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INDO-PACIFIC MARITIME SECURITY: CHALLENGES AND COOPERATION

Edited by David Brewster
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The National Security College is a joint initiative of the Australian Government and The Australian National University. It is a specialist graduate centre for national security study, research and policy engagement. We offer executive and professional development courses as well as graduate and doctoral studies that address security challenges facing Australia, the Indo-Pacific region and the world.

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CONTENTS

| | | | |
|--|----|---|----|
| Foreword Professor Rory Medcalf | 1 | Australia-Indonesia maritime security cooperation as a contribution to Indo-Pacific security Dr Riefqi Muna | 44 |
| Introduction | | | |
| New perspectives on Indo-Pacific maritime security Dr David Brewster | 2 | Understanding China's maritime policy: the 21st Century Silk Road Dr Teng Jianqun | 50 |
| Changes in the Indo-Pacific security order | | The role of Japan in Indian Ocean security | |
| The evolving security order in the Indo-Pacific Professor Rory Medcalf | 7 | The role of Japan in Indian Ocean security: a Japanese perspective Mr Masenori Nishi | 55 |
| Indo-Pacific maritime security: challenges and cooperation Ambassador Sumio Kusaka | 11 | Japan's key role in capacity-building in the Indian Ocean Dr David Brewster | 58 |
| Australia-Japan cooperation in maritime security | | Japan's commitment to Indian Ocean security: a vitally important highway, but risks of strategic overextension? [English and Japanese] Commander Keitaro Ushirogata | 62 |
| A new dimension to Australia-Japan maritime security cooperation Rear Admiral Kazu Akimoto | 15 | Australia-Japan and the Indian Ocean blue economy Dr Anthony Bergin | 70 |
| Managing security tensions in the East China Sea and South China Sea | | New strategic partnerships among Indo-Pacific partners | |
| Managing tensions in East Asian waters: challenges and responses Associate Professor Jingdong Yuan | 19 | Composing a seamless chain of maritime security coalitions across the Indo-Pacific region Vice Admiral Hideaki Kaneda | 75 |
| Managing security tensions in the South China Sea: the central role of ASEAN Emeritus Professor Carlyle Thayer | 24 | New strategic partnerships among Indo Pacific partners: key enablers to building partner capacity Dr Jennifer Moroney | 80 |
| Managing security tensions in the East China Sea and South China Sea: a legal perspective Dr Hitoshi Nasu | 31 | India and the Indo-Pacific balance Mr Nitin Pai | 84 |
| Building regional collaboration in addressing transnational maritime security issues in the Indo-Pacific | | The future of the maritime domain | |
| The limits to maritime security collaboration in the Indo-Pacific region Dr Chris Rahman | 36 | The future of the maritime domain: challenges and opportunities Rear Admiral James Goldrick | 88 |

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Dr Teng received a BA in English language and literature from the PLA Naval Communication College in 1983; an MA in military science from the PLA Academy of Military Science in 1995; an MA in South Asian area studies from the School of Oriental and African Studies at London University in 1999; and his PhD in international relations from Peking University in 2006.

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FOREWORD

The National Security College at the Australian National University is proud to present this collection of papers from the major international conference on Indo-Pacific maritime security that it convened in March 2016.

The Indo-Pacific region is becoming widely recognised as the global centre of gravity, whether in terms of economic interaction, demographics, transnational security challenges or the strategic balance.

As the February 2016 Australian Defence White Paper affirmed, this is Australia's region, but it is also a vast maritime zone where the interests of many players are engaged. These powers include China, India, Japan and the United States, but also substantial medium and smaller powers, including Australia and Indonesia, and stakeholders from beyond the region, including in Europe. The Indo-Pacific sea-lanes, after all, are becoming the world's principal highways for energy and commerce.

The conference focused on the emerging concept of the Indo-Pacific, maritime tensions - including in the East and South China Seas - transnational security issues, the Indian Ocean, the role of Japan in particular as a regional security partner, and prospects for partnerships involving other countries. The National Security College convened this conference as part of a wider research and policy engagement project with the generous support of the Embassy of Japan. This collection of papers is a further element of that important partnership activity.

Although the conference placed particular emphasis on the way in which Australia and Japan could deepen their security partnership in a wider regional context, there was also thoughtful input by experts and policy practitioners from other powers. Voices from Indonesia, China, India and the United States, including Admiral Scott Swift, Commander, US Pacific Fleet, made compelling and original contributions to the growing international debate about how to ensure stability and peace amid changing power dynamics in this vast region. The focus was on the complex interplay of strategic competition and cooperation across this two-ocean system, which is so integral to global security and prosperity in the 21st century.

In particular, I thank my colleague Dr David Brewster for his stewardship of this valuable project and commend this collection of papers to you as an enduring resource for policy practitioners and scholars alike. I also thank the many National Security College staff who made this idea a reality.

Professor Rory Medcalf
Head, National Security College
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July 2016

INTRODUCTION

New Perspectives on Indo-Pacific Maritime Security

Dr David Brewster

This volume will be a rich resource for anyone interested in the maritime security in the Indo-Pacific and the future of the maritime domain. It collects selected papers from the Conference on Indo-Pacific Maritime Security: Challenges and Cooperation, hosted by the National Security College, Australian National University, in March 2016 as part of a wider research and policy engagement project, with the support of the Embassy of Japan.

The conference brought together many eminent experts and policy practitioners from key Indo-Pacific countries to discuss the complex interplay of strategic competition and cooperation across the Indo-Pacific.

This is reflected in the great diversity of perspectives included in this volume: from Japanese views on naval strategy to fresh perspectives about the management of security tensions in the East and South China Seas; debates about Japan's future security role in the Indian Ocean; the future of new maritime security partnerships including India and, indeed, the future of the maritime domain. Anyone concerned about maritime security in our region will find new and policy-relevant insights.

This volume collects these papers into several key themes:

- > the emerging concept of the Indo-Pacific;
- > new dimensions in Australia-Japan maritime security cooperation;
- > managing maritime tensions in the East and South China Seas;
- > the potential for cooperation in transnational security issues;
- > the role of Japan in the Indian Ocean; and
- > emerging maritime security partnerships in the Indo-Pacific.

The first two papers address some of the broader developments in Indo-Pacific maritime security. Rory Medcalf's discussion of the evolving security order in the Indo-Pacific sets the scene for the broader discussion of issues across this region. As Medcalf argues, the Indo-Pacific region is becoming widely recognised as the global centre of gravity, whether in terms of economic interaction, demographics, transnational security challenges or the strategic balance. As the 2016 Australian Defence White Paper has affirmed, this is Australia's region, but it is also a vast maritime zone where the interests of many players are engaged. These include China, India, Japan and the United States, but also substantial medium and smaller powers,

including Australia and Indonesia, and stakeholders from beyond the region.

Ambassador Sumio Kusaka, Japan's Ambassador to Australia, provides a Japanese perspective on recent developments in the East and South China Seas and the Indian Ocean, and Japan's view that 'no nation can alone maintain its own peace and security.' Ambassador Kusaka argues that Japan and Australia are beginning to see each other as crucial partners in the region. Akimoto states that the two countries have very special roles to play in maintaining peace and prosperity in the Asia-Pacific, and that it is natural for the two countries to become partners as they are at the northern and southern end of the Western Pacific, 'like bookends' to the region.

The next paper, by Kazu Akimoto, examines new dimensions in Australia-Japan maritime security cooperation. He considers scenarios in which China closes the South China Sea to commercial shipping. He asks what the practical impact on Japan of oil tankers supplying oil from the Middle East to Japan would be having to re-route through the 'Outer Rim SLOC' (sea line of communication) between the first and second island chains, via the Lombok and Macassa Straits. Further, what would be the impact of a closure of the Outer Rim SLOC, so that tankers would need to detour around the southern coast of Australia? He concludes that the impact of a closure of the South China Sea, purely in terms of Japan's ability to make alternative arrangements for energy shipments, would likely be manageable, provided that the seas of the Outer Rim are still useable. However, the detour of tankers around the southern coast of Australia in case of the closure of the Outer Rim SLOC would be very difficult for Japan to manage. Based on this, Akimoto concludes that the security of the Outer Rim SLOC, particularly in the eastern Indian Ocean, is likely to become critically important to Japan, Australia and others. As a result, Japan and Australia should begin working together to secure that SLOC.

The next several papers focus on recent developments in the East China Sea and South China Sea. Jingdong Yuan discusses ways of managing tensions in East Asian waters, arguing that parties should seek to de-emphasise the centrality of sovereignty as a way of managing tensions. He argues that Japan and China came to a realisation in 2015 that their dispute over the Senkaku/Diaoyu Islands required management, which led to an agreed de-escalation of the dispute. Yuan proposes that parties to the disputes in the South China Sea should adopt a range of confidence-building measures, including implementation of the Declaration on the Conduct of Parties in the South China Sea (DOC), applying the Code for Unplanned Encounters at Sea (CUES) to non-naval vessels and developing shared maritime domain awareness in the South China Sea.

Carl Thayer's paper begins by looking at some key terms such as 'land reclamation', 'freedom of navigation' and

‘militarisation’ that are commonly used in relation to maritime tensions in the South China Sea. He argues that it is important that all parties should have a clear idea of what these phrases mean to avoid misunderstandings. He then examines the evolution of ASEAN’s recent statements about Chinese activities in the South China Sea, arguing that there has been a convergence among ASEAN members in demonstrating their serious concerns and frustration over China’s actions. Finally, he examines various confidence-building measures that have been proposed by ASEAN. Overall, Thayer argues that maintenance of ASEAN centrality in the South China Sea disputes is in the interests of every party and that Australia should take actions to support ASEAN centrality.

Hitoshi Nasu gives some fresh legal perspectives on the East and South China Sea disputes. He argues that the parties should seek to depoliticise these disputes by focusing less on issues of sovereignty and more on technical ‘juridical facts’, including whether certain land features are capable of appropriation by any state under international law. He argues that Vietnam and/or the Philippines could use the 1951 San Francisco Peace Treaty to refer these issues for determination by the International Court of Justice. Although these determinations may not be binding upon China (which might elect not to participate in proceedings), they would have considerable force in terms of international law. Nasu also argues that interested states would also benefit from revising the terms of CUES to provide a much clearer understanding of what constitutes hostile behaviour, which would reduce the capacity of parties to engage in brinkmanship. Nasu suggests that the parties to the dispute should work towards developing a special legal regime for the South China Sea, consistent with the framework of the UN Convention on the Law of the Sea.

The next three papers discuss aspects of building regional cooperation to address transnational maritime security issues. Chris Rahman takes a sceptical approach to the issue, arguing that we need to understand the limits of maritime security cooperation so that we can avoid proposals for cooperation that are unreasonable, unworkable or simply not worthwhile. He first examines intractable problems that make progress in maritime security cooperation so difficult. Rahman argues that the physical geography of East Asia, problems over control of coastal waters and the political and strategic context create strong structural constraints to cooperation in those waters.

Rahman then examines certain security issues, explaining why cooperation in some cases (such as the search for downed aircraft or piracy) is much easier than others (such as illegal, unreported and unregulated fishing). He concludes that the route to better-governed seas in East Asia will be a choppy one, particularly if China continues on its path of challenging the regional order. This will only be

complicated by US-led efforts to counter Chinese influence in the region.

Riefqi Muna provides an Indonesian perspective on Indo-Pacific maritime security issues. Muna argues that Indonesia’s maritime/archipelagic nature has a central role in its national identity. He examines how this has been expressed in different ways since independence and how it informs Indonesia’s new vision of itself as a Global Maritime Fulcrum. Muna then examines Indonesian perspectives on the concept of the Indo-Pacific, arguing that, although it has received only limited official recognition, it is well-suited to Indonesia’s circumstances. Muna then focuses on challenges in the Australia-Indonesia relationship, arguing that the development of common perspectives and cooperative mechanisms for sub-strategic maritime security issues can be an important way of strengthening the overall bilateral relationship. He states that Indonesia and Australia should develop a ‘web of cooperation’ across many challenges in the maritime domain.

Jianqun Teng provides a Chinese perspective on developments in the East and South China Seas and how China’s Maritime Silk Road initiative fits with China’s declared policies of promoting regional cooperation. Teng argues that important changes occurred in China’s maritime policies in 2012 as a result of standoffs between China and the Philippines and China and the Japan. In the same year, the National Congress of the Chinese Communist Party adopted a policy that China would become a strong maritime power. According to Teng, China’s Maritime Silk Road initiative shows that China is ready to expand cooperation with ASEAN countries with a view to jointly seizing opportunities and meeting challenges for the benefit of common development and prosperity. China’s approach to disputes in the East and South China Seas is said to be driven by historic claims, including from arrangements made in 1945. It follows, the author argues, that these historic rights give China sovereignty over the islands of the South China Sea and therefore any construction on these islands is an issue of sovereignty. Teng argues that, in order to maintain peace and stability, every country should show its respect both for international law and history.

The next three papers discuss Japan’s maritime interests and role in the Indian Ocean. Masanori Nishi examines Japan’s considerable reliance on the Indian Ocean for the transport of oil. He argues that the importance of the Indian Ocean to Japan could be mitigated by the development of new SLOCs through the Arctic, together with Japan’s reduced dependence on Middle Eastern oil, but even if both these were to occur, the Indian Ocean would remain very important to Japan. The concept of the Indo-Pacific covers the whole area that is essential to Japan’s security. Australia is at the centre of the concept and India is the largest power among Indian Ocean states. The development of the Japan-Australia bilateral

security relationship could also provide guidance for the development of the Japan-India security relationship, although that path may not be smooth, as India is not a U.S. ally.

David Brewster discusses Japan's potential role in contributing to maritime security in the Indian Ocean. For the last 70 years, Japan's security horizons have not really extended past Singapore and Japan has largely left its interests in the Indian Ocean to be protected by the US Navy. But this approach is no longer sustainable. Brewster argues that it is now time for Japan to develop a more comprehensive strategy for the Indian Ocean. It is in the interests of Japan and the region for Japan to play a more active role in Indian Ocean security, in cooperation with partners such as Australia and India. Japan potentially has a very special role in building stability, democracy and prosperity in Bay of Bengal states such as Myanmar, Bangladesh and Sri Lanka. Japan can also play a very important role in supporting the development of institutions that give Indian Ocean states a stronger regional voice and reinforce the commitment of regional states to an international rules-based order at sea. Japan can also assist Indian Ocean island states in helping to develop their blue economies and improve their effective control of their maritime jurisdictions. Many of these initiatives could be spearheaded by the Japan Coast Guard, which could avoid some of the constraints faced by the Japan Maritime Self-Defense Force (JMSDF) and also fit with the particular maritime security requirements of the Indian Ocean region.

Keitaro Ushirogata takes a different approach to Brewster. He examines Japan's longstanding contribution to international efforts against piracy in the western Indian Ocean. He argues that, with only 47 destroyers and frigates, Japan's anti-piracy efforts in the Indian Ocean place a severe burden on the JMSDF, potentially amounting to a "strategic overextension" for Japan. Ushirogata suggests that the JMSDF should focus its resources on homeland defence, particularly in countering China's growing anti-access area denial (A2/AD) capabilities.

As an ally of the United States, Japan has to establish the direction of its efforts in a manner adapted for US strategy, particularly its operational concept of Air Sea Battle (now called the Joint Concept of Access and Maneuver in Global Commons). To achieve this, Japan has to be in a position to deny China's A2/AD. Ushirogata also argues that the Stability-Instability Paradox implies that China, as a challenger of the status quo, can pay less regard to the risk of escalation and can more easily commence action in low-level disputes. He argues that we are currently seeing this in China's actions in East Asia.

Anthony Bergin examines a quite different aspect of Japan's prospective role in the Indian Ocean – its potential to contribute to the burgeoning blue economy. Bergin discusses the growing focus on the Blue Economy in the Indian Ocean, which includes not just traditional

maritime industries such as wild-catch fisheries, shipping and ports, but also developing industries such as aquaculture, renewable energy, bioproducts, blue carbon and desalination. Japan can play a very useful role for the collective benefit of the Indian Ocean region by growing the region's economic potential, while safeguarding the longer-term health of the ocean. This could include contributions in many areas, and Bergin focuses on Japan's strengths in renewable offshore energy, deep-sea mining, marine biotechnology, aquaculture and the digital blue economy. Bergin states that the blue economy is an obvious area for Japan and Australia to work together in the Indian Ocean, together with countries such as India.

The next three papers discuss different aspects of newly emerging strategic partnerships between major Indo-Pacific states, particularly between Australia, Japan and India. Hideaki Kaneda addresses the traditional maritime security aspects of these partnerships. He argues that China has been acting hegemonically towards the East China Sea, South China Sea and Indian Ocean, and that this is causing friction with other Indo-Pacific states. Kaneda states that China began its assertive behaviour in the South China Sea. In 2012 it shifted its focus to the East China Sea in dispute over the Senkaku/Diaoyu Islands, which came to include the unilateral declaration of an Air Defence Identification Zone covering the East China Sea. More recently, China has shifted its expansionary activities back to the South China Sea. These developments have been part of China's expansionary maritime policy that goes beyond the Asia-Pacific into the Indian Ocean. Kaneda argues that, while regional players should continue their attempts to engage China, they should also promote collective maritime security cooperation. Kaneda identifies Japan, Australia and India as "reliable regional maritime powers" that should be key players in contributing to the region's security and stability through establishing a series of seamless minilateral maritime security coalitions across the Indo-Pacific, backed by the United States.

Jennifer Moroney takes a practical approach to what she calls "key enablers" to building partner capacity to further operationalise minilateral cooperation in the Indo-Pacific. She argues, first, that it is important to identify the most pertinent issues that are common to many countries. Second, it is important to ensure that the assistance and capabilities provided to partner countries in the region are appropriate, meaning the countries can actually absorb these capabilities and are, to the furthest extent possible, interoperable with neighbouring countries. Third, it may be time to consider new ways to exchange information and share ideas in this region. These should go beyond core national security topics and include increased dialogue around emerging technologies, cyber policy, innovation, energy sector reform, and smart cities. Finally, we should think about new and innovative ways to assess progress in any new initiatives.

Nitin Pai provides a perspective on India's role in the Indo-Pacific balance and its attempts to act as a 'swing power' in the Indo-Pacific. Pai argues that the United States has systematically courted India since the early 2000s, while China's "assertive and antagonistic" actions have worked against a positive transformation in bilateral relations. Consequently, New Delhi has found itself being pushed by Beijing into a deeper security relationship with the United States. If China continues on this path, and if the United States manages to narrow its differences with India, New Delhi will move away from attempting to be a swing power and will find itself drawing closer to the United States. Pai focuses on two issues relevant to Indo-Pacific maritime security. First is India's concerns that China's promotion of 'One Belt One Road' (OBOR) should not become a euphemism for a Chinese Belt and Chinese Road. Rather, India would prefer a pluralistic 'Many Belts, Many Roads' in the Indo-Pacific. Second are concern over the escalation of tensions in the South China Sea and the East China Sea. While India is partly shielded from such conflicts by distance, it will not be immune from indirect economic and security consequences. In particular, many in India are sceptical of ASEAN's ability to manage its constituents' disputes with China without hurting the group's solidarity. Pai argues that the disputes and pressure for US intervention will place considerable pressure on ASEAN's policy cohesiveness and political solidarity. New Delhi's likely response will be to rely on strengthening bilateral relationships with key ASEAN states rather than on the group itself.

Finally, James Goldrick provides a masterful overview of key future trends in the maritime domain. Goldrick argues that the future maritime domain will be the theatre for a contest between control and license, between the historical experience of the sea as a global commons with very few restrictions on its users and its evolution into a highly regulated environment much more akin to the situation in the air and on land. But there is the possibility, typified by the events in the South China Sea, that the drive to greater governance will be perverted into 'creeping sovereignty,' with territorial concepts overtaking practices better suited to the maritime domain. We will have to balance emerging international and national concepts of governance with classical ideas of the freedom of the seas.

Goldrick sees parallels between this contest and the changing balance between A2/AD systems and seaborne maritime forces, which includes efforts by some states to restrict foreign naval operations in the exclusive economic zones. Goldrick argues that, although A2/AD systems represent a serious threat to naval forces, the correlation of forces is difficult to predict. The difficulty for both sides is that A2/AD and maritime operations are both highly dependent upon networks for command and control, surveillance and targeting. As a result, any high-intensity conflict will see these networks become targets in their

own right. The disruption and resultant unavailability of communications networks and remote sensor and intelligence feeds may well become the rule rather than the exception. Operations and tactics will evolve in ways that focus much more on covert, deceptive, in-and-out deployments to an extent that has not been seen since the height of the Cold War. It is certain that submarines will play an important role on both sides because of their ability to remain covert – and to be lethal when they strike. But what is also clear is that major surface units are not going out of fashion. Indeed, there is a new drive for surface combatants of greater size, reflecting a recognition of their utility across the spectrum and the carrying capacity of ships. This may translate to additional weapons, sensors, helicopters, landing and boarding parties and platform endurance as well as survivability. It is rapidly extending to unmanned vehicles that can be deployed, recovered, serviced and redeployed under, on and above the water.

Overall, these papers are an excellent resource of quite different perspectives on the challenges and opportunities for cooperation in maritime security across the Indo-Pacific region.

These papers also raise several different issues that would be rich topics for further research. These include:

- > The overlap in Japan's and Australia's interests in maintaining a rules-based international order in the Indo-Pacific makes it likely that the two countries will develop a much closer maritime security partnership in coming years. Yet, Australia-Japan defence interactions have been relatively thin in the past. This makes it increasingly important for Japan's perspectives on maritime security challenges to be discussed and understood among Australian analysts and policymakers.
- > One interesting area for further research could relate to Japan's SLOCs. What might be the impact of China's actions in the South China Sea, and the potential for restrictions on the ability of commercial shipping to use the South China Sea, on the importance of alternative SLOCs in the region? Akimoto identifies the critical importance of what he calls the 'Outer Rim SLOCs' between the first and second island chains as one focus of enhanced cooperation between Japan and Australia in the eastern Indian Ocean and the Western Pacific.
- > Another research area could focus on ways in which Japan could play a greater role in enhancing maritime security in the Indian Ocean. This could include the potential for Japan to work with regional states to develop maritime infrastructure and their ability to exercise greater control over their exclusive economic zones, as well as Japan's potential role in building regional organisations. Bergin also suggests a number

of areas in which Japan could share its expertise in the blue economy with partners in the Indian Ocean region.

