China as the biggest threat to its national security. Currently, Japan is the overall military power ranked fifth in the world, and its defense budget being number six. Furthermore, Japan's foreign and security policies have undergone a major shift, from purely pacifist to more militaristic approach. In August 2021 Japanese officials stated that Japan should join the US to protect Taiwan in case of Chinese invasion on the island nation – igniting the bitter rivalry between the two countries, and also reminding the world on the ongoing territorial dispute over the Senkaku (Diaoyu) Islands between China and Japan, and Taiwan and Japan.

India could have a key role in curbing the growing Chinese influence in Asia. India's role in this is so important that the US officials do not refer to the region any longer as the Asia-Pacific, as the terms Asia and China have turned to a large extent into synonyms, but rather as the Indo-Pacific, thus promoting India's growing geopolitical importance and backing its ambitions to become the new economic power house of Asia. India is a nuclear power and traditional rival of China, and during the 2020

and 2021 the armies of the two Asian giants have been involved in a number of skirmishes and face-offs along the Sino-Indian border in the Tibet region.

Other countries in the rim around China are less vocal in siding back with the AUKUS pact, but as most of these countries perceive the sheer power and size of China as a threat, it is likely that either tacitly or more overtly they will support AUKUS's ambitions. While Vietnam criticized the announcement of AUKUS, it has to be pointed that the rivalry between Vietnam and China has been present ever since the Americans pulled out of the country. The Philippines has been a traditional ally of the US, and this archipelagic state has welcomed the signing of the AUKUS pact. With ASEAN becoming the largest trading partner of China in 2020, the key countries of this economic union (Indonesia and Malaysia) were bound to express their concern over this trilateral pact, unlike Singapore which also welcomed AUKUS as a way to enhance security and stability in Southeast Asia.

In its rivalry with the US, China can expect on its side the support of the impoverished nations in Southeast and East Asia, like North Korea and Myanmar, with both of these countries being hermetically locked from the outside world. Laos, where Chinese major infrastructure projects and the control of the flow of the

Mekong river make this country highly indebted to Chinese loans and dependent on Chinese support, did not welcome AUKUS either.

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AUKUS pact can be assessed as a continuation of foreign policy of the Obama administration, and Obama's pivot to Asia. If we look at the forming alliances and capacities of major rivals in the Pacific – (China and the US) – to attract new partners, the US's capacity exceeds that of China to a large extent, cornering China in an undesirable position. Even the support of Russia as the second biggest military power in the world, will not pull the lever on Chinese side. Russian ambitions in the Pacific are limited, as this country is mostly concerned in regaining dominance on the opposite side of the Eurasian landmass (primarily in Ukraine), and then in the Caucasus and Central Asia.

Impact on transatlantic relations

As a response to America First policy of the US President Donald Trump, the EU stepped up efforts to develop its strategic autonomy, as a part of its Global Strategy and decrease its dependence on its US partner. Furthermore, after the end of the era of Angela Merkel who

was a strong leader dominating German and European politics, and to a certain extent global balance of power, France sees itself as a new European leader. France remains the only nuclear power within the EU and the only permanent member of the Security Council of the United Nations after Brexit. Therefore, France will seek to gain more dominance in Europe and will be more ambitious outside Europe in the reconfigured map of the Old Continent and of the world.

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Australia's decision to join AUKUS meant that the deal with France to acquire French diesel-electric submarines had to be annulled. This move has created a big shock and disbelief in the Élysée Palace, and a diplomatic row soon emerged between France and Australia. Following the trilateral pact, minister of foreign affairs of France, Jean-Yves Le Drian, has described AUKUS as a "stab in the back" and France recalled its ambassadors from both the US and Australia. The annulled deal was particularly painful for France as it, among others, layed out that the major French defense contractor (Naval Group) and dozens of its subcontractors were about to hire more than 4 thousand workers in France.

Germany, which like France sees itself as the leader of the EU, has described AUKUS as a move that shook the trust of transatlantic partners, and urged other EU members to regard the pact as a "wake up call" and prompted Europe to speak with one voice.

As the rivalry between global powers is heating up in the Indo-Pacific, France wants to increase its presence in this region, among other reasons because of its trade ties and cultural links in the region, and above all to secure its overseas territories in French Polynesia. On the other side, Germany's interests are almost solely connected to trade, with China standing out as Germany's major trading partner. Germany's capacities to project its power in the Indo-Pacific through naval presence are limited.

The US and the EU decided to inaugurate the EU-US Trade and Technology Council (TTC).

Regardless of French protest because of AUKUS, in general EU's reaction to the pact was rather lukewarm. Transatlantic ties are too important to Europe, as all of the three countries involved in AUKUS are important trading partners, while Europe's security is still attached to the US. Furthermore, many EU members in the east are cautious toward France's and especially Germany's growing clout in the block, and view partnership with the US as the bedrock of their

national security.