- > Kaneda proposes the development of what he calls a seamless chain of maritime security coalitions spanning the Indo-Pacific, led by Japan, Australia and India and backed by the United States. Which other states in the region (e.g. Vietnam, Indonesia and/or states in West Asia) could play an important role in Indo-Pacific maritime security and what could their roles be?
- > Another key research area would focus on potential areas for enhanced cooperation between Australia and Indonesia in what Muna calls sub-strategic maritime security issues. This should include consideration of opportunities for new modes of engagement to strengthen the bilateral relationship and make it more resilient. In short, how can Australia and Indonesia build a 'web of cooperation' across the many challenges in the maritime domain?

The evolving security order in the Indo-Pacific

Professor Rory Medcalf

Head, ANU National Security College



Indo-Pacific Maritime Security: Challenges & Cooperation

The evolving security order in the Indo-Pacific

Professor Rory Medcalf
Head, ANU National Security College

Policymakers and scholars have paid much attention in recent years to the emergence of the term 'Indo-Pacific' to describe the changing regional security system in Asia. There is still some contestation and confusion about what the term means, whether it is really useful, and what its implications are for policy – for the directions and decisions among key powers. A strong case can be made, however, that the Indo-Pacific is more than just a faddish label or a novel way of talking about the region formerly known as the Asia-Pacific.¹

More than merely a term, the Indo-Pacific is emerging as a useful conceptual framework for understanding and developing policy in capitals from Canberra to Washington, Beijing, Jakarta and New Delhi.

More accurately, the Indo-Pacific is re-emerging – for historical patterns of commercial, cultural and strategic interaction suggest that the artificial division of maritime Asia into East Asia and South Asia, the Indian Ocean and the Pacific, was something of a post-1945 anomaly, not a permanent state of affairs.

Despite the name, the Indo-Pacific is not a concept framed primarily or solely by the rise of India. Rather, the evolution of what might be called an Indo-Pacific strategic system has its origins at least as much in the interests of East Asian powers (and not only China), most notably in their dependence on the sea lanes of the Indian Ocean for energy and trade. Thus as Japan, for instance, becomes more active and confident as a strategic player internationally, it can be expected to join the ranks of key Indo-Pacific powers. This has implications ranging from capabilities (long-range and maritime) to partnerships (such as with India and Australia) to policy choices in times of tension. Of course, the Indo-Pacific concept has its problems – for instance, encompassing a region too vast to be managed through a single multilateral institution. From a national interest point of view, however, it also has its virtues. One of these is that its central sea lanes, notably in the South China Sea, are by their nature a shared space and everyone's business. Another is that the Indo-Pacific is by its nature a multipolar region, too vast for any one power, such as China, to dominate. This is a context with which a risen China, like all other powers, will need permanently to come to terms.

What is the Indo-Pacific?

At its simplest, the contemporary Indo-Pacific means recognising that the accelerating economic and security connections between the Western Pacific and the Indian Ocean region are creating a single strategic system. At its heart, a strategic system can be understood as a set of geopolitical power relationships among nations where major changes in one part of the system affect what happens in the other parts.

The Indo-Pacific system is defined in part by the geographically expanding interests and reach of China and India, and the continued strategic role and presence of the United States in both the Pacific and Indian Oceans. This recognises the arc of trade routes, energy flows, diplomatic bonds and strategic connections between the two oceans. These links in turn emerge especially from the rise of China and India as outward-looking economic and military powers, the expansion of their economic interests and their strategic and diplomatic imperatives into what each might once have considered its primary maritime zone of interest. In particular, the concept underscores the fact that the Indian Ocean has replaced the Atlantic as the globe's busiest and most strategically significant trade corridor, carrying two-thirds of the world's oil shipments and a third of the world's bulk cargo.² Taken together, these developments are making the Indo-Pacific the world's economic and strategic centre of gravity.

The Indo-Pacific is not simply a new name for the Asia-Pacific, but nor is it a radically redefined regional concept that downplays the centrality of Asia. This is a region with Asia at its core, and might most accurately be termed Indo-Pacific Asia. Indeed, Australia's 2013 Defence White Paper rightly defines Southeast Asia as the 'geographic centre' and the key part of the Indo-Pacific for Australia's defence force to be engaged in, a view reinforced in the 2016 Defence White Paper, which places emphasis on maritime Southeast Asia within a wider Indo-Pacific theatre.³

¹ The arguments in this paper are further developed by the author elsewhere. See Rory Medcalf, 'The Indo-Pacific: What's in a Name?' *The American Interest*, Vol. 9. No. 2., Nov/Dec 2013, pp. 58-66; Rory Medcalf, 'Mapping the Indo-Pacific: China, India and The United States' in Mohan Malik (ed.), *Maritime Security in the Indo-Pacific*, Rowman and Littlefield (2014); and Rory Medcalf, 'Australia's New Strategic Geography: Making and Sustaining an Indo-Pacific Defence Policy,' in Priya Chacko, ed. *New Regional Geopolitics in the Indo-Pacific: Drivers, Dynamics and Consequences*, Routledge (2016).

² Commonwealth of Australia, *Defence White Paper 2013*, p. 13. <http://www.defence.gov.au/whitepaper/2013>

³ Commonwealth of Australia, *Defence White Paper 2013*, p. 8 <http://www.defence.gov.au/whitepaper/2013/>; Commonwealth of Australia, *Defence White Paper 2016*, p. 69. <http://www.defence.gov.au/whitepaper/Docs/2016-Defence-White-Paper.pdf>

One criticism of the Indo-Pacific worth noting here is that it is an incomplete and distorted vision of Asia because it privileges the maritime over the continental. The counter to this is twofold. First, there are strong arguments to be made that in fact Asia's two mega-states, China and India, are indeed turning to the sea – both in terms of their growth in naval power and their reliance on seaborne energy flows and other trade.

Seaborne trade, especially in energy, is simply much cheaper and more efficient than trade via land infrastructure – for instance, pipelines could substitute only for a small fraction of China's imports of oil by sea.⁴ Second, even though there is also a strong continental dimension to China's new international infrastructure strategy, the One Belt One Road initiative, it will be at its most effective where it connects land routes to sea routes.⁵ So the sea will matter at least as much as the land in the new joined-up map of Asia.

Whose region?

The interests of China, India...and Japan

One of the most common misconceptions about the Indo-Pacific is the assumption that this 'new' way of perceiving maritime Asia is largely about the rise of India. After all, not only does term imply a centrality to India and the Indian Ocean, but there is an obvious rationale for Indian and pro-India commentators to accentuate the role a rising India should play in East Asia, and the Indo-Pacific offers some justification and explanation for that role. Over the past 15 years, both the Bush and Obama administrations have been open about wanting to help India reach its potential as a major power, including in the Asia-Pacific. It is also true that the popularity of Indo-Pacific terminology has coincided with the growth of India's economic and strategic weight, and Prime Minister Narendra Modi's stated ambition to translate the Look East policy into one of Act East, involving a greater Indian presence and influence east of Malacca.

However, a major driver of the interconnection between the Pacific and Indian Oceans, economically and strategically, has been the extension of Chinese interests and presence south and west across the seas. It is hardly accurate to claim, as some scholars have, that the Indo-Pacific idea somehow excludes China from the regional order. Quite the contrary: it is the expansion of China's interests, diplomacy and strategic reach into the Indian Ocean that most of all defines the Indo-Pacific. With 80 per cent of its oil imports being transported across the Indian Ocean, with one million of its citizens now said to be living or working in Africa, where it is also a principal foreign investor, and with signs of an ongoing naval presence in the Gulf of Aden and the Indian Ocean, including a permanent military facility in Djibouti, it is now arguably China, not India, that is the quintessential Indo-Pacific power. Although Chinese policy thinkers have mixed views about the term Indo-Pacific,

and some equate it with US-led balancing or alleged 'containment' strategies, it is notable that China's own overarching geoeconomic thrust since 2013 – the so-called One Belt, One Road initiative – includes an ambition to extend China-centric infrastructure and strategic partnerships into the Indian Ocean. The Maritime Silk Road is the Indo-Pacific with Chinese characteristics.⁶

China, however, is hardly the only East Asian power with substantial interests in the Indo-Pacific and its vital sea lanes through the Indian Ocean and the South China Sea. Japan – along with South Korea – has an even more acute dependence on the Indian Ocean sea lanes for energy security than does China. Accordingly, Japanese policy speeches and statements often refer back to Prime Minister Shinzo Abe's formulation of the "confluence of two seas" (*futatsu no umi no majiwari*), which he first expressed in an influential speech in the Indian Parliament in 2007 – one of the first times such an idea entered 21st century policy discourse.⁷ More recently, Mr Abe has couched his thinking in explicitly Indo-Pacific terminology.⁸

The powerhouse economies of East Asia depend acutely on oil imports across the Indian Ocean from the Middle East and Africa, and this dependence is set to deepen further. Around 80 per cent of China's oil imports, perhaps 90 per cent of South Korea's, and up to 90 per cent of Japan's are shipped from the Middle East and/or Africa through the Indian Ocean. This is a major strategic vulnerability, which is influencing diplomacy and partnership building, as well as the hard-power priorities of naval modernisation. Japan's active strategic diplomacy in recent years, including an enhanced security and economic partnership with India and the establishment of a small military base in Djibouti, can be seen as Indo-Pacific in character. Indeed, Japanese policy statements are now frank about declaring that security issues in the Indian Ocean, Pacific Ocean, South China Sea, and East China Sea cannot be treated separately; Japan has a stake in all of them.

Moreover, Japan sees in India and Australia strategic partners of considerable potential, including in the context of Japan's far-flung maritime vulnerabilities and concern about security competition with China.

⁵ Malcolm Cook and Anthony Bubalo, "Horizontal Asia", *The American Interest*, Vol. 5. No. 5, May 2010 <http://www.the-american-interest.com/2010/05/01/horizontal-asia/>

⁶ For more detail to this argument, see Rory Medcalf, "Reimagining Asia: From Asia-Pacific to Indo-Pacific," *Asan Forum*, June 2015. <http://www.theasanforum.org/reimagining-asia-from-asia-pacific-to-indo-pacific/>

⁷ Prime Minister Shinzo Abe, "Confluence of the Two Seas" (Speech, Parliament of the Republic of India, August 2007), <http://www.mofa.go.jp/region/asia-paci/pmv0708/speech-2.html>

⁸ Ministry of Foreign Affairs of Japan, "'Japan is Back,' policy speech by Prime Minister Shinzo Abe at the Center for Strategic and International Studies, Washington DC," February 22, 2013, http://www.mofa.go.jp/announce/pm/abe/us_20130222en.html

Some of the most innovative and consequential of Japan's moves in security diplomacy this century have been in strengthening ties with its Indo-Pacific partners.

Most of the notable initiatives in regional 'minilateral' diplomacy – formation of small self-selecting coalitions of interest – have involved Japan: the trilateral strategic process with Australia and the United States, which includes deep cooperation in interoperability, intelligence and logistics; the essentially permanent addition of Japanese forces to the Malabar naval exercises between India and the United States; and the trilateral forums among senior foreign policy officials from Japan, India and the United States and (since 2015) Japan, India and Australia. Prime Ministers Abe and Modi have unlocked great potential in the Japan-India security relationship. Meanwhile, the Australia-Japan security relationship continues to develop, based on convergent security interests and values, notwithstanding any setbacks related to Australia's 2016 decision under the Turnbull government not to purchase Japanese submarines (after the previous Abbott government had contributed to expectations it would do so).

Conclusion

The era of the Indo-Pacific will be a phase in the history of maritime Asia marked by continued contestation and complexity, including the question of how to define the region. What is clear, however, is that this is a regional order that tilts towards multipolarity – too large for any one power to dominate, or to advance its interests in without relying on partnerships. Unilateralism is not the answer to the region's problems – whether transnational or interstate – and accordingly advantages will accrue to those countries open to new forms of security partnership. Whether through new bilateral or minilateral arrangements, or the more effective leveraging of multilateral forums like the East Asia Summit, the players in the middle (neither the United States nor China) have special opportunities to seize. Australia is well positioned to be a hub in such cooperation. Its 2016 Defence White Paper placed striking priority on Japan and India as among the countries with which it should develop security partnerships of effectiveness and trust. There is every reason for that direction to be maintained, as regional powers come to terms with the central strategic problem of the Indo-Pacific: how to manage and incorporate China's interests across this vast region without harming the interests of others.

Indo-Pacific maritime security: challenges and cooperation

Speech by Ambassador Sumio Kusaka

Ambassador of Japan to Australia



Indo-Pacific Maritime Security: Challenges & Cooperation

Indo-Pacific maritime security: challenges and cooperation

Speech by Ambassador Sumio Kusaka
Ambassador of Japan to Australia

Professor Medcalf, Head of the National Security College, distinguished guest speakers, ladies and gentlemen.

Please allow me to begin by expressing my gratitude to all the participants from both within and outside Australia who are taking part in the symposium, and to Professor Medcalf and relevant ANU staff for all of their effort.

I fully expect that through discussion in this symposium we will deepen our understanding and raise awareness of the current state of maritime security in the Indo-Pacific and its prospects for the future.

1. Proactive contribution to peace

Today we gather to talk about 'Indo-Pacific Maritime Security Challenges and Cooperation in the 21st Century.'

The regional situation is becoming more tense and serious. This has become a source of concern, so much so that we have come to the point where 'no nation alone can maintain its own peace and security'.

Based on this belief, the Japanese government last year passed new legislation for peace and security in the Diet.

Under our new laws, Japan is determined to make a greater contribution to peace and stability in the international community, including through various peacekeeping operations and activities undertaken by the United Nations.

I must emphasise here, however, that there will be no change to the basic position and posture that Japan has maintained as a peace-loving nation over the past 70 years after the Pacific War.

With this in mind, we would like to deepen our contribution to the region and the world.

2. Regional Environment

Let's now move on to our regional environment.

East and South China Seas

In the South China Sea, large-scale land reclamation and militarisation activities have been taking place, which in turn have raised tensions in the region.

The South China Sea contains Japan's and Australia's vital sea lanes, upon which our mutual transportation of goods and energy resources depend. Therefore, we have a legitimate right to express our serious concerns about events there.

In the Japan-Australia 2+2 joint communiqué released last November, and in the Joint Statement issued after the Japan-Australia Leader's Meeting in December last year, both countries expressed their strong opposition to any coercive or unilateral acts that could alter the status quo in the East and South China Seas.

These concerns were also reflected in Joint Statement of the US-ASEAN Leaders' Special Summit held in February 2016, which also reiterated the need for relevant countries to play a constructive and cooperative role when dealing with regional and global issues, and the need to respect a rules-based international order.

Rule of law

Japan, along with other nations in the region such as Australia, has emphasised the importance of respecting a rules-based international order and peaceful settlements of territorial disputes through negotiations rather than relying on unilateral, forceful actions.

We support efforts to resolve disputes peacefully in accordance with international law, including through the use of arbitration.

For this reason Japan has been supporting the ongoing arbitration case under the United Nations Convention on the Law of the Sea brought by the Philippines.

We are keenly watching this because this arbitration case is about respecting the rule of law and the decision will be legally binding.

In order to preserve an open, free and peaceful maritime environment founded on the rules-based international order, the international community must work together to keep sending a clear and principled message to the countries in the region.

Japan, as president of the G7 this year, will expend every effort in both maintaining and developing 'open and stable seas'.

Freedom of navigation

Open and stable seas cannot exist without the means and will to sustain them. This is why Japan has shown its support for the US 'freedom of navigation' exercises conducted in the South China Sea, because maintaining the principles of freedom of navigation and overflight are at the very core of the universal values and interests of the international community.

At the US-ASEAN Leaders Meeting held in February, President Obama demonstrated that he was strongly committed to the US rebalance to the Asia-Pacific region.

While the US continues to implement its rebalance policy to the Asia-Pacific region, it cannot be expected to carry the burden of maintaining the peace of the region alone.

In this connection, the fact that Australia has increased its patrol activities in the South China Sea based on freedom of navigation and overflight is strongly welcomed.

Countries in the region, including Australia and Japan, must work together to support the US efforts.

3. Indian Ocean

India

The stability of the Indian Ocean region is also another important area for us.

It has become necessary to work together with India in order to secure this stability.

Japan sees enormous potential in its relationship with India as both an economic and strategic partner.

When Prime Minister Abe visited India last December, Prime Minister Modi explained the challenges of maritime security, and expressed his interest in building maritime surveillance capacity and further promoting information-sharing.

Prime Minister Abe expressed his support for the reform initiatives under Prime Minister Modi and his strategic connectivity initiative linking South Asia to Southeast Asia through the 'Act East' and 'Partnership for Quality Infrastructure' policies.

It is with such strong potential for future growth that we will pursue our engagement with India in regional affairs.

Japan-Australia-India Secretaries Meeting

The recognition by both Japan and Australia of India's latent strength has produced concrete results.

At the second Japan-Australia-India Secretaries Meeting held in February this year, which I attended, the situation in the South and East China Seas was discussed from the security point of view of our three countries, and an agreement was reached to strengthen cooperation including with regard to maritime security.

Since the Pacific and Indian Oceans are becoming more closely connected, the engagement of India to this end is welcome.

Piracy

Speaking of Indian Ocean security, one topic of particular importance is that of piracy.

The Japanese government, in order to cooperate in anti-piracy measures, established a diplomatic liaison office in Djibouti in March 2009 and a defence facility in 2011.

This liaison office was later upgraded to an embassy in January 2012. Japan dispatched two Maritime Self-Defense Force vessels to Djibouti, along with two P-3C surveillance aircraft in June 2009.

At present, there are around 580 Self-Defense Force

personnel and eight coast guard officials involved in anti-piracy activities.

Recently, the number of piracy incidents has decreased.

In 2008 there were 111 incidents of piracy at sea, with 42 vessels seized and 815 crew members taken hostage. In contrast, in 2015 there were no incidents of piracy, no ships were seized, and no hostages were taken.

This positive development has been brought about by anti-piracy cooperation within the global community.

Japan will continue to work with other countries to consolidate peace and stability along their important maritime routes.

4. Australia and Japan—key partners in the region

Special relationship

Australia and Japan see each other as crucial partners in the region.

This was reflected in the sentiments expressed during Prime Minister Turnbull's December 2015 visit to Japan, where he was warmly welcomed by Prime Minister Abe.

I think the underlying reason for this warmth was the clear recognition of the mutually strategic importance of strengthening Japan and Australia's special relationship.

The two leaders confirmed that our countries have very special roles to play for peace and prosperity in the Asia-Pacific and in the international community.

It is quite natural that our two countries have become such partners, because geographically we are at the northern and southern end of the Western Pacific, like bookends to the region.

We have been very close economic partners over many decades, but nowadays our relationship is developing into a strategic partnership.

Australia-Japan strategy for cooperation in the Pacific

In February this year, Foreign Minister Bishop visited Japan.

During this visit, she and Foreign Minister Kishida reached an agreement whereby our countries will implement a 'Pacific Strategy' to further develop specific cooperation between us.

This agreement aims to support efforts by Pacific Island nations to bring about their economic prosperity while strengthening the peace and stability of the region via effective governance, economic growth and sustainable development, defence and security cooperation and diplomatic initiatives.

Both Japan and Australia will continue to work together in the Pacific on the priority areas of maritime security and surveillance.

We have also pledged to seek opportunities to further our cooperation in areas such as capability development, training and joint exercises.

Submarines

On that note, I would like to briefly touch on Japan's involvement in the Competitive Evaluation Process for Australia's future submarine project.

In regards to which submarine should be selected, we respect that this matter is a sovereign decision of the Australian government.

But if I might be allowed to say one thing, Japan is the only country that builds and operates the 4000-tonne Soryu-class conventional submarine which has a sufficiently long range to meet Australian requirements - despite unfounded criticism to the contrary - and unsurpassed stealthiness with proven world-class capabilities.

Furthermore, Japanese submarines have been delivered on schedule and on budget without any glitches whatsoever over many decades.

Also, I would like to stress that Japan is very keen to strengthen industrial cooperation by engaging Australian companies to the maximum extent. Mitsubishi Heavy Industries, a global conglomerate, will open up an Innovation Centre in Australia in the event that Japan is chosen as a partner in order to supply innovation to Australia's industries.

The fact that the top two leaders of Mitsubishi Heavy Industries recently visited Australia within two weeks of each other demonstrated Mitsubishi's willingness and commitment to Australia.

5. Conclusion

And so, once again I would like to thank you all very much for your kind attention and for inviting me to speak to you today.



A new dimension to Australia–Japan maritime security cooperation

Rear Admiral Kazumine Akimoto (Ret'd)

Senior Research Fellow, Ocean Policy Research Institute
Sasakawa Peace Foundation



Indo-Pacific Maritime Security: Challenges & Cooperation

A new dimension to Australia-Japan maritime security cooperation

Rear Admiral Kazumine Akimoto (Ret'd)
Senior Research Fellow
Ocean Policy Research Institute
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In 1498, Vasco da Gama made a voyage to the Indian Ocean, leading to the opening of shipping routes between Europe and the Far East. The development of these sea lanes through the Indian Ocean also ushered in the age of European dominance over South and Southeast Asia. Today, these sea lanes through the Indian Ocean and the Western Pacific Ocean are the main arteries sustaining the global economy.

Since the end of the Cold War, the structure of international society has changed, partly as a result of economic globalisation. The health of the global economy now depends on the stability of sea lanes that support borderless economic activities: these sea lanes are global public goods serving vital common interests.

This paper suggests a new dimension to the maritime security cooperation between Australia and Japan in what could be called the 'Outer Rim' - the seas straddling the Bay of Bengal and between the first and second island chains in Oceania.

Of course, the Arabian Sea and the Bay of Bengal are both parts of the Indian Ocean, but the Arabian Sea's security environment and actors are quite different from those of the Bay of Bengal. As will be discussed later in the paper, in considering security cooperation between Australia and Japan in the Indian Ocean it might be best to focus on the Bay of Bengal.

1. Vital sea lanes in the Indian Ocean and the Western Pacific

In the Indian Ocean and the Western Pacific Ocean there are several overcrowded sea areas and choke points. These are: the Arabian Sea, the Bay of Bengal, the South China Sea and the East China Sea. Sea lanes passing through these crowded areas lead to convergence points: the Strait of Bab el Mandeb, the Strait of Hormuz and the Strait of Malacca/Singapore Strait.

How would the global economy be impacted if navigation through these main shipping routes were blocked?

About 40 per cent of global seaborne oil trade passes through the Strait of Hormuz, with almost all these oil

tankers then travelling across the Indian Ocean and through the Strait of Malacca into the South China Sea.

In 2013, the Ocean Policy Research Foundation (now named the Ocean Policy Research Institute of the Sasakawa Peace Foundation) conducted a research study to examine the economic impacts if oil tankers sailing between the Middle East and Japan could not transit through the South China Sea on account of a severe international dispute. One possible scenario in which oil tankers are unable to transit the South China Sea is illustrated below.

- > Confrontation between China and other littoral nations in the South China Sea intensifies, with fears of open conflict.
- > Alarmed by the situation, the US deploys naval forces in the Western Pacific Ocean. China declares the waters inside the 'nine-dash line' a 'denial area' and claims that all foreign vessels require China's permission for innocent passage in the waters inside the 'nine-dash line' because such waters are under China's sovereignty.
- > China also warns foreign VLCCs (Very Large Crude Carriers) not to enter the area, under the pretext of preventing environmental contamination, arguing that if a large oil tanker were accidentally attacked and an oil spillage were to take place, the marine environment would be severely damaged.
- > China also announces that, if US forces take assertive action, China will respond with anti-access operations in the sea area between the first and second island chains.

In this scenario, how would VLCCs bound for Japan change their operations?

To avoid this confrontation, all VLCCs travelling from the Middle East to Japan would need to detour from the Malacca Strait to the Lombok and Makassar Strait, in order to navigate northward along the eastern coast of the Philippines to Japan.

Furthermore, if the areas inside the second island chain were declared an anti-access area by China, all VLCCs bound for Japan might be required to detour round the south coast of Australia and proceed northward to Japan to avoid transiting through waters within the second island chain.

How would the Japanese economy be affected?

The study obtained the following results:

Roughly speaking, Japan would require 10 more VLCCs than it currently does, if all of the VLCCs to Japan were obliged to detour from the Malacca Strait to the Lombok Strait. It would be possible for Japan to charter an additional 10 VLCCs due to a global surplus of oil tankers, but this would cost approximately US\$300 million annually.

However, if all of the VLCCs were forced to detour around

the south coast of Australia, Japan would need to charter 50 more VLCCs than is currently required. It would be very difficult to find such additional capacity even if there were a large surplus in the VLCC market. The annual cost of chartering another 50 VLCCs would be US\$1.2 billion.

Moreover, in such a situation, it is estimated that the world oil price would rise. An increase of US\$50 per barrel would cost Japan US\$66 billion annually. The study also estimated that the crisis would reduce world stock prices by 10 per cent for more than two years. This decline would adversely impact the global economy.

While rerouting may be feasible for oil tankers, rerouting container shipping would cause chaos on international markets, because container shipping operates on a 'just-in-time' basis.

While Japan could reroute energy supplies through the Western Pacific Ocean, supplies destined for China and several ASEAN nations facing the South China Sea would have no alternative but to pass through the South China Sea. China reportedly imports 5 million barrels of oil a day, most of which are carried by sea. Major container hub ports essential to Asia's economic prosperity are also located on the South China Sea. In such a situation, the regional and global economies would both suffer catastrophic damage.

In such a crisis, China would take precautions against US containment strategies such 'offshore control', probably strengthening area denial and anti-access around the

first island chain. At the same time, in order to overcome the 'Malacca dilemma,' China may attempt to obtain sea control capabilities in the Bay of Bengal, where there are important ports and pipelines supplying China.

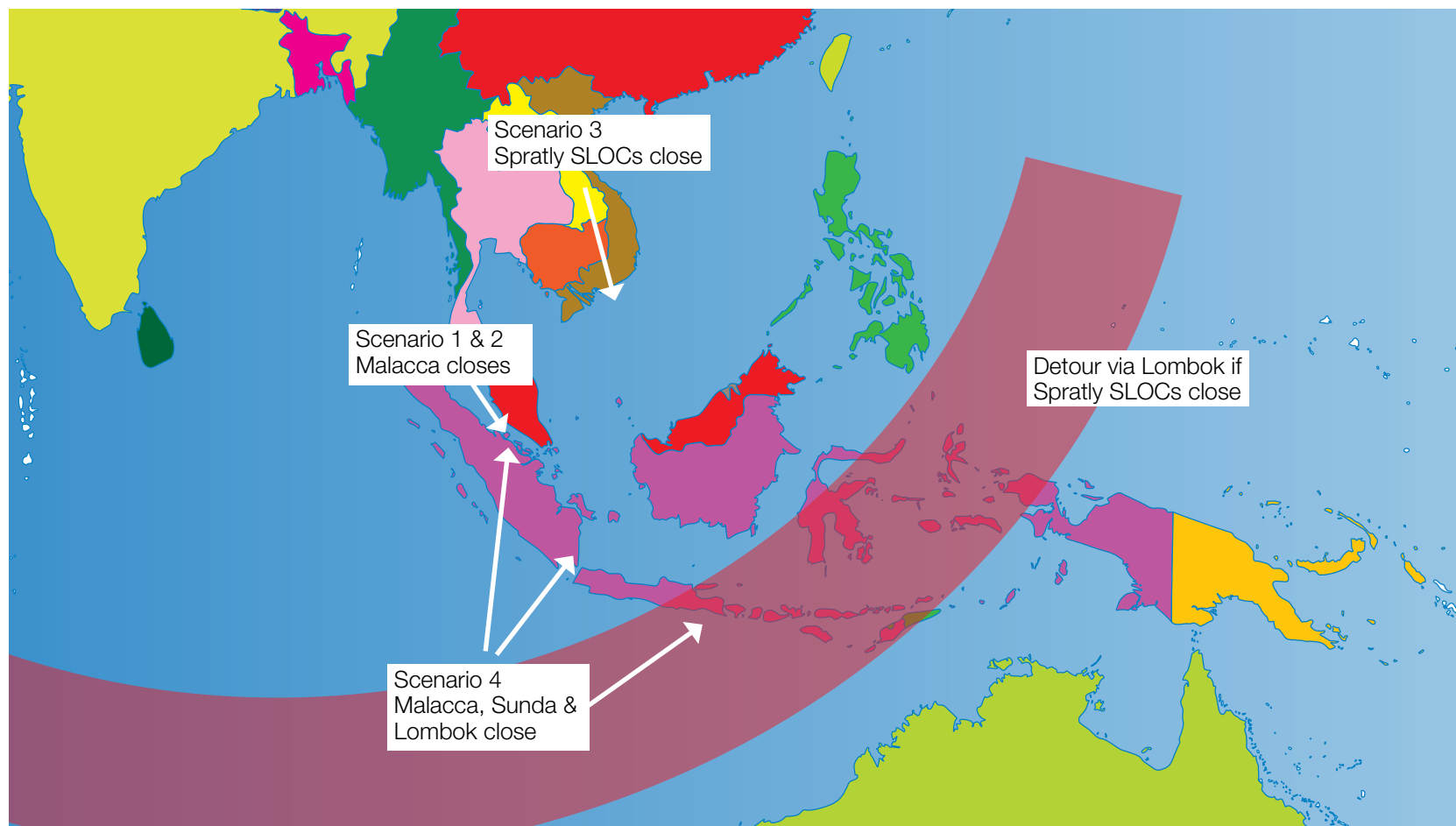
2. Importance of assuring the security of sea lines of communication (SLOCs) in the Outer Rim of the main shipping route from the Indian Ocean

a. Security of the Outer Rim SLOC

In such a situation described, securing the sea lines of communication (SLOCs) from Sri Lanka in the Bay of Bengal to the sea areas between the first and second island chains in the Western Pacific via the Lombok and Makassar Straits will become essential for Australia, Japan, the US and other allied or friendly nations. Such a strategy may be considered as SLOC security over the Outer Rim of the main shipping stream, bypassing the Malacca Strait/Singapore Strait and the South China Sea.

For Japan and Australia, keeping the SLOCs in the Outer Rim open will be essential to supplying national demands in contingency or emergency situations. For the US, controlling the Outer Rim will also be a vital interest for its military strategy.

Except for the northern side of the sea between the first and second island chains, which comes within the



The importance of sea lines of communication (SLOCs) in the Outer Rim.

ambit of the US–Japan Security Treaty, there is no well-functioning international arrangement or framework to maintain maritime order in the Outer Rim. As a result, safety and freedom of navigation could not be guaranteed in contingency or emergency situations.

b. The Outer Rim in the Bay of Bengal

In the Bay of Bengal, India has traditionally been the only state responsible for ensuring maritime security. However, the strategic environment in the Bay of Bengal is becoming increasingly complex. The economic growth of India and China, as well as their increasing maritime activities, are leading to a ‘confluence of the seas’ in East and South Asia. When these two seas meet, different cultures and strategies meet. The sea lanes in the Bay of Bengal are part of the global commons and there is no doubt that stabilising the security environment there serves the common interests of all nations. On the other hand, each of the states making its way into the Bay of Bengal has its own strategy for global competition, a situation likely to provoke confrontation between them.

China is currently taking a variety of approaches to the countries on the Bay of Bengal, seeking to have greater influence in the sea lanes and gain economic benefit from littoral states. China’s approaches, whether they are competitive or cooperative, are greatly affecting the security environment of the main shipping artery in the Bay of Bengal heading to the Malacca Strait/Singapore Strait. Thus, maintaining safety of navigation in the Outer Rim, which provides an alternative sea route through the Bay of Bengal, heading to the Lombok Strait instead of the Malacca Strait, will be an important strategic imperative for Japan and Australia, as well as the US. In this strategy, Sri Lanka becomes a key state.

c. The Outer Rim in the seas in Oceania

On the Western Pacific side of the Outer Rim, the gateway of the Makassar Strait faces the western edge of the Micronesian island region, which constitutes the southern part of the sea between the first and second island chains. This would be a vital sea area for avoiding the South China Sea in the event of a conflict, and is therefore a strategic SLOC for Australia, Japan and the United States. However, currently navigation safety is not necessarily secured there other than by the United States.

The island state of Palau is located in the centre of the southern part of the sea area between the first and second island chains. The US concluded a Compact of Free Association (COFA) with Palau, as well as with the Federated States of Micronesia (FSM) and the Marshall Islands, giving the US the right to conduct military affairs in COFA areas. The COFAs with the FSM and the Marshall Islands will terminate in 2023 (although US defence responsibilities in Palau may continue after that time). A power vacuum could therefore occur in the

Micronesia region after the end of the COFAs. Recently, China has been increasing its access to Micronesia.

3. Allied strategy for assuring SLOC security in the Outer Rim

What should Australia and Japan do to safeguard these SLOCs?

Firstly, the two countries should try to obtain sea control capabilities over the Outer Rim so that they can keep shipping routes open and pursue strategic advantages in wartime. The term ‘sea control’ means the capability to use the seas exclusively as the needs arise. This capability establishes a tacit deterrence posture to aggression. To achieve this aim, a coordinated Australia–Japan strategy is essential.

To be more concrete, the following is proposed:

- > Australia and Japan should develop good relationships with the coastal states of the Bay of Bengal and the island nations of Micronesia so that they can obtain geopolitical power bases for activities both in commercial and defence fields.
- > One key state is Sri Lanka, located in the western part of the Outer Rim. Australia and Japan could hold a multilateral naval exercise in association with India, Sri Lanka and the US, using Sri Lankan ports. The exercise may be planned using the framework of Exercise Malabar or Cooperation Afloat Readiness and Training (CARAT).
- > Another key state is Palau, occupying a central position in the sea between the southern portion of the first and second island chains. Australia and Japan should assist Palau in capacity-building under close coordination with the United States. Concurrently, the three states should provide assistance to the Federated States of Micronesia and the Marshall Islands for law enforcement and defence, considering the situation after the expiry of the US COFAs in 2023.
- > At the same time, Australia and Japan should continue to claim freedom of navigation in the South China Sea to try to create a favourable power balance structure.

Managing tensions in East Asian waters: challenges and responses

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Indo-Pacific Maritime Security: Challenges & Cooperation

Managing tensions in East Asian waters: challenges and responses

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Tensions in the South China Sea have intensified in recent months. Beijing and Washington are at odds over China's apparent claims to sovereignty over the surrounding waters of the newly reclaimed land features and U.S. freedom of navigation passages through them. There are also growing disagreements over fishery issues and deep-water drillings, making it imperative that the parties to the disputes develop mechanisms and procedures to prevent escalation of conflicts and manage crisis situations. To tackle these issues effectively requires first and foremost a critical analysis of the nature of the problems and then the development of options based on both historical precedents and their applicability in the current environment.

Disputes in the South China Sea are not confined to competing claims for sovereignty, but also revolve around critical issues of access to and control over maritime resources and freedom of navigation in the open sea. Underlying these disputes is the geostrategic transformation and realignment occurring in the broader Indo-Pacific region. While claims or disputes over sovereignty date back to the 1950s, in the 1970s geological surveys revealed potentially large, albeit unproven, hydrocarbon resources, resulting in renewed contests, which have only intensified in recent years. Likewise, depleting fishing grounds in many countries have led fishermen to venture into open seas and increasingly into others' exclusive economic zones (EEZs), further intensifying conflicts in the region. Growing nationalism, domestic politics, and the increasing importance of maritime resources as critical parts of national economies render negotiations complex and compromises nearly impossible.¹

While informal and mostly non-governmental efforts since the 1980s have explored various options for managing the disputes – ranging from discussions on joint developments of maritime resources to scientific researches in environment and marine life – none has succeeded in providing a path to resolving sovereignty issues. Government-level negotiations have resulted in limited agreements on general principles of conduct and joint development efforts, such as the 2002 ASEAN-China Declaration on the Conduct of Parties in the South China Sea, and the Joint Marine Seismic Undertaking (JMSU) signed by China, Vietnam, and the Philippines. But negotiation on a more binding code of conduct has proved elusive.² ASEAN's role in defusing tensions is seriously

hampered. Several of its members are claimant states in the disputes, and some non-claimant states are reluctant to allow the organisation as whole to be entrapped in a prolonged territorial dispute with China. There are good reasons for this: in 2015, ASEAN-China two-way trade reached US\$460 billion. External powers such as the United States, Japan and Australia have advocated peaceful and diplomatic resolutions to the disputes and called for restraints on unilateral activities such as land reclamation, effectively lending support to norms and principles that uphold a rules-based order in the region.

The United States is increasingly playing a prominent role in the South China Sea disputes by refusing to recognise any unilateral actions aimed to create new realities on the ground and supporting some of the claimant states' efforts to refer the disputes to international arbitration.

However, the challenge for Washington is to clearly separate its efforts to reinforce international law—and in this instance, the United Nations Convention on the Law of the Sea (UNCLOS)—from its foreign policy agenda of strengthening alliances, building security partnerships, and reinforcing its military presence, which are all parts of its re-balancing to Asia strategy.³

This inevitably casts territorial disputes in the South China Sea under the shadow of an emerging China-U.S. rivalry for regional primacy, at once compromising Washington's role as an impartial and neutral player and deepening Beijing's resolve to prevent or minimise internationalisation of the issues. Clearly, managing tensions will require an overall political environment conducive to the discussion and negotiation of mechanisms aimed at lowering tensions, exploring alternatives, and paving the way for eventual resolution of the disputes.

One way of defusing the tensions is to de-emphasise the centrality of sovereignty and, at least for the moment, shelve it to explore the possibilities of maritime economic cooperation. Disputes over sovereignty have likely deterred prospective foreign companies from potentially profitable joint undertakings to explore hydrocarbon deposits. Accordingly, joint development projects with shared expenses and future revenues but without prejudice to sovereignty claims could open up the door to cooperation, confidence-building, and mutual economic gains.

¹ For a comprehensive analysis of the South China Sea issues, see International Crisis Group, *Stirring Up the South China Sea*, a series of reports published between 2012 and 2016.

² Carlyle A. Thayer, "ASEAN, China, and the Code of Conduct in the South China Sea," *SAIS Review* 33:2 (Summer-Fall 2013), pp. 75-84.

³ Department of Defense, *Asia-Pacific Maritime Security Strategy* (Washington, DC: DoD, August 2015).

What is more important, is that if sovereignty claims were de-emphasised, if not totally shelved, there would be more shared interests in the reduction and transformation of maritime law enforcement and naval activities driven by a perceived need to enforce national sovereignty, exclusive economic zones, and control over critical sea lines of communication (SLOCs). Over US\$5 trillion of the world's commercial shipping⁴ and many regional countries' vital energy supplies pass through the South China Sea each year.⁵

Given that these territorial disputes are protracted and stoke strong national sentiments, and that short-term solutions appear elusive if not altogether impossible, the question arises as to how they can be handled. Clearly, this requires that disputant parties explore ways to manage tensions to prevent further escalation.

The diffusing of tensions over the Senkaku/Diaoyu Islands presents an illustrative case of reluctant restraint on the part of both Japan and China, given the broader interests they share.

The 2012 Japanese nationalisation of the island group touched off swift and strong Chinese reactions. Driven by growing nationalism during a sensitive period of leadership transition, Beijing sought to refute the fait accompli by Tokyo with intensified and regularised maritime enforcement patrols and PLA Air Force flights around Senkaku/Diaoyu, triggering Japanese responses. These close encounters have included reported Chinese locking fire radar on Japanese Maritime Self-Defense Force vessel, risking further escalation. In late 2013, China declared the establishment of an East China Sea Air Defence Identification Zone (ADIZ). These disputes, along with unresolved disputes over historical issues and growing animosity between the two countries, dragged bilateral ties to their lowest point in decades and posed serious threats to regional peace and stability.⁶

The increasingly deteriorating bilateral relationship between Asia's two most important economies gravely undermined both countries' interests without either being able to impose its will on the other. Both trade and investment suffered from the inhospitable political environment. It was in such a climate that Beijing and Tokyo reached a consensus to prevent an already bad situation from getting worse. This began with functionary-level exchanges on how official dialogue could be restored. Subsequently, the Xi-Abe summit on the sidelines of the 2014 APEC summit took place, and the two sides reached a bilateral agreement on observing the spirit and principles of the four basic documents between them, namely: the 1972 Sino-Japanese Joint Communiqué on the Resumption of Diplomatic Relations; the 1978 China-Japan Treaty of Peace and Friendship; the 1998 Sino-Japanese Joint

Declaration on Building a Partnership and Cooperation for Peace and Development; and the 2008 Sino-Japanese Joint Statement on Advancing Strategic and Mutually Beneficial Relations.⁷ They agreed to renewed efforts in striving for 'a mutually beneficial relationship based on common strategic interests'; recognising and dealing with historical issues, different views of the disputes in the East China Sea and the need to put in place crisis management mechanisms through dialogue and diplomacy; and resumption of official consultations on security matters. This consensus has resulted in the de-escalation of tension over territorial disputes and also paved the way for the resumption, in late 2015, of the official trilateral summit between China, Japan and South Korea, suspended since late 2012.⁸ At that summit, the three countries pledged to improve their cooperation and partnerships, and agreed to speed up negotiations on a three-way free trade agreement.

Territorial disputes in the East and South China Seas are not confined to China, Japan, Taiwan, and the four Southeast Asian states. Conflict over fishing rights, oil exploration and drilling, land reclamation, and growing activities and occasional skirmishes between maritime enforcement agencies of the disputing states not only risk escalation to military conflicts but also threaten maritime transport in one of the world's most vital arteries. The U.S. rebalancing to Asia, meant to restore confidence in America's commitment to regional stability, is also a clear indication of Washington's resolve to preserve its primacy in the Indo-Pacific. This runs into conflict with China's growing interests and ambitions. As mentioned above, the past decade has witnessed the phenomenal rise of China, in economic power, political influence, and military capabilities. Beijing's more assertive behaviour in the South China Sea, and its direct challenges to U.S. intelligence-gathering and surveillance activities and joint military exercises with allies either close to, or in China's EEZ, confirms the realist arguments that rising powers have expanding agendas, tend to redefine and assert their

⁴ Ronald O'Rourke, *Maritime Territorial and Exclusive Economic Zone (EEZ) Disputes Involving China: Issues for Congress* (Washington, DC: Congressional Research Service, 1 April 2016), p. 2.

⁵ Department of Defense, *Asia-Pacific Maritime Security Strategy: Achieving U.S. National Security Objectives in a Changing Environment* (Washington, DC: DoD, August 2015), p. 1.

⁶ Tatsushi Arai, Shihoko Goto, and Zheng Wang, eds., *Clashes of National Identities: China, Japan, and the East China Sea Territorial Dispute* (Washington, DC: The Woodrow Wilson International Center for Scholars, July 2013).

⁷ Xinhua, "China, Japan Sign Joint Statement on Promoting Strategic, Mutually Beneficial Relations," 7 May 2008.