After US President Trump decided to scrap The Transatlantic Trade and Investment Partnership (TTIP), it seems that with Joe Biden in the Oval Office relations between the US and the EU are warming up again. In June 2021 the US and the EU decided to inaugurate a new transatlantic forum, the EU-US Trade and Technology Council (TTC). TTC will enhance coordination of approaches between the transatlantic partners in the fields of economic cooperation and technology, including the common efforts to develop potentials of artificial intelligence (AI), where both sides feel threatened by rapid surge of AI technological growth in China. Even more, TTC is in line with green and digital transition, and envisages the use of technology for evaluation of embedded greenhouse gas emissions, which could affect trade ties of the EU with China, as its industry is regarded as “dirty”. TTC can be perceived as European and American attempt to challenge China in the ongoing technological battlefield, just like the US will use AUKUS to challenge China’s naval ambition in the Indo-Pacific. Considering this, TTC’s and AUKUS’s targets are compatible, and taking this into account it is clear why the EU did not side decisively with France in its protests against AUKUS.

Australia’s role in AUKUS

Australia will benefit from AUKUS, and assisted by the pact it will even develop in time its own nuclear-powered submarines, with the first vessel expected to be commissioned as late as in 2040. With emerging Chinese presence in the Indo-Pacific, Australia is looking for the right model of alliance in the field of security and defense, and AUKUS seems to support this logic.

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The Australian government indicates that AUKUS is not pointed against China and that its objectives are purely defensive. Acquisition of nuclear reactors for powering submarines does not mean that Australian submarines will be armed with nuclear weapons or will it turn Australia into a nuclear power. Australian officials point out the AUKUS is not in breach of the international law and that it is in accordance with all existing international treaties. The use of nuclear materials for military purpose, but for running the vessels (and not for ballistic missiles), is not prohibited by the International Treaty on the Non-Proliferation of Nuclear Weapons (NPT).

The Treaty of Rarotonga (South Pacific Nuclear-Free Zone Treaty - SPNFZ), which is prohibiting nuclear explosive devices in this region, is also not prohibiting the introduction of nuclear-powered submarines or ships. Australian officials also claim that China, the US, Russia and India, all have nuclear submarines armed with nuclear missiles deployed in the Indo-Pacific, while under AUKUS Australia will not have nuclear attack submarines.

Still, China is viewing AUKUS as a threat, and following the signing of the pact, the relations between China and Australia have been further deteriorating. Chinese officials have even warned Australia that after signing AUKUS it will “be susceptible to a nuclear strike.” The Chinese see Australian new nuclear-powered submarines as a threat, even though they will not carry nuclear weapons, as nuclear power vessels have enhanced range and speed, while they find particularly troubling arming them with US Tomahawk missiles. In the global rivalry with the US, China sees AUKUS as overt Australian siding with the US. Furthermore, China fears that other countries in the Indo-Pacific will enter this rivalry and introduce nuclear-powered vessels in their navies.

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Relations between China and Australia have been particularly tense since the beginning of the outbreak of the Covid-19 pandemic, as the Australian government has been reiterating its request to investigate the origin of coronavirus in a number of occasions. Australia has also been a vocal critic of how the Chinese handled the outbreak of the corona crisis in the Chinese city of Wuhan two years ago. Even before the outbreak of Covid-19 pandemic, Australia has sided with the Americans in their attempts to steamroll the Chinese tech giant Huawei from plans to build its 5G network. In a slew of diplomatic disputes emerging between the two countries during the past years, Australia has joined the US diplomatic boycott of the Winter Olympics in Beijing in February 2022.

Conclusion

At the time of looming Russian invasion of Ukraine and Chinese invasion of Taiwan, AUKUS has added a new dimension in rivalry between the US and its emerging challenger in the Indo-Pacific, China. While the US had success in decoupling China and the USSR in the seventies, today it is bracing itself for a face-off with both countries at the same time. In December 2021, the US Congress has authorized a 740 billion dollars bill for the Department of Defense (DoD), allowing a large military boost. The bill also allocates 7.5 billion dollars for Pacific Deterrence

Initiative (PDI), which is focusing on China as the primal challenger in the Indo-Pacific. This is an increase of over 2 billion dollars from the resources requested by the DoD, and 3.5 billion dollars more than the resources allocated for the European Deterrence Initiative, pointed at Russia.

It has to be said though that AUKUS is not the first initiative encompassing the major anglophone countries. In 1946, the UK and the US officially enacted the UK – US multilateral agreement for cooperation in signals intelligence, known as UKUSA, which was later joined by Canada, Australia, and New Zealand. These five countries have also formed an alliance of intelligence operations known as the Five Eyes (FVEY). The US and Australia, accompanied by India and Japan, also formed the Quadrilateral Security Dialogue, also known as the QUAD, in 2007. QUAD was established as a platform for strategic dialogue to counter Chinese ambitions in the Indo-Pacific, igniting fears of new tensions in the region. China on its side calls the countries signatories of AUKUS the “Anglo-

Saxon clique”, which stands as an archrival of the Chinese civilization. However, in times of fragile transatlantic partnership, with some EU members opting for stronger economic ties with Russia and China, while others are calling for stronger American presence in Europe, the US is looking into forming more cohesive and reliable alliances, like AUKUS. Furthermore, the US’s withdrawal from Afghanistan in August 2021 has also indicated that the focus of American foreign and security policies will be based in the Indo-Pacific, and Australia, now member of AUKUS, will be the anchor of these policies.

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