⁸ Shannon Tiezzi, "A China-Japan Breakthrough: A Primer on Their 4 Point Consensus," *The Diplomat*, 7 November 2014; Zhu Feng, "De-escalating Territorial Conflict between China and Japan," *Asia Maritime Transparency Initiative*, Center for Strategic and International Studies, 5 February 2015, <http://amti.csis.org/de-escalating-territorial-conflict-between-china-and-japan/>

interests, and are in general disruptive and threatening to the existing international system.⁹ This has been evident since 2004, when then President Hu Jintao announced the new historic missions for the PLA, including modernisation programs increasingly focusing on maritime capabilities. The Chinese Communist Party's 18th Congress and China's 2015 Defence White Paper further reinforced this new direction. Among the goals to be obtained are the ability to protect SLOCs and control key chokepoints, naval power projection into the far seas such as the Indian Ocean, and A2/AD capabilities. Beijing is demonstrating that it will no longer be submissive to Washington in the maritime areas close to its territory and is determined to assert its control.¹⁰

Over the past two decades, significant developments have taken place in order to build the PLA Navy (PLAN) into a maritime force able to exercise control over its territorial waters and sea denial up to the second island chain, and to eventually be capable of projecting power to protect SLOCs and extend China's political and diplomatic influence. However, this remains a daunting task, and it will be decades before the PLAN can achieve what are now aspirational goals.¹¹ Indeed, while most analysts would readily dismiss the likelihood of any near-term direct military conflicts between China and the other claimant states, as most disputes so far have principally involved their coast guards or maritime enforcement agencies, there are growing concerns that the risk of escalation to military conflict is present and real. Recent developments, including China's installation of radar and surface-to-air missiles, and the landing of a military aircraft on its artificial islands, reinforce such concerns. In addition, growing Chinese assertiveness with regard to activities of foreign military ships operating within and/or near its EEZ, poses a serious challenge to long-held U.S. support for the principle of freedom of navigation, and particularly the U.S. view of what freedom of navigation entails, including its ability to conduct surveillance and intelligence-gathering, and could lead to serious confrontation.¹²

U.S. determination to retain its navigational rights and its ability to access East Asian markets and provide assistance to its allies has been and will continue to be challenged by China, which considers such posture as at least unwelcome and at most hostile. Increasingly, Beijing explains its actions—seen by the U.S. Navy as highly risky and unjustified—as based on UNCLOS definitions on coastal states' rights and jurisdiction over EEZs, and consequently the rightful restrictions on military activities of foreign vessels. Washington rejects such claims and interpretations. These differences have resulted in continued if not intensified U.S. challenges to Chinese sovereignty claims, in addition to routine U.S. intelligence-gathering flights and passages too close for comfort for China. PLA reactions at times pose significant risks to safety, and indeed some of the closer encounters

have resulted in tragic incidents. The existing bilateral confidence-building arrangements, such as the Maritime Military Consultative Agreement and the annual Defence Consultative Talks, have explored these, but have yet to establish clear rules of the road. This is due largely to the divergent views of China and the United States regarding the merits, the modality, and the sequence of establishing confidence-building measures (CBMs). For Washington, developing CBMs, especially where overlapping interests and maritime encounters are growing, is critical to managing potential disputes and preventing minor incidents from escalating to major confrontation. Beijing, on the other hand, continues to insist that strategic trust and intention must precede any specific CBMs, and specifically, is reluctant to grant the U.S. rights to military surveillance and intelligence-gathering close to China's territorial waters.¹³ This is gradually changing, though, as the two militaries have signed memorandums of understanding on avoiding incidents at sea and air in November 2014. PLAN participation in the 2014 RIMPAC exercises and Sino-U.S. bilateral joint military exercises on human assistance and disaster relief could further help build confidence between the two powers.

Indeed, given the stakes involved, it is never more imperative than now to seriously consider introducing new, and implementing existing, confidence-building measures. The first priority should be to develop crisis management protocols and basic rules of engagement between the parties, including DOC (Declaration on the Conduct of Parties in the South China Sea), before a Code of Conduct could be negotiated between China and ASEAN. This is especially important between China and Japan, the U.S. and China and, increasingly, between China and India. Implementing and strengthening existing rules of the road, such as Code for Unplanned Encounters at Sea (CUES),

⁹ John J. Mearsheimer, *The Tragedy of Great Power Politics* (New York: W.W. Norton, 2001).

¹⁰ James Mulvenon, "Chairman Hu and the PLA's 'New Historic Missions'," *China Leadership Monitor*, No. 27 (Winter 2009); Cortez A. Cooper, *The PLA Navy's "New Historic Missions"* (Santa Monica: RAND, June 2009); "Sea Power: Who Rules the Waves?" *The Economist*, October 17, 2015, pp. 56-58.

¹¹ Ronald O'Rourke, *China Naval Modernization: Implications for U.S. Navy Capabilities—Background and Issues for Congress* (Washington, DC: Congressional Research Service, 31 March 2016); Peter Layton, "Chinese Sea Power and Force Projection," *Defence Today*, July-September 2015, pp. 23-26.

¹² Leszek Buszynski, "The South China Sea: Oil, Maritime Claims, and U.S.-China Strategic Rivalry," *The Washington Quarterly* 35:2 (Spring 2012), pp. 139-156; Peter Dutton, "Introduction," in Dutton, ed., *Military Activities in the EEZ: A U.S.-China Dialogue on Security and International Law in the Maritime Commons* (New Port, RI: China Maritime Studies Institute, Naval War College, December 2010), pp. 1-13.

¹³ For a useful analysis of this issue, see Rory Medcalf and Raoul Heinrichs, with Justin Jones, *Crisis and Confidence: Major Powers and Maritime Security in Indo-Pacific Asia* (Sydney: Lowy Institute for International Policy, June 2011).

which was adopted at the 2014 Western Pacific Naval Symposium in Qingdao, China, would go a long way toward managing tensions in East Asian waters. However, the fact that CUES only applies to navies and its guidelines are voluntary leaves a big gap in managing maritime disputes, as these typically involve coast guards and fishermen. Clearly, either CUES should apply to a broader range of maritime operatives, or new measures should be negotiated and agreed to in order to safeguard maritime stability in the region. The U.S. could play an important role - given its interests in the region's continued peace, stability and prosperity, and its experiences in developing and implementing CBMs during the Cold War - in introducing similar measures to the region in both bilateral settings and through multilateral forums such as the ASEAN Regional Forum and the ASEAN Defence Ministers Meeting-Plus. Some of the other ideas that have been discussed include maritime hotlines and enhanced, shared maritime domain awareness, with the latter being an architecture or arrangement that promotes information-sharing and transparency on real-time air and sea activities in areas that could lead misunderstanding and therefore potential conflict.¹⁴

But most important of all, the U.S. must remain committed to engaging China, which will be both an emerging competitor and an important partner in the coming decades.

From the U.S. perspective, working with the Chinese military is an important component in its efforts to avoid conflicts at sea. These efforts include substantive dialogues and visits between senior military leaders, cooperation in areas of mutual interests, and practical measures to reduce and handle incidents and improve crisis management. These include annual defence consultative talks, the Military Maritime Consultative Agreement and, more recently, the MOU on Rules of Behaviour for Safety of Air and Maritime Encounters signed in 2014.¹⁵

¹⁴ Euan Graham, *Maritime Hotlines in East Asia*. Policy Brief (Singapore: S. Rajaratnam School of International Studies, May 2014); Van Jackson, et al., *Networked Transparency: Constructing a Common Operational Picture of the South China Sea* (Washington, DC: Center for a New American Security, March 2016).

¹⁵ DoD, *Asia-Pacific Maritime Security Strategy*, pp. 29-33.

Managing security tensions in the South China Sea: the role of ASEAN

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Indo-Pacific Maritime Security: Challenges & Cooperation

Managing security tensions in the South China Sea: the role of ASEAN

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This paper reviews current diplomatic and political efforts to manage security tensions in the South China Sea, with a focus on interactions between the Association of Southeast Asian Nations (ASEAN), China and the United States.

The central argument of this chapter is that ASEAN promotes its centrality in Southeast Asian security affairs primarily through dialogue and confidence-building measures (CBMs).

Accordingly, ASEAN as an organisation (as opposed to its individual members) will not take sides in the strategic rivalry between China and the United States in the South China Sea.

This paper is divided into four parts. Part 1 critically reviews three key terms used in discussions on maritime disputes and security tensions in the South China Sea. Part 2 provides an overview of options for managing tensions in the South China Sea. Part 3 considers proposed CBMs for managing tensions. Part 4 offers some conclusions.

1. Defining Key Terms

Three key terms are used by government officials and popularised in the media regarding tensions in the South China Sea: land reclamation, freedom of navigation and militarisation. These terms are not defined with precision and may serve to obfuscate the issues rather than clarify them. For example, ASEAN can sign joint statements separately with China and the United States that both support freedom of navigation; yet at the same time the U.S. charges China with interfering with freedom of navigation and China denies it is doing so.

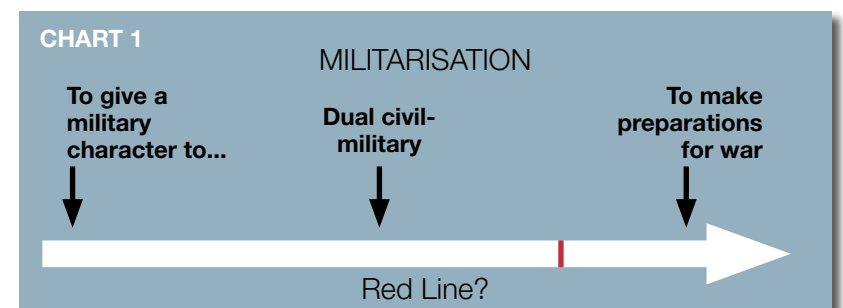
Land Reclamation. According to United States officials, in 2014-15 China's 'land reclamation' totalled twelve square kilometres.¹ The use of the term 'land reclamation' is misleading because none of the features occupied by China are islands.² Chinese-occupied features have not lost land due to erosion by wind or water.³ China is dredging sand from the seabed and gouging coral reefs to fill in low-tide elevations (features that are submerged at high tide) by pouring concrete over this mass to create artificial islands. The use of the term 'land reclamation' is misleading because it implies that China is recovering soil from islands that have been eroded. An island under international law is entitled to a twelve nautical mile

territorial sea and a 200 nautical mile exclusive economic zone (EEZ). Artificial islands are only entitled to a 500-meter safety zone and no air space.

Freedom of Navigation. The United States claims that it conducts freedom of navigation operational patrols (FONOP) to challenge excessive – and therefore illegal – claims to maritime space than is allowed by international law, including the United Nations Convention on the Law of the Sea (UNCLOS). The USS *Lassen*, for example, conducted a FONOP within twelve nautical miles of China's artificial island on Subi reef.⁴

China has not legally promulgated or declared an official baseline around any of its occupied features in the Spratly Islands, nor has China delineated a twelve nautical mile territorial sea around any of its artificial islands. China in fact claims an ambiguous 'military or security alert zone' around its artificial islands. U.S. FONOPs focus too narrowly on hypothetical legal entitlements that China itself has not claimed. U.S. FONOPs do not address the real issue in question: China's assertion of control over what it claims are its 'territorial waters' within its nine-dash line claim to the South China Sea.

Militarisation. In 2015 the United States began to accuse China of militarising the South China Sea through its construction of artificial islands that could serve as forward operating posts for military aircraft and ships. China responded by making three arguments.



¹ The other claimants to the South China Sea – Taiwan, Vietnam, Malaysia and the Philippines – 'reclaimed' a total of 0.87 square kilometres over the last four and a half decades. Admiral Harry Harris, Commander of the U.S. Pacific Command, quoted in 'China Accuses US of Militarizing South China Sea', Voice of America News, 30 July 2015. <http://www.voanews.com/content/china-accuses-us-of-militarizing-south-china-sea/2886799.html>.

² Under international law 'an island is a naturally formed area of land, surrounded by water, which is above water at high tide'. United Nations Convention on the Law of the Sea, Part VIII, Article 121(1); http://www.un.org/depts/los/convention_agreements/texts/unclos/unclos_e.pdf. All the features occupied by China are either low-tide elevations or rocks. Their status is currently the subject of Arbitral Tribunal proceedings brought by the Philippines against China. The construction of an artificial island does not alter its legal status as either a rock or low-tide elevation.

³ Carlyle Thayer, 'No, China is Not Reclaiming Land in the South China Sea', *The Diplomat*, 7 June 2015. <http://thediplomat.com/2015/06/no-china-is-not-reclaiming-land-in-the-south-china-sea/>

⁴ 'Document: SECDEF Carter Letter to McCain On South China Sea Freedom of Navigation Operation', reprinted in *USNI News*, January 5, 2016; <http://news.usni.org/2016/01/05/document-secdef-carter-letter-to-mccain-on-south-china-sea-freedom-of-navigation-operation>.

First, China will undertake 'some necessary defence measures' to protect its interests and these measures will be determined by the level of threat that China faces. China argues it has the right to self-defence.⁵ Second, China argued it was only doing what other claimants had done by putting military personnel on its features to protect the infrastructure that it had built, such as docks and airstrips.⁶ Third, China charged that the United States was militarising the South China Sea by overflights by military aircraft and by conducting patrols and exercises with naval warships.⁷

Neither China nor the United States has defined what they mean by militarisation. Militarisation, in the everyday use of the term, can mean, 'to give a military character to' some object or 'to make preparations for war'.⁸ Defining militarisation is not clear-cut; there are grey areas where certain types of equipment or even ships and aircraft could have a dual civil-military purpose.

Militarisation should be viewed as a spectrum of activities as illustrated in Chart 1 above. This spectrum could include the following:

- > stationing uniformed armed military personnel on features
- > building bunkers and defensive gun emplacements
- > constructing dual-use infrastructure such as docks, jetties, airstrips, radar and communications equipment
- > placing long-range radar, signals intelligence (SIGINT) and electronic warfare (ELINT) equipment on features
- > deploying armed coast guard vessels, paramilitary fishing trawlers or aerial reconnaissance aircraft armed with air-to-surface or anti-submarine missiles, self-propelled artillery, anti-aircraft missiles, surface-to-surface missiles, amphibious craft and forces, naval warships, cruise missiles, submarines, jet fighters and bombers.

Policy recommendation: There is a role for the ASEAN-Institute for Security and International Studies (ASEAN ISIS) network of think tanks, the Council on Security Cooperation in the Asia Pacific (CSCAP), the ASEAN Regional Forum Inter-session Meeting (ARF ISM) on Maritime Security, the ASEAN Defence Ministers Meeting-Plus (ADMM-Plus) Working Group on Maritime Security and other think tanks to hold seminars and conferences to work out a definition of militarisation and what particular aspects of militarisation would be destabilising (as illustrated by the red line in Chart 1).

One possible litmus test for destabilising activities may be found in the Declaration on Conduct of Parties in the South China Sea signed between the ten members of ASEAN and China in November 2002.⁹ Paragraph 5 reads: 'The Parties undertake to exercise self-restraint in the conduct of activities that would complicate or escalate disputes and affect peace and stability including, among others, refraining from action of inhabiting on the presently

uninhabited islands, reefs, shoals, cays, and other features and to handle their differences in a constructive manner.

2. Managing Tensions in the South China Sea

Tensions in the South China Sea are a product of the claims and actions by China and the littoral states, the Philippines and Vietnam. Over the past two years tensions have risen in the South China Sea particularly due to China's construction of infrastructure on its artificial islands in the Spratlys and an action-reaction cycle precipitated by U.S. FONOPs and China's response. These tensions can only be managed by the two countries concerned through bilateral dialogues, particularly military-to-military discussions.

At the time of writing, it was clear that another source of tension would emerge when the U.N Arbitral Tribunal made its determination on the Philippines' claims against China. China has refused to participate directly in the Arbitral Tribunals' proceedings and this year embarked on a campaign to denigrate the Arbitral Tribunal's legal standing.

According to international law, decisions by the Arbitral Tribunal are to be carried out immediately and are not subject to appeal. The Arbitral Tribunal has no powers of enforcement.

⁵ Xinhua, 'China's construction on South China Sea islands should not be mistaken for militarization: Vice FM', Xinhuanet.com, 22 November 2015, http://news.xinhuanet.com/english/2015-11/22/c_134842603.htm; Bill Geertz, 'War of words over South China Sea militarization heats up', *Asia Times*, 30 November 2015, <http://atimes.com/2015/11/war-of-words-over-south-china-sea-militarization-heats-up/>; Reuters, 'China Says South China Sea Militarization Depends on Threat', *Jakarta Globe*, 4 February 2016; <http://media.thejakartaglobe.com/international/china-says-south-china-sea-militarization-depends-threat/>; and Scott Murdoch, 'China rejects island missile claims', *The Australian*, 18 February 2016, <http://www.theaustralian.com.au/news/world/china-rejects-claim-of-antiaircraft-missiles-in-south-china-sea/news-story/7b8c14a6873b306b0411712fa0cb75f0>.

⁶ Matthew Lee and Eileen Ng, 'US, China bicker over territorial claims in South China Sea', *The Courier*, Associated Press, 5 August 2015, <http://www.northjersey.com/news/u-s-china-bicker-over-territorial-claims-in-south-china-sea-1.1386751> and Xinhua, 'China's construction on South China Sea islands should not be mistaken for militarization: Vice FM'.

⁷ 'China Accuses US of Militarizing South China Sea', *Voice of America News*, 30 July 2015, <http://www.voanews.com/content/china-accuses-us-of-militarizing-south-china-sea/2886799.html>; and Jim Sciutto, 'Behind the scenes: A secret Navy flight over China's military buildup', 26 May 2015, <http://edition.cnn.com/2015/05/26/politics/south-china-sea-navy-surveillance-plane-jim-sciutto/>.

⁸ *Merriam-Webster Dictionary*, <http://www.merriam-webster.com/dictionary/militarize> and *The Free Dictionary*, <http://www.thefreedictionary.com/militarization>.

⁹ Declaration on Conduct of Parties in the South China Sea, 4 November 2012; http://www.asean.org/?static_post=declaration-on-the-conduct-of-parties-in-the-south-china-sea-2.

What seems certain is that the decisions of the Arbitral Tribunal will be accepted by the Philippines – win, lose or draw. China will mount a shrill international propaganda campaign rejecting the competency of the Arbitral Tribunal to make decisions that go against China's interests.

The United States and other members of the international community will launch a political-diplomatic campaign to back the Tribunal's determination and pressure China to accept the Tribunal's findings. Tensions can be expected to rise as a consequence.

ASEAN, because it has argued for a peaceful resolution of maritime disputes on the basis of international law, including UNCLOS, will stick to its position that all disputes should be settled without the threat or use of force and on the basis of international law. ASEAN's centrality on this issue is important for regional peace and security because it is not in the interests of China or the United States to oppose a unified ASEAN. ASEAN members have reached consensus on the importance of ASEAN centrality in their declaratory policy statements. China advocates a dual-track approach in the settlement of territorial disputes. The first track consists of negotiations between the parties directly concerned, while the second track promotes China and ASEAN jointly managing security in the South China Sea. In practice, however, China has not been averse to playing on differences within ASEAN to block any initiative or policy that goes against its interests. Achieving ASEAN centrality is a difficult work-in-progress and this leads individual ASEAN members on occasion to work outside the ASEAN framework when they feel frustrated by ASEAN inaction.

Generally, ASEAN members are in agreement that it is not in their collective interests for maritime disputes in the South China Sea to become a proxy for strategic rivalry between China and the United States.

The United States and its allies and like-minded partners need to coordinate better multilateral diplomacy to provide increased support for maritime domain awareness and capacity-building for the maritime law enforcement agencies of the ASEAN claimant states. This should be a top priority in bilateral annual ministerial meetings as well as at similar trilateral and quadrilateral fora. At the same time, like-minded ASEAN dialogue partners (Australia, India, Japan, South Korea, New Zealand and the United States) will need to coordinate a political-diplomatic strategy to support ASEAN centrality in ASEAN-centric institutions such as the East Asia Summit where China attempts to restrict the agenda and exclude maritime security issues.

ASEAN has in place a number of mechanisms to manage its relations with China and other dialogue partners. For example, this year Singapore plays an important role as ASEAN's country-coordinator for relations with China.

ASEAN holds regular summit meetings with China and the United States. And ASEAN has a number of multilateral mechanisms to manage its relations with China, the United States and other major powers: ASEAN Regional Forum, ADMM-Plus, Expanded ASEAN and the East Asia Summit. Decision-making in each of these institutions is based on 'the ASEAN Way' of dialogue, inclusiveness, consensus, and at a pace comfortable to all. ASEAN, therefore, has not been successful in resolving security tensions in Southeast Asia involving outside powers.

It is instructive to compare the wording on the South China Sea in five statements: those issued following the 18th ASEAN and China Summit (21 November 2015), ASEAN and the United States 3rd Summit (21 November 2015) and the ASEAN-China Special Leaders' Summit at Sunnylands (15-16 February 2016), and statements emanating from the 10th East Asia Summit (22 November 2015), where both the U.S. and China were represented, and the most recent statement issued by the February 2016 ASEAN Foreign Ministers' Retreat in Vientiane (27 February 2016). These statements highlight the convergence on the principles of managing and settling disputes between ASEAN on the one hand and China and the United States on the other. Over the last two years, ASEAN has sharpened the wording on the South China Sea to indicate its frustration at the slow pace of implementing provisions of the Declaration on Conduct of Parties in the South China Sea and drafting the final text of the Code of Conduct in the South China Sea.

The Chairman's Statements issued following ASEAN's summit meetings with the China and the United States all agreed on: the importance of peace, security and stability in the region; freedom of navigation and overflight; implementation of the DOC and the early conclusion of a Code of Conduct; self-restraint; no threat or use of force; peaceful resolution of disputes; and international law, including UNCLOS.

The Chairman's Statement following the 18th ASEAN-China Summit (November 2015) included two issues not included in other joint statements – a reference to the importance of mutual trust and confidence (taken from the DOC) and 'friendly consultations and negotiations' (China's preferred term).¹⁰ In contrast, the Chairman's Statement following the 3rd ASEAN-U.S. Summit (November 2015) included only one issue not included in other statements – reference to the practices of the International Maritime Organization and the International Civil Aviation Organization.¹¹

¹⁰ Chairman's Statement of the 18th ASEAN-China Summit, Kuala Lumpur, 21 November 2015, http://www.miti.gov.my/miti/resources/Chairmans_Statement_of_the_18th_ASEAN-China_Summit.pdf.

¹¹ Chairman's Statement of the 3rd ASEAN-United States Summit, Kuala Lumpur, 21 November 2015; <http://www.asean.org/storage/2015/12/Final-Chairmans-Statement-of-3rd-ASEAN-US-Summit.pdf>.

These references reflect U.S. concerns about what it considers unsafe and unprofessional behaviour by Chinese military warships and aircraft operating in close proximity to U.S. military aircraft and ships.

The joint statement following the United States-ASEAN Summit in Sunnylands (February 2016), however, included six issues not included in previous ASEAN statements or with statements issued after ASEAN's previous summits with either China or the U.S. These issues included: maritime security and safety; full respect for legal and diplomatic processes; other lawful uses of the sea; unimpeded lawful maritime commerce; non-militarisation; and agreement to address common challenges in the maritime domain.¹² These issues reflect U.S. policy concerns, such as supporting the legal claims brought by the Philippines against China (full respect for legal and diplomatic processes), and they are also general enough that ASEAN can reflect its concerns without offending China.

ASEAN's most recent statement on the South China Sea was issued after the Foreign Ministers' Retreat held in Vientiane, Laos on 27 February 2016. This statement incorporated two issues adopted at the Sunnylands Summit: full respect for legal and diplomatic processes, and non-militarisation. The Foreign Ministers' Retreat also called for the 'expeditious establishment of the COC... and substantive development of the COC'. The incorporation of these issues demonstrated a convergence between ASEAN and the United States and ASEAN's frustration at the slow progress of confirming an agreement with China on the COC.

More significantly, the February 2016 ASEAN Foreign Ministers' Retreat sharpened the wording of previous ASEAN statements. For example, the statement issued after the 10th East Asia Summit in November 2015 declared:

*We took note of the serious concerns expressed by some leaders over recent and ongoing developments in the area, which have resulted in the erosion of trust and confidence amongst parties, and may undermine peace, security and stability in the region.*¹³

The statement issued after the February 2016 ASEAN Foreign Ministers' Retreat six weeks later sharpened this wording. Now the serious concerns of 'some leaders' became the concerns of all:

*Ministers remained seriously concerned over recent and ongoing developments and took note of the concerns expressed by some Ministers on the land reclamations and escalation of activities in the area, which have eroded trust and confidence, increased tensions and may undermine peace, security and stability in the region.*¹⁴

The statement issued after the ASEAN Foreign Ministers

Retreat reflected the most recent consensus by all ten ASEAN members that they collectively were seriously concerned about China's actions – without naming China.

This again demonstrated a sharpening of the language used by ASEAN arising from frustration over the slow pace of consultations with China on a DOC and COC.

3. Confidence-Building Measures

When ASEAN created the ASEAN Regional Forum in 1994-95, its first formal step to address regional defence and security issues, it adopted a Concept Paper based on three stages: confidence-building, preventive diplomacy, and conflict resolution (changed to elaboration of approaches to conflict). Later, ASEAN agreed that the confidence-building measures and preventive diplomacy states could proceed in tandem. In other words, the promotion of confidence-building measures became the *modus operandi* of ASEAN's approach to security issues. It was therefore not surprising that ASEAN and China included CBMs in their 2002 DOC:

*The Parties are committed to exploring ways for building trust and confidence in accordance with ... [the UN Charter, UNCLOS, ASEAN Treaty of Amity and Cooperation, Five Principles of Peaceful Coexistence, and other universally recognised principles of international law] and on the basis of equality and mutual respect...*¹⁵

In order to build trust and confidence, the DOC listed four measures: (a) holding dialogues and exchange of views as appropriate between their defence and military officials; (b) ensuring just and humane treatment of all persons who are either in danger or in distress; (c) notifying, on a voluntary basis, other Parties concerned of any impending joint/combined military exercise; and (d) exchanging, on a voluntary basis, relevant information. Not one of these trust and confidence-building measures has been invoked to address the source of current tensions in the South China Sea, such as the assertiveness of the China Coast Guard and China's construction of artificial islands. Several of these measures could be used to address current tensions.

¹² Joint Statement of the U.S.-ASEAN Special Leaders' Summit: Sunnylands Declaration, 15-16 February 2016, Office of the Press Secretary, The White House; <https://www.whitehouse.gov/the-press-office/2016/02/16/joint-statement-us-asean-special-leaders-summit-sunnylands-declaration>.

¹³ Chairman's Statement of the 10th East Asia Summit, Kuala Lumpur, 22 November 2015; <http://www.asean.org/storage/2015/12/Chairmans-Statement-of-the-10th-East-Asia-Summit-Final-25-Nov.pdf>.

¹⁴ Press Statement by the Chairman of the ASEAN Foreign Ministers Retreat, Vientiane, 27 February 2016; http://www.asean.org/storage/2016/02/Press-Statement-by-the-Chairman-of-the-ASEAN-Foreign-Ministers27-Retreat_ENG_FINAL-as-of-27.pdf.

¹⁵ Declaration on Conduct of Parties in the South China Sea (4 November 2002); http://www.asean.org/?static_post=declaration-on-the-conduct-of-parties-in-the-south-china-sea-2.

For example, defence and military dialogues (Point A) could discuss navigational safety measures when military aircraft and naval ships encounter each other in the South China Sea. In addition, the parties concerned could exchange information on current and planned construction activities on their features in the Spratlys under Point D.

The DOC also listed five cooperative activities that could be undertaken:

Pending a comprehensive and durable settlement of the disputes, the Parties concerned may explore or undertake cooperative activities. These may include the following:

- a. marine environmental protection;*
- b. marine scientific research;*
- c. safety of navigation and communication at sea;*
- d. search and rescue operation; and*
- e. combating transnational crime, including but not limited to trafficking in illicit drugs, piracy and armed robbery at sea, and illegal traffic in arms.*

In 2002, ASEAN and China agreed to work on the basis of consensus to implement the DOC. China insists that the DOC be implemented in full before a COC can be adopted. ASEAN and China have set up four joint working groups to discuss possible cooperative activities. To date not one of the trust and confidence-building measures included in the 2002 DOC has been implemented.

Policy recommendation: ASEAN and China, for example, could assess the impact of constructing artificial islands on the coral reefs and marine environment in the Spratly Islands (Points A and B). No joint working group has been set up to address the sensitive issue of 'safety of navigation and communication at sea' (Point C). Establishing this working group should be an ASEAN priority. Although China is wary of addressing this issue, it has repeatedly stated that the DOC must be implemented in its entirety before a COC can be adopted. China agreed to the voluntary adoption of the Code on Unexpected Encounters at Sea (CUES) by the Western Pacific Naval Symposium. The People's Liberation Army Navy has conducted CUES exercises with Indonesia. China has also reached agreement with the U.S. governing close encounters between their naval vessels and military aircraft. With some ASEAN diplomatic pressure, China may be more amenable to addressing 'safety of navigation and communication at sea.'

Since 2014, ASEAN has been pressing China to operationalize paragraph 5 of the DOC which states:

The Parties undertake to exercise self-restraint in the conduct of activities that would complicate or escalate disputes and affect peace and stability including, among others, refraining from action of inhabiting on the presently uninhabited islands, reefs, shoals, cays, and other features and to handle their differences in a constructive manner.

ASEAN has been trying to get China to agree on what other activities could be included in the phrase 'among others' requiring 'self-restraint in the conduct of activities that would complicate or escalate disputes and affect peace and stability...' One idea being discussed is for ASEAN and China to adopt the Code for Unplanned Encounters at Sea (CUES), adopted by the Western Pacific Naval Symposium, now that implementation of CUES is gradually expanding.¹⁷

It should be noted, however, that none of the above trust and confidence-building measures and cooperative activities directly address the issue of militarisation of the South China Sea and China-United States strategic rivalry.

Conclusion

Australia and other like-minded countries should redouble their efforts to support ASEAN centrality in managing tensions in the South China Sea by including this as the top agenda item at bilateral and multilateral meetings and coordinating their approach at meetings of ASEAN-centric multilateral institutions.

ASEAN centrality is important because it provides the normative and political basis for the involvement of outside powers in resolving security issues raised by the South China Sea dispute.

An ASEAN in disarray would exacerbate regional tensions, as major powers could play on differences to advance their respective interests. Given concern expressed by ASEAN ministers and their counterparts in Australia and the United States over the militarisation of the South China Sea, priority should be given to defining militarisation and identifying red lines that, if crossed, would be destabilising.

¹⁶ Carlyle A. Thayer, 'Navigating Uncharted Waters: Maritime Confidence Building Measures and the Expanded ASEAN Maritime Forum', Presentation to EAMF: Enhancing Regional Maritime Security, Freedom of Safety of Navigation through Practical Implementation of Confidence Building Measures as well as Regional Instruments to Prevent and Manage Incidents at Sea, 3rd ASEAN Expanded Maritime Forum, Furama Resort Hotel, Da Nang, Vietnam, 28 August 2014; <https://www.scribd.com/doc/238055326/Thayer-Navigating-Uncharted-Waters-Proposals-to-the-3rd-Expanded-ASEAN-Maritime-Forum> and Carlyle A. Thayer, 'Review of the Implementation of the 2002 ASEAN-China DOC and COC and Challenges', Presentation to Seminar-Workshop on the Implementation of the 2002 ASEAN-China Declaration on the Conduct of Parties in the South China Sea (DOC-SCS), ASEAN-China Joint Working Group on the Implementation of the DOC, hosted by the Department of Foreign Affairs, Republic of the Philippines, Manila, 14-15 May 2015; <https://www.scribd.com/doc/269144849/Thayer-Implementation-ASEAN-China-Declaration-on-Conduct-of-Parties-in-the-South-China-Sea>.

¹⁷ 'Code for Unplanned Encounters at Sea, Version 1.0,' in 'Document: Conduct for Unplanned Encounters at Sea', *USI News*, 17 June 2014; <http://news.usni.org/2014/06/17/document-conduct-unplanned-encounters-sea/>

It is recommended that the ASEAN ISIS network, CSCAP, other think tanks, the ARF ISM on Maritime Security and the ADMM-Plus Working Group on Maritime Security could all be involved in defining militarisation and make policy recommendations.

It is further recommended that ASEAN's like-minded dialogue partners coordinate their diplomacy and urge all claimants to be transparent in their activities.

Transparency measures could include annual reports on construction and other activities carried out on occupied features in the Spratly islands. The DOC's call for 'self-restraint' should be used as the litmus test to evaluate whether a particular activity has contributed to complicating or escalating disputes thereby affecting peace and security in the South China Sea.

Australia, ASEAN members and other like-minded states should lobby China and the United States to manage their military-to-military encounters in the South China Sea with a view to dampening if not curtailing the current action-reaction cycle caused by China's construction of artificial islands, U.S. FONOPs and China's responses to these patrols.

Australia, ASEAN and other like-minded states should prepare to mobilize the international community to support the Arbitral Tribunal when it hands down its findings. China, in particular, should be pressed to respect international law and to bring its ambit claims to the South China Sea in conformity with international law, including UNCLOS.

Finally, Australia and all other like-minded states need to coordinate their international diplomatic activities to maintain the status quo in the South China Sea by clearly identifying red lines in militarising the Spratly Islands that should not be crossed. Australia, for example, could identify weapon systems and platforms that would be destabilising, such as anti-ship cruise missiles, deploying aerial reconnaissance aircraft armed with anti-surface or anti-submarine missiles, stationing marine forces with amphibious ships, and the permanent stationing of air superiority jet fighters, bombers and submarines.

Managing security tensions in the East China Sea and the South China Sea: a legal perspective

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Indo-Pacific Maritime Security: Challenges & Cooperation

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At the heart of the security tensions in the East China Sea and the South China Sea lies several territorial disputes over many different maritime features that spread across the region. The jurisprudence of international law is, at least partly, fuelling tensions rather than helping contain them, with the central requirement of ‘effective and peaceful display of sovereignty’ to make a superior claim for a title to the territory in dispute,¹ as well as the risk that the absence of effective reaction can be regarded as acquiescence.² In addition, the entitlement to the ‘sovereign rights’ and jurisdiction within extended maritime zones created under the law of the sea – namely, the exclusive economic zones and the continental shelf – has considerably increased the political and economic significance of remote, small islands and other maritime features.³

The highly political nature of the territorial dispute – often involving strong national sentiment attached to those islands and other maritime features in dispute, as well as the political and economic interests associated with them – means that it is not easily amenable to political or diplomatic settlement.

The recourse to third-party adjudication is often the only way to peacefully settle any territorial dispute, which will then open the possibility of diplomatic negotiations for maritime boundary delimitation.

The key to the management and ultimate resolution of these disputes, therefore, is: (1) to create de-politicised space where specific aspects of the dispute can be managed or resolved; and (2) to reduce political incentives to engage in destabilising conduct; and (3) to generate political incentives among the parties involved to move towards third-party adjudication of the dispute.

Creating de-politicised space for managing the dispute

One of the root causes of the disputes in the East China Sea and the South China Sea is the geographical indeterminacy in the renunciation of territorial title and claim made by Japan under the 1951 San Francisco Peace Treaty.⁴ In the East China Sea, Japan renounced its claims to Formosa (Taiwan) and the Pescadores,⁵ while placing the Nansei Shoto Islands under the United States’

administrative authority,⁶ without specific reference to the Diaoyu/Senkaku Islands in either of these provisions. In the South China Sea, Japan renounced ‘all right, title and claim to the Spratly Islands and to the Paracel Islands’,⁷ but without specifically identifying individual islands that were capable of appropriation (and hence the title to which was renounced) or the legal effect of the renunciation for territorial claims (i.e., whether the renunciation turned the islands into *terra nullius* open to territorial acquisition *de novo*). If a feature was not capable of appropriation under international law, Japan would have had no title or claim to renounce in the first place.

These are technical questions concerning the juridical fact that can be addressed separately to the highly political question of territorial title. The upcoming tribunal decision under the Annex VII arbitral proceedings initiated by the Philippines against the People’s Republic of China (PRC) in 2013 could shed light on some of the juridical fact questions in the South China Sea, especially with respect to the ability of certain maritime features to generate maritime zones under the Law of the Sea.⁸ The outcome may also encourage other disputing parties to initiate similar proceedings against the PRC or to reach an agreement among themselves to settle technical questions through third-party adjudication.

Given that these uncertainties stem from the indeterminacy in the language of the 1951 San Francisco Peace Treaty, original signatory parties to the treaty – in this case, Vietnam and the Philippines – can also refer those technical

¹ See, eg, *Territorial and Maritime Dispute Between Nicaragua and Honduras in the Caribbean Sea (Nicaragua v Honduras)* [2007] ICJ Rep 659, 704-722 paras 146-208; *The Frontier Dispute (Benin v Niger)* [2005] ICJ Rep 90, 127 paras 75-77; *Land, Island and Maritime Frontier Disputes (El Salvador v Honduras; Nicaragua intervening)* [1992] ICJ Rep 351, 557-579 paras 331-368; *Legal Status of Eastern Greenland (Denmark v Norway)* [1933] PCIJ (Ser A/B) No 53, 45-46; *Island of Palmas Case (The Netherlands v USA)* [1928] II Reports of International Arbitral Awards 831, 839.

² See, eg, *Sovereignty over Pedra Branca/Pulau Batu Puteh, Middle Rocks and South Ledge (Malaysia v Singapore)* [2008] ICJ Rep 12, 121.

³ See, Hitoshi Nasu and Donald R Rothwell, ‘Re-Evaluating the Role of International Law in Territorial and Maritime Disputes in East Asia’ (2014) 4 *Asian Journal of International Law* 55, 71-73.

⁴ *Treaty of Peace with Japan*, signed 8 September 1951, 136 UNTS 45 (entered into force 28 April 1952).

⁵ *Ibid*, Art 2(b).

⁶ *Ibid*, Art 3.

⁷ *Ibid*, Art 2(f).

⁸ Donald R Rothwell, ‘The 1982 UN Convention on the Law of the Sea and Its Relevance to Maritime Disputes in the South China Sea’ in Leszek Buszynski and Christopher Roberts (eds), *The South China Sea and Australia’s Regional Security Environment* (National Security College Occasional Paper No 5, 2013) 13, 17.

questions unilaterally to the International Court of Justice (ICJ) in accordance with Article 22 of the Peace Treaty.⁹

Even though the PRC is not an original signatory party to the treaty, the ICJ's ruling would provide an objective, authoritative determination of juridical facts concerning the status of the relevant features under general international law. Of particular significance is whether the maritime features in dispute are capable of appropriation, given that a large number of them in the South China Sea are low-tide elevations.

The jurisprudence of international law largely, but not conclusively, indicates that low-tide elevations are not subject to territorial acquisition.¹⁰

The focus on technicality in the clarification of certain juridical facts under general international law may then create foundations or opportunities to prompt the disputing parties to adjust their approach to the territorial and maritime disputes.

Critical to this technical clarification is an evidential issue with respect to the original state of all the different maritime features, particularly due to the land reclamation activities and climate change-induced sea-level rising. The Association of Southeast Asian Nations (ASEAN) could coordinate, on its own initiative or through the ASEAN Regional Forum, an independent, comprehensive survey to catalogue the natural state of land and maritime features in the region.

Reducing political incentives to engage in destabilising conduct

Regional states have been negotiating for more than a decade to adopt a legally binding code of conduct in the hope that it will somehow reduce the tensions in the South China Sea.¹¹ However, the disputing parties have already committed themselves to the exercise of self-restraint in the conduct of activities that would complicate or escalate disputes and affect peace and stability in the 2002 Declaration on the Conduct of the Parties in the South China Sea. The Declaration essentially reaffirms existing rules of international law regarding the threat or use of force and peaceful settlement.¹² It is therefore dubious if a legally binding code of conduct will help in reducing political incentives to engage in destabilising conduct, which could ultimately lead to an 'inadvertent war'.¹³

On the other hand, the new Code for Unplanned Encounters at Sea (CUES), adopted at the 14th Western Pacific Naval Symposium held in Qingdao in April 2014, has a greater potential to set parameters for hostile confrontation in a de-politicised manner. A new set of rules of behaviour for so-called 'unplanned' encounters may best serve the purpose of reducing political incentives to engage in destabilising conduct if it provides a clear understanding of what is considered as hostile behaviour

that will be met with forcible action in self-defence, instead of attempting to prevent a hostile encounter or an escalation of the conflict by merely reaffirming the existing legal obligations (or worse, watering them down as aspirational goals).¹⁴ CUES, in its current form, fails to provide this clear understanding of what would be considered as hostile behaviour and legitimate action against such behaviour, although it provides a list of actions that 'could be misinterpreted'.¹⁵ The disputing parties will continue to find political or strategic incentives to engage in brinkmanship through small-scale use of force as long as there remains room to exploit uncertainty in terms of how the opponent could react to it.

The situation surrounding the Senkaku/Diaoyu Islands is somewhat different to that in the South China Sea: the dispute is between two (or three if Taiwan is to be included as an independent entity) large economies with advanced defence capabilities; and there is a credible deterrence mechanism based on the US-Japan Security Treaty,¹⁶ reducing the prospect of an 'inadvertent war'.

⁹ It reads: 'If in the opinion of any Party to the present Treaty there has arisen a dispute concerning the interpretation or execution of the Treaty, which is not settled by reference to a special claims tribunal or by other agreed means, the dispute shall, at the request of any party thereto, be referred for decision to the International Court of Justice'.

¹⁰ See, eg, *Territorial and Maritime Dispute (Nicaragua v Colombia)* [2012] ICJ Rep 624, 641 para 26 (stating that 'low-tide elevations cannot be appropriated'); cf *Maritime Delimitation and Territorial Questions between Qatar and Bahrain (Qatar v Bahrain) (Merits)* [2001] ICJ Rep 40, 101-102 paras 204-205.

¹¹ Declaration on the Conduct of Parties in the South China Sea, adopted 4 November 2002, para 5, available at http://www.asean.org/?static_post=declaration-on-the-conduct-of-parties-in-the-south-china-sea-2.

¹² See, eg, *Charter of the United Nations*, opened for signature 26 June 1945, 1 UNTS xvi (entered into force 24 October 1945) Arts 2(3) and 2(4).

¹³ See, Rob McLaughlin and Hitoshi Nasu, 'The Law's Potential to Break – Rather than Entrench – the South China Sea Deadlock' (2016) *Journal of Conflict & Security Law* forthcoming.

¹⁴ See criticisms against the rules of behaviour concluded between the US and the PRC in September 2015 for safety of air-to-air encounters of military aircraft in James Kraska and Raul 'Pete' Pedrozo, 'The US-China Arrangements for Air-to-Air Encounters Weakens International Law', *Lawfare* (9 March 2016), available at <https://www.lawfareblog.com/us-china-arrangement-air-air-encounters-weakens-international-law>.

¹⁵ Code for Unplanned Encounters at Sea, adopted 22 April 2014, s 2.8, available at <https://news.usni.org/2014/06/17/document-conduct-unplanned-encounters-sea>.

¹⁶ *Treaty of Mutual Cooperation and Security between Japan and the United States of America*, signed 19 January 1960, 11 UST 1632.

evertheless, there is room in which the gap in the existing legal regime can be exploited for gaining strategic and tactical advantages in premeditated attempts to seize the control of the disputed islands. This threat is officially acknowledged in Japan as ‘grey zone’ situations, meaning ‘confrontations over territory, sovereignty and economic interests that are not to escalate into wars’.¹⁷

The Chinese concepts of ‘people’s war’ and ‘unrestricted warfare’ provide the philosophical foundation for ‘hybrid warfare’ using fishing vessels as maritime militia to advance China’s strategic interests in territorial and maritime claims, without the risk of open conflict.¹⁸ The ambiguous degree of the Chinese government’s involvement and the low intensity of the militia’s activities restrict the legal options available to justify Japan’s forcible response. This is because such attacks may not reach the gravity threshold required for an ‘armed attack’ as the basis for exercising the right of national self-defence under international law,¹⁹ while the minimum use of force in law enforcement may not be adequate in responding to the incoming threat. These ‘grey zone’ situations could also pose challenges to the applicability of the law of armed conflict, for example, to the targeting of fishing vessels and the legal status of captives – whether they are entitled to prisoner-of-war status, especially when any of the Japanese Self-Defense Force (SDF) personnel is captured during the maritime policing operation and falls into the hands of a foreign power.

There is not much Japan can do to rectify this situation, given that it is the legal requirements developed through the jurisprudence of international law themselves that have created this legal ‘grey zone’ that can be exploited, while restricting the legal options available to the responding state in dealing adequately with low-intensity threats. In some circumstances, the minimum use of force in law enforcement authorised by the domestic law may not be adequate. While the enactment of the new security legislation in September 2015 is encouraging,²⁰ it does not specifically address ‘grey zone’ situations, leaving a potentially critical gap within the framework of Japanese national security legislation. Japan may need to revisit the legislative framework for the SDF’s operation in ‘grey zone’ situations and make necessary changes so as to allow the SDF to take rigorous action proportionate to the degree of threat that confronts them.

Generating political incentives towards a third-party adjudication of the dispute

There should be no illusion that the territorial dispute will somehow dissipate or can be ‘shelved’ if the relevant parties can come to an agreement to work together for the joint development of resources in the disputed area. First of all, the PRC’s proposals for joint development have been viewed with scepticism as an attempt to secure a larger share of the resources from the continental shelf of neighbouring countries.²¹ Second, the joint development

of resources will not, on its own, produce the anticipated effect of ‘shelving’ the dispute while the underlying national security concerns, due to the strategic significance of the area, remain unaddressed. Third, even if the dispute were to be ‘shelved’ when the political relationship is stable, the issue will keep resurfacing every time the political tension intensifies between the disputing parties.

In any event, the option of ‘shelving’ the dispute is unlikely to garner political support any time soon, at least between Japan and the PRC, given how badly it ended recently. The dispute is now ‘unshelved’, with Japan blaming the PRC for the surge in Chinese vessels entering the disputed area, while the latter accused Japan for its nationalisation of the disputed islands in 2012.²²

While the two parties may develop a *modus operandi* to manage the hostile encounters through a series of confrontations, the political incentives to move towards a settlement of the dispute must be found elsewhere.

It is important to acknowledge that the security tensions in the region are multifaceted, involving several different issues such as security threats posed by naval activities, the management of fishing, environmental degradation and mineral resources, as well as the territorial dispute of political and strategic significance. The disputing parties may easily find themselves deadlocked over a particular issue with irreconcilable interests – for example, the territorial claim over a particular island. However, an opportunity may open itself up when multifaceted issues are negotiated at the same time, for example, with a view to developing a special legal regime in the South China Sea that accommodates competing interests in a range of different issues as a regional ‘package deal’.

¹⁷ Ministry of Defense, Defense of Japan 2014 (2014) 2; National Defense Program Guidelines for FY 2014 and Beyond (17 December 2013) 1, available at http://www.mod.go.jp/j/approach/agenda/guideline/2014/pdf/20131217_e2.pdf; National Defense Program Guidelines for FY 2011 and Beyond (17 December 2010) 3, available at http://www.tr.emb-japan.go.jp/T_06/files/National_Defense_Program_FY2011.PDF.

¹⁸ James Kraska and Michael Monti, ‘The Law of Naval Warfare and China’s Maritime Militia’ (2015) 91 *International Law Studies* 450, 451-457.

¹⁹ *Military and Paramilitary Activities in and against Nicaragua (Nicaragua v USA) (Merits)* [1986] ICJ Rep 14, 101 para 191 and 127 para 249.

²⁰ *Law for Partial Amendments to the Self-Defence Forces Law and other Existing Laws for Ensuring Peace and Security of Japan and the International Community*, Law No 76 of 2015; *Law concerning Japan’s Cooperation and Support Activities for Foreign Military Forces and other Personnel in Situations that the International Community is Collectively Addressing for Peace and Security*, Law No 77 of 2015.

²¹ See, eg, Nguyen Hong Thao and Ramses Amer, ‘A New Legal Arrangement for the South China Sea?’ (2009) 40 *Ocean Development & International Law* 333, 342.

²² Shannon Tiezzi, ‘China and Japan’s Abandoned Senkaku/Diaoyu Agreement’, *The Diplomat* (6 January 2015), available at <http://thediplomat.com/2015/01/china-and-japans-abandoned-senkakudiaoyu-agreement/>.

This may mean that the United States needs to compromise its diplomatic position that, while it does not take sides on any competing territorial claims, it opposes any effort to restrict overflight or freedom of navigation.²³

The principles and rules of international law as codified in the Law of the Sea Convention provide the foundational legal framework in which competing maritime interests are to be reconciled for a peaceful settlement of the disputes.

Indeed, Article 123 of the Law of the Sea Convention requires the states bordering an enclosed or semi-enclosed sea – such as the South China Sea – to cooperate with each other in the exercise of their rights and duties under the Convention over the whole range of issues. However, how relevant rules are to be interpreted and applied is open to further development. Within this legal framework, therefore, the parties involved in the dispute and other interested parties could, if they wished, develop a special legal regime in the South China Sea consistent with the Convention in a way that accommodates the underlying national security concerns of each disputing party in light of the peculiar geopolitical circumstances surrounding the area. Confucius' teaching indeed tells us: 'he who wishes to secure the good of others has already secured his own'.

²³ Most prominently, for discussion concerning the right to conduct military activities in the exclusive economic zone of a foreign country, see, eg, Raul (Pete) Pedrozo, 'Preserving Navigational Rights and Freedoms: The Right to Conduct Military Activities in China's Exclusive Economic Zone' (2010) 9 *Chinese Journal of International Law* 9; Haiwen Zhang, 'Is It Safeguarding the Freedom of Navigation or Maritime Hegemony of the United States? – Comments on Raul (Pete) Pedrozo's Article on Military Activities in the EEZ' (2010) 9 *Chinese Journal of International Law* 31.

²⁴ *United Nations Convention on the Law of the Sea*, opened for signature 10 December 1982, 1833 UNTS 397 (entered into force 1 November 1994) Art 123.



The limits to maritime security collaboration in the Indo-Pacific region

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Indo-Pacific Maritime Security: Challenges & Cooperation

The limits to maritime security collaboration in the Indo-Pacific region

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This paper takes a somewhat negative approach to the goal of building collaboration to address transnational maritime security issues in the Indo-Pacific. It does not make the case that seeking improvements in cooperation is unreasonable, unworkable or simply not worthwhile¹ – only that there exist sound reasons why strict limits to maritime security cooperation pertain in many circumstances. Some of those reasons may be due to temporary contexts, such as short-term political factors. Others may relate to problems inherent in the particular issue in question, and yet others may be deeply structural and, indeed, intractable. My argument therefore is structured in the following way. First, it addresses the intractable, underlying problems that make progress in maritime security cooperation so difficult. Second, it briefly addresses certain transnational maritime security issues, explaining why cooperation to deal with some threats is much easier than for others.

Structural limits

The following sections deal in detail with what I term structural constraints to better maritime security collaboration in the Indo-Pacific area. These structural limitations involve three interrelated factors: geography, coastal state concerns with control over waters under their jurisdiction, and political and strategic contexts. The problems are ‘structural’ in that they either are inherent and insurmountable, or of an intractable nature, making resolution unlikely, if not necessarily inconceivable. Indeed, these types of framing difficulties for the regional maritime security environment have been described in terms of the ‘wicked problem’ descriptor.²

Geography

Physical geography can create potential political headaches in different parts of the Indo-Pacific, particularly once political and legal frameworks are laid atop physical features. However, physical characteristics can of themselves create difficulties. This is generally the case with East Asia, but particularly so with respect to archipelagic Southeast Asia. In East Asia, the island chains that lie adjacent to the Asian mainland and semi-enclose the string of connected seas from the Sea of Okhotsk in the northeast, through to the Andaman Sea on the south-

western, Indian Ocean, side of peninsular Southeast Asia, create inherent complications for assuring maritime safety and security. The fact that these semi-enclosed seas are shared by numerous adjacent or nearby states, are used by many others, and involve valuable marine resources, actual or assumed, greatly complicates the practice of maritime security. A similar problem afflicts the Persian Gulf, for example, where several states must share one enclosed sea space with a single narrow entry/exit point: the straits of Hormuz.

The geographical context of archipelagic Southeast Asia, consisting as it does of many thousands of islands, necessarily makes attempts at securing good order at sea a daunting task for authorities at the best of times. The sheer extent of the eastern archipelago and the large number of its islands makes it the most complex maritime geography on the planet, and thus extremely difficult to surveil and police. For the same reasons, the area is a natural haven for criminals, terrorists, and other sea users who behave contrary to the interests of good order at sea. It would be incorrect to state that the area is ungoverned, and certainly it would be unsound to suggest that the waters of the eastern archipelago are ungovernable; yet it must be recognized that good order is devilishly difficult to impose within this overarching constraint of such complex maritime geography.

Once political factors are added to physical geography, the prospects for maritime security collaboration often are made considerably worse. The competitive, sometimes acquisitive, nature of state behaviour, which invariably stresses the pursuit of the ‘national interest,’ conditions the international politics of the seas and oceans just as it does for terrestrial matters, and increasingly also for the environments of international airspace, outer space and cyberspace. One of the most politically daunting challenges to manage if states are to better cooperate at sea is that of disputed claims to maritime territory, from significant islands to tiny, often physically trivial, rocks and atolls, many of which may remain under water at high tide. The Indo-Pacific is replete with maritime territorial disputes, from the Persian Gulf to the mid-Indian Ocean Chagos archipelago, to the Southwest Pacific.

However, in respect to maritime territorial disputes it is East Asia which again dominates matters in the Indo-Pacific.

¹ The author, in fact, has long been involved with organizing and delivering regional maritime security cooperation and capacity-building programmes for different agencies of the Australian government, and understands both the potential and actual value of such collaborative activities.

² See Sam Bateman, “Solving the ‘Wicked Problems’ of Maritime Security: Are Regional Forums up to the Task?” *Contemporary Southeast Asia* Vol. 33, No. 1 (2011), pp. 1-28.

The overlay of politics upon physical geography has created many of the world's most intractable island disputes, the foremost of which is the mainland Chinese claim to the self-governing island of Taiwan. Taiwan is unique among island disputes in that it involves a heavily populated, successful and prosperous de facto independent state. Most other territorial disputes in maritime East Asia instead involve either very small islands or rocky features that remain unoccupied, or similar features that are minimally garrisoned by the security forces of one of the claimant states. The most noteworthy of these disputes include the southern Kuriles/Northern Territories (Russia-Japan); Tokdo/Takeshima (South Korea-Japan); the Senkakus/Diaoyutai (Japan-Taiwan-China); the Pratas Islands (Taiwan-China); the Paracels (China-Vietnam-Taiwan); Scarborough Shoal (China-Philippines-Taiwan); and the Spratly archipelago (China-Vietnam-Taiwan-Philippines-Malaysia-Brunei). In each case the dominant or controlling claimant has been listed first. The identification of a dominant claimant (i.e. the claimant with physical control of relevant features) has been rather more contestable in the case of the infamous Spratly disputes in the South China Sea, but Beijing's assertions, expansion, including island construction, and militarisation throughout the archipelago in recent years make it clearer than ever that China seeks a form of regional control. Indeed, China's actions throughout East Asian seas have made it both more important and, at the same time, often more difficult, to engage Beijing in many aspects of maritime security collaboration.

Regional geography in East Asia also greatly complicates coastal state jurisdiction over adjacent sea areas. These are rights under international law generated by sovereignty over land features. This involves overlaying the legal framework of the United Nations Convention on the Law of the Sea (Law of the Sea Convention or UNCLOS) upon the political and physical aspects of the region's maritime geography. Even leaving aside the further complicating impact of territorial disputes upon maritime jurisdiction, the basic political geography of East Asia has dealt regional states a difficult hand to play in claiming jurisdiction. The 'narrow seas' character of the region's semi-enclosed seas means that its coastal states will more often than not have to compromise with their neighbours in order to determine jurisdiction over adjacent waters. For example, at no point does the East China Sea exceed 400 nautical miles in breadth. Yet, as China and Japan both claim the maximum allowable exclusive economic zone (EEZ) of 200 nautical miles as measured from their territorial sea baselines, their claims unavoidably overlap. Such jurisdictional disputes are rendered even more delicate when territorial disputes are factored into maritime jurisdictional claims. In this way, East China Sea claims are impacted by the effect that Taiwan, with its highly emotive disputed status, and the disputed Senkaku Islands, also impose upon jurisdictional claims.

Similarly complicated, if perhaps not so inherently dangerous, maritime jurisdictional disputes exist elsewhere in East Asia, placing further constraints upon prospects for improved maritime security collaboration. The potential for already fraught maritime jurisdictional claims in the South China Sea to be negatively affected by more-expansive claims derived from disputed territories is a spectre that haunts the prospects for successful maritime delimitation in the area. Currently, the extent of maritime jurisdictional claims generated by occupied or claimed territorial features under dispute remains uncertain and contested, both with respect to interpretations of international law and individual claimant state positions. Collaboration at sea is made inherently difficult if jurisdiction is disputed or uncertain, or if boundaries remain undelimited.

Coastal state control

In addition to the problem of disputed sovereignty over maritime territory, many coastal states in the Indo-Pacific region continue to assert rights over adjacent waters that can be deemed to significantly exceed the potential rights to jurisdiction granted by the Law of the Sea Convention.³ This phenomenon has commonly been termed one of 'creeping' coastal state jurisdiction, and is particularly common among geopolitically dissatisfied states such as China, and many developing states. The problem of excessive claims to maritime jurisdiction is a global one, but the complex maritime geography of East Asia, in particular, as outlined above, makes the problem more acute in East Asian waters. The problem to some extent reflects the preoccupation of some developing states with a post-colonial maximalist view of sovereignty assertion. Such assertions at sea may reflect a lack of confidence in their capacity to actually protect existing maritime rights. This may be a particular concern for archipelagic states such as Indonesia and the Philippines, and fellow straits state Malaysia. Concerns, probably unfounded, over sovereignty erosion, is a leading reason why neither Indonesia nor Malaysia have become parties to the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP). Nevertheless, such states can understandably feel particularly vulnerable to a range of threats due to the high volume of maritime traffic plying waters under their sovereignty and employing passage rights such as transit passage in straits used for international navigation,⁴ archipelagic sea lanes passage in archipelagic waters,⁵ or innocent passage in the territorial sea.⁶

³ For the standard, albeit American, view on the extent of this problem, see J. Ashley Roach and Robert W. Smith, *Excessive Maritime Claims*, 3rd ed. (Leiden: Martinus Nijhoff, 2012).

⁴ *United Nations Convention on the Law of the Sea*, 1982 (hereafter "UNCLOS"), arts. 37-44.

⁵ *Ibid.*, arts. 53-54.

⁶ *Ibid.*, arts. 17-26.

They also may simply be attempting to push for rights long hoped for but unmet during UNCLOS negotiations. There may be a view among some states that, if they continue to assert such coveted rights and are unchallenged by other states, over time such rights may become accepted state practice and part of customary international law. Yet other states may simply be chancing their luck to see what they can get away with.

It is possible that, over time, some states may be less inclined to make such assertions as their maritime capabilities grow, although the opposite trend has been apparent in China's case. Further, the attitudes of some states with respect to sovereignty assertion is particularly heavily ingrained. Indonesia is a clear case in point. It is not at all certain whether any amount of local capacity improvement or confidence-building could change attitudes that are intimately linked to Indonesia's archipelagic conception of national unity.⁷

It seems clear that China also seems to be pursuing a maximalist agenda at sea with its territorial and jurisdictional claims, and its ambition to be able to exert control over adjacent seas within, at a minimum, the so-called first island chain.⁸ In China's case, while Beijing may well believe in the righteousness of its claims, its rather more ambitious quest for regional control reflects its broader strategic and geopolitical goals for East Asia.

The law of the sea, as with international law in general, is a slowly evolving beast. Since the Law of the Sea Convention was agreed in 1982, numerous post-UNCLOS international legal instruments have been negotiated, such as the UN Fish Stocks Agreement of 1995, and the development of new environmental, safety and security regulations for shipping under the auspices of the International Maritime Organization. Many of these instruments further develop or modify aspects of the Law of the Sea Convention, including slowly regulating certain activities on the high seas.⁹ The basic principles of maritime jurisdiction based on specific UNCLOS zones, however, remain essentially unchanged. The Law of the Sea Convention took literally decades to negotiate, involving three international conferences and inevitable compromises between Third World coastal states, which desired ever-greater rights, and maritime powers and user states, which preferred to maintain many traditional freedoms. The resulting compromise established a delicate balance. That balance, and thus the Convention itself, is potentially placed at risk by the raft of excessive claims now being exerted in Asia.

The disputes that increasingly occur between coastal states claiming greater control over adjacent waters, and maritime powers seeking to sustain hard-won freedoms, are often referred to as a problem of 'interpretation' of the Law of the Sea Convention generated by its alleged ambiguity. The most contentious aspect in the Indo-Pacific relates to military operations in the exclusive economic zone.¹⁰ While there is intentional ambiguity in many

parts of the Convention, a consequence of the difficult negotiation process, this issue can also be exaggerated. The problem of differing 'interpretations' in the context of military operations in the EEZ is simply a euphemism for a more fundamental difficulty. The problem, rather, is one that is better characterised as that of certain states wilfully choosing to misinterpret the Convention simply because they don't like the implications of specific provisions. State parties to the Law of the Sea Convention, however, are unable to pick and choose which pieces of the Convention they wish to adhere to: it is a single, complete document, with interrelated provisions that can only be treated in their entirety.

In fact, the UNCLOS provisions are relatively clear. There are no conceivable grounds by which a coastal state can interfere with the military operations of other states in its exclusive economic zone unless such activities undermine the very specific rights of UNCLOS Part V on the EEZ: that is, rights directly related to exploration and exploitation of marine resources, other economic uses of the zone, establishment or use of artificial islands and installations, marine scientific research, or protection and preservation of the marine environment.¹¹ Otherwise, all the high seas freedoms of "navigation and overflight and the laying of submarine cables and pipelines, and other internationally lawful uses of the sea related to these freedoms, such as those associated with the operation of ships, aircraft and submarine cables and pipelines ..." apply also in the exclusive economic zone.¹² Other high seas provisions (articles 88-115) also apply in the EEZ.¹³ Much is often made of the provision that, in exercising their EEZ rights, states "shall have due regard to the rights of the coastal State."¹⁴ But those making that point commonly avoid noting that this duty is reciprocal: the UNCLOS also provides that "... the coastal State shall have due regard to the rights and duties of other States ..." in the EEZ.¹⁵

⁷ See Dino Patti Djalal, *The Geopolitics of Indonesia's Maritime Territorial Policy* (Jakarta: Centre for Strategic and International Studies, 1996).

⁸ On the island chain concept see Andrew S. Erickson and Joel Wuthnow, "Barriers, Springboards and Benchmarks: China Conceptualizes the Pacific 'Island Chains,'" *The China Quarterly* Vol. 225 (March 2016), pp. 1-22.

⁹ See, for example, Robin Warner, "The High Seas Regime: A Model of Self-regulation?" and "Developing New Regulatory Paradigms for the Conservation and Sustainable Use of Marine Biodiversity in Areas beyond National Jurisdiction," both in *Routledge Handbook of Maritime Regulation and Enforcement*, ed. Robin Warner and Stuart Kaye (London: Routledge, 2016), pp. 16-26 and 394-408, respectively.

¹⁰ For extensive analysis and various viewpoints, see the two special editions of the journal *Marine Policy*, Vol. 28 (January 2004) and Vol. 29 (March 2005).

¹¹ UNCLOS art. 56(1).

¹² *Ibid.*, art. 58(1).

¹³ *Ibid.*, art. 58(2).

¹⁴ *Ibid.*, art. 58(3).

¹⁵ *Ibid.*, art. 56(2).

In both cases, those rights and duties relate directly and explicitly to the very narrow, mostly economic, purpose of the EEZ regime; that is, those limited types of activities for which the regime was designed, noted above.

Therefore, unless such coastal state economic or environmental rights are being hindered by a military operation, there are no grounds for the coastal state to interfere with the operation. Chinese efforts to prevent or interfere with American military operations in East Asian waters have been the most egregious examples of this type of interference in the Indo-Pacific region,¹⁶ but not the only ones. Indeed, there are many Indo-Pacific states that assert restrictions on the navigational freedoms of warships and other naval vessels, and not just in the exclusive economic zone.¹⁷ China has also been increasingly aggressive in its assertions in the airspace above its claimed EEZs. Beijing is on even weaker ground in the air than it is on the water, as has been made abundantly clear: “The airspace above the EEZ is not part of the EEZ and aircraft of all states have freedom of overflight and therefore the right to undertake military operations.”¹⁸

Incidents that occur in and around disputed features, such as those in the South China Sea, may be particularly problematic, in that the sovereignty status of the features and the consequent status of adjacent waters are unresolved. Leaving aside debates on whether or not any of the disputed features are actually eligible under the UNCLOS to generate maritime zones of any consequence, Beijing’s maximalist agenda to be able to control, at a minimum, the entire disputed area encompassed within its infamous nine-dash line claim,¹⁹ if not potentially the entire sea space within the first island chain, creates an obvious challenge not just to the Law of the Sea, but extant international law and good order, generally. Cooperation even to combat common concerns with transnational maritime security threats under these circumstances obviously becomes far more problematic. This point leads directly into the next section, dealing with the underlying strategic factors that may limit the prospects for better collaboration.

Political and strategic contexts

The negative impacts of China’s quest for control affect not just its rival claimant states, but all states with interests in the region or that depend upon good order at sea, directly or indirectly, for their continued security, prosperity and wellbeing. The fact that most states are trade-dependent, and thus need to interact with the large and growing economies of East Asia, means that most states have an interest in the maritime security situation in East Asia and throughout the Indo-Pacific, no matter where on the globe they are situated. Improving maritime security cooperation to protect that common interest under this weight of geopolitical threat to the current regional order, though, has become far more difficult.

This problem becomes even more apparent when one considers that the principal instruments for securing order at sea, navies, and, to a lesser extent, coast guards, are the very forces that China is seeking to either exclude from the East Asian littoral region, or at least greatly limit their activities. This is particularly the case with respect to those maritime security forces that are part of the U.S. alliance system, or belong to other likeminded states that take the task of good order at sea seriously. China’s actions to restrict U.S. and other foreign military presence in East Asian seas are not limited to peacetime challenges to freedoms of navigation and overflight. In fact, the forces of China’s People’s Liberation Army have been developed over the past two decades specifically for the purpose of deterring and defending against American and allied interventions throughout the East Asian littoral in response to situations in which China seeks to enforce control by military aggression or other coercive means. The popular Pentagon phraseology of the moment to describe China’s strategy is that of anti-access/area denial (A2/AD).

It is worth noting also that important institutions such as the Law of the Sea Convention do not apply to certain waters only, but are global in scope. Any concerted attempt to undermine such international rules and norms in East Asia does not just have regional consequences: the impact would be to damage the global liberal order.

While imperfect, any breakdown of the UNCLOS or other institutions of global order could be catastrophic, resulting in a truly chaotic and conflict-ridden maritime environment.

A strong nerve thus is required by all states heavily invested in maintaining a liberal international order to deter or prevent states such as China from further undermining that system, including at sea. It is for just such a purpose that states such as Australia and Japan have been deepening their strategic relationship in concert with their common ally, the United States.

¹⁶ See, for example, Raul (Pete) Pedrozo, “The Bull in the China Shop: Raising Tensions in the Asia-Pacific Region” and “Military Activities in the Exclusive Economic Zone: East Asia Focus,” both in *International Law Studies*, Vol. 90 (2014), pp. 66-100 and 514-543, respectively.

¹⁷ See Stuart Kaye, *Freedom of Navigation in the Indo-Pacific Region*, Papers in Australian Maritime Affairs No. 22 (Canberra: Sea Power Centre – Australia, 2008).

¹⁸ Martin Tsamenyi and Barry Snushall, “The Legal Dimension of Maritime Military Operations,” in *Positioning Navies for the Future*, ed. Jack McCaffrie (Sydney: Halstead Press, 2006), p. 116.

¹⁹ For the Chinese position see China’s responses to other states’ submissions to the Commission on the Limits of the Continental Shelf: People’s Republic of China, Letter to the Secretary-General of the United Nations, Doc. CML/17/2009, 7 May 2009; and Letter to the Secretary-General of the United Nations, Doc. CML/18/2009, 7 May 2009. See also Zhiguo Gao and Bing Bing Jia, “The Nine-dash Line in the South China Sea: History, Status, and Implications,” *The American Journal of International Law*, Vol. 107, No. 1 (January 2013), pp. 98-124.

China is not the sole challenger to international order, but in the Indo-Pacific it lies at the centre of great power strategic competition at sea, whether its competitor is Japan, the United States or India. Nonetheless, the Indo-Pacific is replete with other maritime conflicts and disputes, and is home to many cases of enmity or historical mistrust not involving Beijing. None of these political-strategic factors necessarily preclude states from engaging in cooperation for maritime security, but they can seriously hamper those efforts.

Transnational maritime security challenges

Cooperation to deal with transnational maritime security challenges is clearly far easier to achieve in some cases than others. This may be due to the type of threat, the particular states involved, or the location of the problem. Cooperation on certain issues is relatively simple to deal with. For example, international cooperation in the search for the missing Malaysian Airlines flight MH370 in the southern Indian Ocean has been relatively easy, at least politically, if not necessarily operationally. Even if the cause of the crash is disputed, the international imperative to find the wreckage is not controversial, and no state's maritime jurisdiction seems to be included in the search area. Even in the case of the crash of Indonesia AirAsia flight QZ8501/AWQ8501 into the Java Sea in December 2014, multiple countries rendered assistance to Indonesia in the search and recovery operations. Thus, even in the archipelagic waters of a state highly conscious of its interests in protecting its sovereign integrity, it was not controversial to invite or allow foreign navies to assist Indonesian authorities. Search and rescue, and recovery operations are probably the least-sensitive issues to deal with when it comes to international collaboration.

To take another example, however – that of piracy and armed robbery at sea – demonstrates both possibilities and limitations for collaboration. It is important to remember that, while the two activities may be functionally equivalent, legally they are quite distinct. Piracy is an international crime with universal jurisdiction that occurs on the high seas.²⁰ As a result of UNCLOS article 58(2), which applies certain high seas provisions to the EEZ, the law of piracy also applies within the exclusive economic zone. As we have witnessed in the extensive multinational efforts to suppress Somali piracy in the Indian Ocean, collaboration is not only possible, but has been successful, albeit at great financial cost to sustain the naval effort.

However, armed robbery at sea, which is a common but non-legal term to describe piratical acts that occur in waters under the sovereignty of the coastal state, where the international law of piracy doesn't apply, is altogether a more problematic issue for maritime security collaboration. In Southeast Asia, most, albeit not all, piratical incidents occur within zones of coastal state sovereignty: internal waters, archipelagic waters and territorial seas.²¹

This means that the coastal state itself is responsible for enforcement actions to protect vessels in those zones from piratical attack, presuming it has the capacity and/or the appropriate legislative framework in place to deal with the threat. Given that most of these incidents occur in the waters of states that jealously guard their sovereignty, there are obvious limits to cooperation. Indeed, few states anywhere are likely to be willing to invite foreign enforcement vessels into waters under their sovereignty to assist in such maritime security operations.

The cause of collaboration is not altogether lost, however: there are many ways in which states can assist afflicted coastal states, including by sharing information,²² or by building coastal state capacity, from training personnel to supplying vessels or other equipment and infrastructure. The ReCAAP Information Sharing Centre (ISC) in Singapore is a leading regional example of international cooperation to improve the sharing of maritime security information.

An even more difficult transnational problem is that of illegal, unreported and unregulated (IUU) fishing. This difficulty in part stems from the fact that fish are inherently transnational: they don't respect international boundaries even if such borders have been agreed. Obviously, in areas where waters are in dispute or boundaries have yet to be delimited, enforcement actions are inherently compromised, and fish stocks suffer in the absence of sound governance. The problem also relates to the sad fact that demand far outweighs the available supply of marine-capture fish, and fishing capacity and fishing technology developments far outweigh the sustainability of fish stocks. Further, IUU fishing is compounded by the fact that the international legal framework to combat the problem is highly constrained,²³ meaning that coastal states often are forced to deal with highly organised transnational criminal groups or toughminded fishermen from a starting point of relative legal disadvantage.

²⁰ UNCLOS arts. 101 and 105.

²¹ For details, including locations, on piratical incidents throughout Asia, see the regular reports prepared by the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) Information Sharing Centre, available at <http://www.recaap.org/>.

²² I have discussed the information sharing issue extensively in Chris Rahman, *The Global Maritime Partnership Initiative: Implications for the Royal Australian Navy*, Papers in Australian Maritime Affairs No. 24 (Canberra: Sea Power Centre – Australia, 2008), pp. 35-49.

²³ The standard text on IUU fishing is Mary Ann Palma, Martin Tsamenyi and William Edeson, *Promoting Sustainable Fisheries: The International Legal Framework to Combat Illegal, Unreported and Unregulated Fishing* (Leiden: Martinus Nijhoff, 2010); and see also Mary Ann Palma-Robles, "Fisheries Enforcement and the Concepts of Compliance and Monitoring, Control and Surveillance," in *Routledge Handbook of Maritime Regulation and Enforcement*, pp. 139-160.

Operationally, combating IUU fishing can also be extremely difficult, especially across vast areas of ocean, such as in the Southwest Pacific, where small island states depend on assistance for aerial surveillance. Surveillance assistance is only one part of Australia's Pacific Patrol Boat Program to help the Pacific island states with fisheries enforcement, a leading example of regional maritime security collaboration.

In narrow sea areas, however, the problems are often more of a political nature, and not just with respect to unresolved jurisdiction. It is the case in Southeast Asia, for instance, that many of the worst perpetrators of IUU fishing may be one's near neighbours.²⁴ This creates political, legal and operational headaches for states trying to enforce their waters and protect the sustainability of fish stocks. The problem is worsened when waters are disputed. For example, Indonesia's claimed South China Sea EEZ overlaps with China's nine-dash line. There have been at least four separate incidents in this area, in which Indonesian fisheries patrol boats have arrested Chinese fishing boats, only to be forced by much larger Chinese civilian enforcement vessels to release the alleged Chinese IUU boats. The most recent of these incidents occurred in the same area on 19 March 2016.²⁵

The future of regional collaboration

This conclusion does not set out to establish all the possible avenues for future maritime security collaboration in the Indo-Pacific region. Anyone who has been involved with the field for a number of years will understand that maritime security cooperation, despite its limits, has grown substantially over the past 20 years. Many significant achievements have been hard won, such as Japan's important ReCAAP initiative, the only official regional organisation for dealing with maritime security issues. Even if its remit is limited to information-sharing only about certain classes of threats, the establishment of the Information Sharing Centre has been a major step forward for cooperation to combat piracy and armed robbery at sea. That it includes China, which, as pointed out above, is a leading source of instability at sea, and an opponent of Japanese maritime security initiatives, is a telling indication that there are some issues of common interest that may transcend even underlying strategic tensions. Japan, Australia, the United States, Singapore and India are all leading efforts to boost collaboration for maritime security in the Indo-Pacific. Further and deeper cooperation will no doubt evolve, as it must.

However, future cooperation can only occur within strict constraints, some of which have been outlined in this essay. Many of those structural limitations will mean that cooperation can only occur in certain circumstances or over certain issues.

The route to better-governed seas, especially in East Asia, but more broadly throughout the Indo-Pacific, will be a choppy one.

And, if China, in particular, continues on its path of challenging the regional order, collaboration to combat transnational security problems at sea will become even more difficult. Stronger defence alliances and coalitions to protect the existing liberal order will likely be a necessary step, then, in order to address transnational maritime security issues.

Alliance-strengthening efforts such as those being pursued by the United States with Japan, Australia and the Philippines, and U.S. coalition-building activities, such as the Southeast Asia Maritime Security Initiative (MSI), are at the very least implicitly aimed at countering the instability at sea being generated by Chinese activities. In the case of the Maritime Security Initiative, first announced by U.S. Secretary of Defense Ash Carter at the May 2015 Shangri-La Dialogue in Singapore, Washington will commit US\$425 million over five years to maritime security capacity-building for South China Sea littoral states, focused on surveillance and maritime situational awareness capabilities. The initial funding priority for the United States is the Philippines, but Indonesia, Malaysia, Thailand and Vietnam also are expected to benefit from MSI projects.²⁶ Similarly, Indian maritime security capacity-building in Indian Ocean island states has the dual role of improving national and regional maritime security and countering Chinese political influence.

Efforts of these sorts to counter Chinese influence, while at the same time building regional and sub-regional maritime security capacity, are not contradictory in purpose, but they do complicate attempts at wider, inclusive, non-coalition maritime cooperation to combat transnational threats at sea.²⁷ Encouraging Chinese participation, and that of other sceptical or cautious states, can be all the more difficult due to the underlying strategic contexts for coalition-building behaviour. Nonetheless, the ReCAAP example is proof that inclusiveness under particular circumstances, at least involving China, is still possible.

²⁴ See, for example, the interview with Indonesia's forthright Minister of Marine Affairs and Fisheries, Susi Pudjiastuti, "RI, Others Stand Up to Bullying by Big Countries: Minister Susi," The Jakarta Post (15 April 2016), p. 3.

²⁵ Tama Salim, "RI-China Sea Spat Continues," The Jakarta Post (22 March 2016), p. 1.

²⁶ Megan Eckstein, "The Philippines at Forefront of New Pentagon Maritime Security Initiative," U.S. Naval Institute news (18 April 2016), available at <https://news.usni.org/2016/04/18/the-philippines-at-forefront-of-new-pentagon-maritime-security-initiative>.

²⁷ I have developed a framework for naval and maritime cooperation based on alliance, coalition and non-coalition levels of cooperation in Chris Rahman, *Naval Cooperation and Coalition Building in Southeast Asia and the Southwest Pacific: Status and Prospect*, Sea Power Centre and Centre for Maritime Policy Working Paper No. 7 (Canberra: Royal Australian Navy Sea Power Centre, October 2001).

These points lead to a conclusion that Indo-Pacific maritime security cooperation needs to continue to be pursued on multiple paths. The proliferation of forums and various institutional arrangements for collaboration may sometimes be thought of as introducing unnecessary redundancy and repetition into the regional maritime security cooperation equation. Yet it is possible that a multiplicity of options for cooperation can be beneficial in circumstances in which certain states may be wary of some avenues for collaboration but not others. It may well be the case that Track II unofficial fora have little to offer now that so much official-level activity takes place. But redundancy of effort at the official level, across alliance, coalition and non-coalition levels of cooperation, and between military and civilian sectors, offers the best opportunities over the long run to both strengthen regional deterrence against adventurism at sea, and deepen networks of more politically neutral collaboration to deal with transnational maritime security problems.

Australia–Indonesia maritime security cooperation as a contribution to Indo-Pacific security

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Indo-Pacific Maritime Security: Challenges & Cooperation

Australia-Indonesia maritime security cooperation as a contribution to Indo-Pacific security

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Introduction

This paper discusses Indonesian thinking about the maritime domain, including the concepts of the Global Maritime Fulcrum and the Indo-Pacific. It then argues that enhanced cooperation between Australia and Indonesia on sub-strategic maritime issues has the potential to help build peace and stability in the eastern Indian Ocean and in turn to enhance security across the Indo-Pacific.

Australia and Indonesia are close neighbours, sharing substantial maritime boundaries in the waters of the eastern Indian Ocean. In addition, they face common maritime security challenges. Over the past years, some aspects of the relationship have led to recurring political irritations between them.

Strengthening cooperation between Australia and Indonesia in the maritime domain will help build a more mature maritime security relationship and could help create the conditions for a more positive relationship between the two countries.

This paper argues that maritime security cooperation can in fact serve as a key driver for broader cooperation. This paper also argues that cooperation in sub-strategic maritime security issues (rather than strategic military issues) should form the basis of a more comprehensive approach to maritime security.

Indonesian thinking about the maritime domain

In Indonesia there has been a renewed commitment to the maritime domain under the leadership of President Joko Widodo (Jokowi), including towards developing Indonesia's vision of *Poros Maritim Dunia* (the Global Maritime Fulcrum). The concept of the Global Maritime Fulcrum (GMF) was originally introduced during Jokowi's presidential campaign and was later adopted as a formal vision of the current government. The GMF vision recognises the reality that Indonesia is a maritime nation geopolitically located between the Indian and Pacific Oceans. Indonesia values the importance and dynamic of the two oceans and it is also part of Indonesia's constitutional doctrine to contribute to global peace and security.

The vision of Indonesia as a Global Maritime Fulcrum sits conveniently with the concept of Indo-Pacific maritime security. It also sits well with Indonesia's culture and history – in which Indonesia sees itself as having ancestral roots from the *orang pelaut* (or 'maritime people'). The concept of an archipelagic state was promoted from the time of Indonesia's independence in 1945, and the narrative of Indonesia's nationhood uses the term *Tanah-Air* (water and soil), rather than references to 'motherlands' or 'fatherlands' used by many countries. This expresses Indonesia's maritime nature. In terms of political sovereignty, the concept of a maritime Indonesia was stipulated in Indonesia's 1957 *Deklarasi Djuanda* ('Djuanda Declaration'). This serves as a foundation for Indonesia's support for the UN Convention on the Law of the Sea that provides Indonesia with the formal status of an archipelagic state (or *Negara maritim* in Indonesian). Within this understanding is the concept of *Wawasan Nusantara* ('Nusantara Worldview') which emphasises the unity of the Indonesian archipelago as a fundamental vision for Indonesia. Importantly, *Wawasan Nusantara* also includes an understanding of the sea as connecting rather than separating the islands. This all highlights the importance of the maritime domain as a key feature of Indonesian perceptions of nationhood and destiny.

Unfortunately, the maritime vision of Indonesia was neglected for almost three decades following the rise of the *Orde Baru* ('New Order') that focused on a land-based military strategy or *sistem pertahanan pulau besar* ('big islands defence system'). During the era of Soeharto's authoritarian regime, the military was given a social and political role besides a defence function under the doctrine of *Dwi Fungsi* ('Dual Function') and was used to effectively control people across the archipelago. Under Soeharto's pro-army orientation, the maritime dimension of national security was largely neglected. However, since the end of the Soeharto regime, *reformasi* has opened up Indonesia into a vibrant democracy – allowing a renewal in thinking of Indonesia's geopolitical identity as a maritime nation. Within this transformative thinking, the GMF has emerged as fresh approach to revive largely forgotten maritime realities.

President Jokowi's vision of GMF has received popular support nationally, and even political rivals have not substantially criticised the idea, implying that there is a broad view that the maritime domain has been neglected. The primary criticism has been over the lack of detail on how the vision will be operationalised and the failure of the government to release any formal policy documents.

The idea of GMF is based on the view of Indonesia's geopolitical and geostrategic interests that reflect the domestic political interests. The GMF not only reflects domestic political aspirations, but also espouses a foreign and security policy view of Indonesia that is geographically located in the centre of the Indo-Pacific hemisphere. The GMF concept promoted by Jokowi could help create a

new era of hope and optimism in building Indonesia as a maritime nation at the forefront of Indo-Pacific dynamism. Jokowi's GMF policy emerged simultaneously as an idea, a doctrine and a national development strategy and consists of five elements: maritime culture, maritime economy/resources, maritime infrastructure, maritime diplomacy, and maritime security/defence.

The GMF policy attempts to position Indonesia's nature as an archipelago within the intersection of the evolving strategic and economic dynamics of the Indo-Pacific. The archipelago is perceived as a fulcrum that supports a dynamic region within global value chain systems, where the sea lines of communication (SLOCs) passing through Indonesian waters are strategically crucial for global logistics and trading routes. The archipelago that connects the Pacific and Indian Oceans via designated SLOCs creates an important role for maritime security, requiring a substantial naval capability to guarantee the security of global shipping activities passing through Indonesia's waters. Indonesia must therefore take responsibility for maintaining security and safety of the SLOCs throughout the archipelago.

Indonesian perspectives on the Indo-Pacific

The concept of the Indo-Pacific region provides a new lens for seeing the realities of a larger hemisphere of strategic, political and economic dynamics beyond the Asia-Pacific region.¹

In the last 20 years, the notion of an Asian regional security complex has developed by broadening the geographic spectrum of the region, responding to changes in power dynamics and economic development that have made the region more prosperous and interdependent. Geopolitical discourse on the East Asian hemisphere² has expanded to cover not only Northeast Asia and Southeast Asia but to also include Australia and New Zealand. The ASEAN process of regionalism and ASEAN's initiatives in developing regional security architecture now provides a landscape for larger regional mechanisms that including the ASEAN Plus dialogues, the ASEAN Regional Forum (ARF) and the East Asia Summit (EAS), all developed under the guidelines of ASEAN centrality. Indonesia has always acted as a natural leader in the development of ASEAN due to its historical role and size.

The EAS is the only summit-level dialogue in the region that accommodates the major and emerging powers (the US, China, Russia, Japan and India) to address broader strategic, economic and security issues. Within this security architecture, the concept of the Indo-Pacific reflects the new strategic realities that connect the Pacific Ocean and Indian Ocean, and in which Indonesia is geographically in the centre of Indo-Pacific. Within this new strategic reality, Australia and Indonesia can make

a substantive contribution to the Indo-Pacific maritime security environment.

The Indo-Pacific concept has received a positive but limited response from the Indonesian foreign policy community. The term 'Indo-Pacific' has not been widely used in policy documents, with the exception being a speech given by Minister of Foreign Affairs Marty Natalegawa in Washington, D.C. in 2013.³ The speech argued in favour of the centrality of Indonesia in the Indo-Pacific region. The Indo-Pacific serves as an engine for global economic architecture and growth. In fact, Indonesian foreign and security thinking has in practice realised the need to connect countries in the Indo-Pacific in an evolving this regional security architecture. Indonesia's inclusive approach to regional security architecture via the ASEAN Regional Forum, the East Asia Summit and the ASEAN Plus dialogues fits well with the idea of the Indo-Pacific.

According to Natalegawa, peace and stability in the Indo-Pacific is instrumental in allowing regional countries to pursue economic development, progress and prosperity – in other words, a peace dividend. However, this is now subject to the following challenges:

First, challenges stemming from 'trust deficits' (such as in the Korean Peninsula) require the exercise of restraint, and the establishment of formal, informal, government and non-government communication channels. A 'pacific' Indo-Pacific requires modalities to build mutual trust and confidence i.e. the substitution of a vicious circle of tension with a virtuous cycle trust and confidence.

Second, the challenge of unresolved territorial claims requires commitment from all parties to the dispute to respect a code of conduct of behaviour in affected areas so as to avoid miscalculation and unintended crises. A 'pacific' Indo-Pacific must be committed to the peaceful settlement of disputes in accordance with the principles of international law and the UN Charter.

Third is the challenge of managing change. The Indo-Pacific region requires a new paradigm in regional inter-state relations. The concept of 'dynamic equilibrium' recognises that change is inherent and constant in the region and cannot be resisted. At the same time, 'equilibrium' reminds us that this state of constant change does not imply an anarchical state of affairs, but is a recognition that security can only be enjoyed sustainably

¹ Rory Medcalf, "The Indo-Pacific: What's in a Name?" *American Interest*, Vol. 9 No.2, October 10, 2013 via <http://www.the-american-interest.com/2013/10/10/the-indo-pacific-whats-in-a-name/>

² The new East Asian hemisphere was introduced by Australia's Foreign Minister, Senator Gareth Evans during the ARF Meeting in Brunei Darussalam in 2 August 1995. Web: http://www.gevans.org/speeches/old/1995/020895_australia_asean_eahemisphere.pdf

³ RM Marty Natalegawa, An Indonesia's Perspective on Indo-Pacific, Keynote address Conference on Indonesia, CSIS Washington, 16 Mei 2013.

by a state if it is viewed as a common good and not one that it obtained at the expense of others.⁴

To address these challenges, Foreign Minister Natalegawa has proposed an Indo-Pacific-wide treaty of friendship and cooperation – a commitment by states in the region to build confidence, to solve disputes by peaceful means, and to promote a concept of security that underscores a common good.

This reflects a view that, in light of the strategic problems faced across the Indo-Pacific, the Indian Ocean Rim Association (IORA) can be used as an international mechanism for cooperation. As a current chair of IORA (2015–2017), Indonesia is taking the lead to push for a concord among IORA member states. Discussions on the concord began in March 2016.⁵ From Indonesia's perspective, the IORA Concord should attempt to develop norms to strengthen the commonality of IORA countries and promote economic cooperation, with the idea of making the Indian Ocean a growth centre to balance the Pacific region. In addition, the Concord should address non-traditional security issues, such as illegal, unreported and unregulated (IUU) fishing, human trafficking, drug trafficking, illegal migrants and piracy.⁶

Strengthening maritime security cooperation between Indonesia and Australia

Looking at the interdependent nature of maritime security in the Indo-Pacific, and especially in relations between Australia and Indonesia, it is useful to examine maritime security issues through the concept of common security. This concept emphasises the interdependent nature of security issues in which the two countries should jointly respond to threats.

In line with this approach, Australia and Indonesia could achieve better security outcomes through the implementation of a cooperative security approach.

A cooperative security mechanism would be highly suited to helping strengthen relations between Australia and Indonesia, and especially in helping to bridge cultural differences that sometimes create sensitivity in the relationship. A cooperative security mechanism built informally will help to build stronger ties in the future. This would start by strengthening cooperation in sub-strategic maritime security issues (i.e. non-military security) such as combatting illegal fishing and transnational organised maritime crime e.g. drug trafficking and human smuggling. In addition, cooperation in areas such as search and rescue, disaster management and maritime pollution could also help the two countries focus on and strengthen their relationship.

There are two levels of maritime security issues: strategic

and sub-strategic security issues. Strategic maritime security issues, generally labelled as traditional security/military/naval power will influence the dynamic of the maritime security environment in which Indonesia and Australia are located. The strategic environment will be determined by the power dynamic between emerging regional powers and existing power structures in the region. Although this is an important aspect of strategic maritime security in the region, this paper focuses more on sub-strategic maritime security as a more convenient way of building confidence in addressing common maritime security issues between Australia and Indonesia.

The waters of the eastern Indian Ocean region, including the shared Indonesia–Australia maritime boundaries, are receiving increased attention in the two countries. Bilateral security cooperation between the two countries could be developed to address maritime security in this area and thereby contribute to broader security in the Indian Ocean. The two countries' abilities to cooperate and address maritime security issues in their littoral areas will reflect the level of commonality in dealing with security problems.

Both Australia and Indonesia are vibrant democracies, providing a robust political foundation on which to build cooperation. This provides a degree of openness and comfort in discussing cooperation between the two democratic countries. And being neighbours in the eastern Indian Ocean, the two countries have little option but to work together in identifying common maritime security issues and pursuing a cooperative approach to jointly addressing them.

As discussed above, cooperation in the maritime domain is crucial for creating a secure and productive environment for the region. As the Joint Statement of the 2015 Indonesia–Australia 2+2 Meeting stated: "As respectively the world's only island continent and the world's largest archipelagic state, located at the fulcrum of the Pacific and Indian Oceans, Australia and Indonesia aspire to a secure maritime domain in which people, trade and the environment flourish". The statement also "...acknowledged the importance of maritime trade and the blue economy to the collective prosperity of both countries. They underlined the importance of building stronger transportation links and maritime capabilities, including through port-to-port collaboration and maritime education cooperation between relevant agencies and institutions."⁷

⁴ Marty Natalegawa, Ibid.

⁵ "Proses Penyusunan IORA Concord Dimulai", <http://bali.antaranews.com/berita/87835/proses-penyusunan-iora-concord-dimulai>

⁶ "Ad-hoc committee drafts preliminary version of IORA Concord", *The Jakarta Post*, <http://www.thejakartapost.com/news/2016/03/17/ad-hoc-committee-drafts-preliminary-version-iora-concord.html>

⁷ Joint Communique Third Australia-Indonesia Foreign and Defence Ministers 2+2 Dialogue, <http://www.minister.defence.gov.au/2015/12/21/minister-for-defence-joint-communique-third-australia-indonesia-22-dialogue/>

Given that Australia and Indonesia share maritime boundaries, shared maritime security concerns will mostly involve non-traditional security issues such as illegal fishing and unregulated population movements. Within this environment, the two countries must work more closely and strengthen and deepen cooperation at sea at different levels.

Building blocks of cooperation

Maritime security cooperation needs to be built on bilateral mechanisms. The fact that Australia and Indonesia share maritime boundaries creates a need to build a stronger bilateral framework for cooperation that could be operationalised as required. The two could also use regional initiatives to strengthen cooperation, such as the current proposal for EAS maritime cooperation, which could serve and strengthen bilateral relations. For example, the ASEAN Coordinating Centre for Humanitarian Assistance on Disaster Management (AHA Centre) is an organisation that could positively contribute to strengthening cooperation in the capacity development, command and operational aspects of humanitarian assistance and disaster relief.

The use of the following building blocks or webs of cooperation will be necessary to increase the level and depth of cooperation in the maritime domain:

- > The existing formal first-track Indonesia–Australia dialogue needs to be strengthened with 1.5-track dialogues, as well as second-track dialogues and other explorative mechanisms.
- > A hotline between leaders should be established to bridge the gap in case of misunderstandings or crises.
- > Epistemic communities should be developed, such as the Indonesia–Australia Leaders Forum, alumni, and Indonesia–Australia dialogues channels. Examples include the Griffith University–Indonesian Institute of Sciences dialogue on bilateral and regional dynamics; the revival of the Indonesia–Australia Strategic Forum (IASFOR), and different forums for young leaders such as ASEAN International Youth Leaders Assembly.
- > Communication among media communities needs to be cultivated. Media strategies also need to address growing communication technologies such as social media to reach larger audiences in both countries.
- > People-to-people-level linkages that build on common interests and alumni, such as IKAHAN (*Ikatan Alumni Pertahanan*), would significantly strengthen relations and serve as a good vehicle for the two countries to strengthen professional relations.
- > Leadership training and cross-cultural understanding is also important. Investing in future leaders will help to build cultural understanding on the importance of the two countries in building regional order and security.

Imperative areas for cooperation

The following sub-strategic maritime security challenges are ripe for medium-term cooperation, in the next five years onwards:

- > Conducting joint maritime patrols on a regular basis or as required. Through this approach, the two countries' could strengthen cooperation in preventing possible maritime security threats. Joint maritime patrols would also improve interoperability between the two navies and maritime forces.
- > Comprehensive cooperation in combatting IUU fishing connected with transnational criminal networks will require more cooperation, such as in tracking illegal shipping activities, which could be made more effective by joint information and intelligence.
- > Combatting human trafficking or arrivals by sea needs to be strengthened via information exchange and the use of the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime. The Bali Process has effectively raised regional awareness of the consequences of people smuggling, trafficking in persons and related transnational crime, and has developed and implemented strategies and practical cooperation in response.
- > Search and rescue (SAR) is an area where cooperation can be strengthened. As seen from the search for missing Malaysia Airlines flight MH370 in the Indian Ocean, and from the 2014 Air Asia accident in the Java Sea, cooperation in technical and operational skills is important, for example between BASARNAS Indonesia and the Australian Maritime Safety Authority.
- > On the issues of human trafficking, drug smuggling and other transnational maritime security challenges, in addition to joint cooperation at sea, there is also a need for mechanisms to address the problem on land. In the case of Indonesia, an archipelago with porous borders, weaknesses in border control at sea must receive more attention, including an increase in personnel and equipment.
- > Humanitarian assistance and disaster relief is another aspect in need of cooperation. The case of the 2004 Indian Ocean tsunami, which particularly affected Aceh, was such a big challenge that no single country was able to cope alone. The risk of man-made disasters at sea, such as oil spills, also needs proper attention.
- > Cooperation in environmental protection, including anticipating the risks and hazards of pollution at sea due to ship accidents or other types of maritime transboundary pollution, is another potential area of cooperation.
- > Hydrography and scientific research related to marine sciences also have the potential for greater cooperation. Areas include the study of the climate change and environmental aspects of 'through-flow' for example –

the movement of water from the Pacific to the Indian Ocean (via Indonesia) that is reported to influence climate change.

- > Maritime domain awareness (MDA) provides a backbone for the overall issues in maritime security cooperation. Strengthening MDA would serve as an enabler for other sectorial and functional cooperation in larger maritime security issues and would build trust and confidence.

Conclusion

Australia and Indonesia are two countries that share clear maritime security responsibilities and can make substantial contributions to security in the region. The above discussion highlights that cooperation in maritime security should be a key item on the agenda for Australia and Indonesia.

The two countries should act more decisively in maritime security in the eastern Indian Ocean, which constitutes a substantial part of Indo-Pacific maritime security.

This paper also elaborates on the need to focus on sub-strategic maritime security cooperation as a building block and key driver for deeper cooperation in other areas, including providing more trust in strategic security issues. This will help develop a more open, transparent and mature relationship that will contribute to certainty and reduce possible surprises in bilateral relations.

The two countries need to create common security perspectives and develop cooperative approaches to solidify mutually reinforcing relations. Finally, using the maritime domain as an area for cooperation and cooperation in sub-strategic level can serve as a key driver for broader comprehensive cooperation.

Understanding China's maritime policy – 21st Century Maritime Silk Road

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Indo-Pacific Maritime Security: Challenges & Cooperation

Understanding China's maritime policy – 21st Century Maritime Silk Road

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An understanding of China's maritime policy requires at least two approaches: a historical one and a 'realistic' one (i.e. an approach that combines interests and pragmatism). For centuries, there has been a debate in China about whether the country should go to sea or should remain on the continent: the 'blue' civilisation and the 'yellow' civilisation. For some years during China's contemporary history, Chinese citizens were not allowed to go to sea (hai jin 海禁). History also shows that the invasions of China by Western countries over the last 150 years were almost all from sea. Recently there has been a great change in China's strategic perspectives, with China deciding to become a strong maritime power.

Are the other maritime powers ready to accept a rising maritime power? What effects will China's ambitious dream have on the regional maritime order?

Are the disputes between China and Japan over the Diaoyu Islands and between China and the claimants in the South China Sea parts of China's strong maritime power policy? A brief study of the Maritime Silk Road initiative (MSR), which was proposed by Chinese President Xi Jinping, will give us some answers to these questions.

2012: A milestone of China's maritime policy evolution

Three events happened in 2012 that marked some important changes in China's maritime policy: the standoff between China and the Philippines in April over Huang Yan Island; the standoff between China and Japan over the Diaoyu Islands in September; and the Communist Party of China (CPC) National Congress in November.

1. The standoff between China and the Philippines over Huang Yan Island

In early April 2012, some Chinese fishing boats were fishing in traditional fishing grounds around Huang Yan Island when a Philippines naval frigate, the *Gregorio del Pilar*, attempted to take them into custody. This has been a routine activity by the Philippines navy in this area for decades. In April 1996, the Philippines navy fired at a Chinese commercial cargo ship, killing two Chinese crew members. In May 2000, a Chinese fishing boat captain was killed by the Philippines navy. In April 2006, a Chinese fishing boat was fired on by armed boats from the Philippines, with four fisherman killed and three injured.

On April 10, 2012, when the Philippines frigate again attempted to take Chinese fishing boats into custody, at least two Chinese law-enforcement ships inserted themselves between the Philippines frigate and the Chinese fishing boats. For the first time, the law-enforcement ships succeeded in protecting Chinese fishing boats in this region: after a short standoff, the Philippines frigate left the area. Since then, Chinese law-enforcement ships have taken full responsibility for protecting Chinese fishing activities and also Huang Yan Island.

2. The standoff between China and Japan over the Diaoyu Islands

The dispute over the Diaoyu Islands is a long-running historical issue between China and Japan. According to arrangements¹ made after World War II, Japan should have returned all its occupied islands that had been taken from China by force in the late nineteenth century. However, in 1970s, the United States gave Japan rights to administration (not sovereignty) over the islands. Since then, Chinese activists from the mainland, Taiwan, and Hong Kong have been part of a sustained movement to protect the Diaoyu Islands and their islets from annexation by Japan. For example, the regional leader of Taiwan, Ma Ying-jeou, was a leading activist in this movement from the early 1970s, and his doctoral thesis at Harvard University touched on the legal arrangement of the Diaoyu Islands.

When the Japanese government purchased the islands from a private citizen in September 2012, the dispute entered a new stage. The Chinese government reacted very strongly to this purchase and sent its surveillance ships to within 12 nautical miles of the Diaoyu Islands. For the first time, the Chinese government replaced the activists and took full responsibility for the protection of the Diaoyu Islands through the use of law-enforcement forces.

The purchase of the Diaoyu Islands demonstrated at least two misperceptions by the Japanese government. The then-Japanese prime minister Yoshihiko Noda took for granted:

- (1) That the US government would under any circumstances give its support to Japan even when Japan changed the status of these islands. In the summer of 2009, the US Secretary of State Hillary Clinton publicly told her counterpart, Japanese Foreign Minister Seiji Maehara, that the mutual assistance treaty between the United States and Japan would cover the Diaoyu Islands. However, the US did not respond to the action taken by the Chinese government in 2012 over the standoff regarding the Diaoyu Islands.

¹ As the victorious side, the Chinese government recovered islands, reefs, and shoals in the South China Sea. The international documents include Cairo Declaration, Potsdam Proclamation, and the instrument of surrender of Japan. The Republic of China Navy used the borrowed fighting vessels from the United States to carry out this recovery in late 1940 immediately after World War II.

(2) That the Chinese government would not make any real response to the purchase. For four decades, the Chinese government only made protests through the Ministry of Foreign Affairs about provocative actions taken by the Japanese government, and the Chinese government also restricted Chinese fishing activities near the Diaoyu Islands. September 2012 was a crucial month for the leadership transition of the Communist Party, which meant that all the attention was focused on domestic affairs. However, the Chinese government did give a real response to the change of status of the Diaoyu Islands by Japanese government.

3. The 18th CPC National Congress, which was held in November 2012

This important National Congress of the Chinese Communist Party not only laid the foundation for a leadership transition in China but involved an announcement that China would become a strong maritime power. President Hu Jintao told the National Congress: 'We should enhance our capacity for exploiting marine resources, develop the marine economy, protect the marine ecological environment, resolutely safeguard China's maritime rights and interests, and build China into a maritime power.'²

According to the report by President Hu, 'strong maritime power' includes three parts:

- (1) the exploration of maritime resources and development of a maritime economy;
- (2) the protection of the ecological environment of the sea; and
- (3) safeguarding China's maritime rights and interests.

These three pillars give a clear explanation of China's ambitious vision on maritime affairs.

For decades, China has made stability of its maritime environment a top priority and, as a result, has sometimes compromised in maritime disputes with its neighbouring countries.³

Today, China has made security and sovereignty a top priority in its maritime policy. China's response to any provocations against its maritime interests is driven by realism, not only through protests from the Ministry of Foreign Affairs but also by the actions in the South China Sea and in the East China Sea.

The Maritime Silk Road initiative has started a new model of maritime cooperation

The 21st Century Maritime Silk Road (MSR), which was proposed by Chinese President Xi Jinping during his visit to Indonesia in 2013, is of great significance not only for China but also for the region. As President Xi stated: 'The

Chinese government prefers to vigorously develop maritime partnerships in a joint effort to build the Maritime Silk Road of the 21st century. China is ready to expand its practical cooperation with ASEAN countries, with a view to jointly seizing opportunities and meeting challenges for the benefit of common development and prosperity.'⁴

The MSR can be understood in the following dimensions:

(1) An old story with new significance

The old Silk Road was a trading route that connected the East and the West, passing across the Eurasian continent to the Pacific and Indian Oceans. The MSR is a natural evolution of international trade and it will have a positive impact on regional cooperation.

(2) A physical road with a spiritual vision

The MSR will carry trade and business as well as people-to-people exchanges. The seas and oceans have become more and more important in the effort improve connectivity. The purpose of the MSR is to use the sea 'road' to share China's achievements of opening up and reform with its neighbours.

The Asia-Pacific region is the busiest area for international trade. For example, 60 per cent of international trade passes through the South China Sea each year. From a global perspective, thousands of kilometres of coastline in the Asia-Pacific are sometimes uninhabited and activities in and around them are often are difficult to regulate due to a lack of efficient mechanisms and forums. The MSR, to some extent, will provide a cooperative and comprehensive roadmap to development. Sea lanes should be protected from the coastlines so as to make international trade and other people-to-people exchanges smoother and more peaceful. The Silk Road Spirit – 'peace and cooperation, openness and inclusiveness, mutual learning and mutual benefit' – has been passed on from generation to

² President Hu Jintao's report on the 18th National Congress of Chinese Communist Party on 8 November 2012.

³ For example, China had to stop its joint oil exploration with foreign countries in the South China Sea due to protests by other claimants. The two clashes between the Chinese navy and the Vietnamese navy in 1974 and 1988 actually were a passive reaction to provocations by the Vietnamese navy. On March 14, 1988, the clash between the two navies was a result of the provocative actions by the Vietnamese navy. Before the clash, the two sides had had at least two standoffs at Yongshu Reef and Hua Yang Reef. The construction of the observation station in the Nansha (Spratly) Islands is an international assignment underwritten by a UNESCO resolution in early 1987. The representatives from the United States, Vietnam, and all the other members of this organisation had not objected to the resolution. This resolution to construct observation stations all over the world also shows the Chinese sovereignty over these islands. Since its establishment in 1988, the Yongshu Reef observation station has provided five million pieces of meteorological information to the World Meteorological Organization. See <http://mil.news.sina.com.cn/2015-05-16/1027830896.html>

⁴ Speech by President Xi Jinping at the Parliament of Indonesia, 3 October 2013.

generation in China, promoting the progress of human civilisation, and contributing greatly to the prosperity and development of countries along the Silk Road.

During ancient times, silk, china, and other products were freely transported. The establishment of the Silk Road was an important platform for countries to communicate: for example, Persian merchants did business in Guangzhou and Shanghai a hundred years ago. Even today we still can find old Persian buildings and markets in these cities.

Symbolising communication and cooperation between East and West, the Silk Road Spirit is an historic and cultural heritage shared by all countries around the world. Such a spirit of cooperation and communication has been continued with its new features in the 21st century.

(3) A platform with great openness

The Belt and Road initiative was proposed and conducted with the principle of 'joint consultation, joint development and joint benefits'. According to Beijing, all countries along the Silk Road are welcome to plan, develop and benefit together from the initiative.⁵

The initiative aims to inject strong impact in enhancing political mutual trust, deepening economic cooperation, and promoting cultural exchanges among relevant countries. The MSR initiative will:

- > focus on Asian countries and prioritise connectivity development efforts in Asia
- > establish a framework for Asian connectivity based on overland economic corridors and maritime economic cooperation
- > achieve breakthroughs in transportation infrastructure as an early harvest for Asian connectivity
- > consolidate public support for Asian connectivity.

4. A new effort for cooperation

The MSR is not limited to any specific country. Any country interested is welcome to join. With more support from other countries and wider coverage across the region, it has become an initiative not for one country but for all countries involved who are joint advocates, builders and beneficiaries of the initiative.

The initiative is a systematic project, which should be jointly built through consultation to meet the interests of all, and efforts should be made to integrate the development strategies of the countries along the Belt and Road. The Chinese government has published the Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road to promote the implementation of the initiative, instil vigour and vitality into the ancient Silk Road, connect Asian, European and African countries more closely and promote mutually beneficial cooperation to new levels and in new forms.

To achieve the above goals, the Asian Infrastructure Investment Bank (AIIB) was established in 2015, with a membership of more than 50 countries. The Silk Road Fund was also set up, with China's contribution of US\$40 billion, aiming to provide investment and financial support to carry out infrastructure, resources, industrial and financial cooperation and other projects related to connectivity for countries along the 'Belt and Road'. Free trade area negotiations are also being carried out between China and countries along the 'Belt and Road,' aiming to facilitate and enhance trade and economic cooperation among all the relevant countries.

5. A road with ASEAN countries

As President Xi told the Indonesian parliament: "Southeast Asia has, since ancient times, been an important hub along the ancient Maritime Silk Road. China will strengthen maritime cooperation with ASEAN countries to make good use of the China-ASEAN Maritime Cooperation Fund set up by the Chinese government and vigorously develop maritime partnerships."⁶

From Zheng He, the well-known Ming Dynasty sailor, to two hundred years of sailors who have made their livings in the South China Sea (*Xia Nanyang*), China has cooperated well with countries in this region, especially during the early twentieth century. The relationship between China and the ASEAN nations witnessed a fundamental change in 1997. China's active currency policy contributed greatly to the region's recovery from the Asian Financial Crisis. From 2003, the relationship between China and the ASEAN nations also witnessed a golden period of development in politics, economics, and security. China and the ASEAN countries have entered a diamond period of development in relations. The 21st Century MSR will be a new driving force in this relationship.

Understanding China's maritime policy from the Maritime Silk Road initiative

China's maritime policy today has two features: cooperation and sovereignty. On one side, the current Chinese government has become more and more active in its maritime activities including the protection of its maritime interests and rights. On the other side, China has adopted its cooperative and inclusive diplomacy towards its neighbours.

⁵ On March 28, 2015, a vision and action plan was announced by the National Development and Reform Commission, the Ministry of Foreign Affairs, and the Ministry of Commerce of China. See Xinhua News Agency http://www.gs.xinhuanet.com/news/2015-03/29/c_1114795438.htm

⁶ Speech by President Xi Jinping at the Parliament of Indonesia, 3 October 2013.

To understand China's current maritime policy, we need to understand the current gaps between China and the countries concerned.

- (1) History and a realistic approach: Chinese people greatly respect history. They can trace back the activities of their ancestors to thousands of years ago. However, the most-mentioned history is the arrangement after World War II. The Chinese government (Republic of China) recovered the Japanese-occupied islands in the South China Sea in the late 1940s with naval vessels leased from the United States. However, the United States and the other South China Sea claimants like to start the discussion of the dispute from 1970s when these claimant countries began to occupy islands and reefs in the Nansha (Spratly) Islands.
- (2) The new laws and old ones: The Chinese government has always insisted that the legal documents developed in the wake of World War II are the foundation for today's world order and international system. These documents include the Cairo Declaration, the Potsdam Proclamation, and documents of surrender by the Japanese government to China, which was signed in China and also on the US battleship USS *Missouri*. All these documents established a chain of international laws to show that the sovereignty over these islands belongs to China. In early 1987, the Maritime Committee of UNESCO also adopted a resolution in Paris, which allowed the Chinese government to construct an oceanographic observation station on the Nansha (Spratly) Islands. During that conference, all the member states, including the United States, Vietnam and the Philippines, voted for this resolution.

In recent years, the United States and other claimants prefer to only use the United Nations Convention on the Law of the Sea (UNCLOS) as the legal document for the maritime disputes. UNCLOS does not determine sovereignty over the islands and land features and cannot be used to reconcile disputes over islands and territorial waters. However, during standoffs in recent years officials from the United States and the Philippines have argued that all parties concerned in the South China Sea should abide by UNCLOS. The United States has not ratified UNCLOS, but officials and scholars would like to use this convention to show the legitimacy of the Philippines' claims, for example regarding exclusive economic zones.
- (3) Sovereignty and freedom of navigation: In late 1970s, while the international community was busy negotiating UNCLOS, the United States adopted a so-called Freedom of Navigation Program. As a non-party state of UNCLOS, the United States would challenge the maritime claims of nearly 20 countries each year. The sovereign claim by China over the Nansha (Spratly) Islands and their surrounding waters, according to relevant international laws (for example, the 12 nautical

mile territory limits) has been an arrangement by law and by history. Any construction on these islands and reefs is an issue of sovereignty and not a threat to freedom of navigation. Even some military deployments in these islands and reefs is also rational for the defence of a sovereign country. According to China's understanding, the so-called freedom of navigation operations by the United States are actually an excuse for the country to interfere in China's maritime affairs and to show its presence in the Asia-Pacific region.

In conclusion, the confrontation or standoff between China and the United States or other claimant countries over maritime issues has been a historical dispute.

In order to maintain the peace and stability, and to find peaceful solution to these disputes, any country should show its respect to international rule of law, and to show its respect for history.

Here, history means two sides of the issue: firstly it should be the historical arrangements as at the end of World War II. However, the claimants have changed the status of the islands in the South China Sea since the 1970s. Secondly, history also includes the international legal documents since the end of World War II.

China has adjusted its maritime policy and adopted a strategy to become a strong maritime power. There will be uncomfortable reactions from the old maritime powers and its neighboring countries. Over the last 40 years, China has enjoyed fast development domestically. One condition of this fast development is the peaceful and stable environment surrounding China. All the efforts made by the Chinese government from Deng Xiaoping to Xi Jinping have been the policy to maintain a peaceful environment, which is a domestic requirement for the country. Even after China adjusted its maritime policy under the leadership of President Xi Jinping, the Chinese government intends to continue on the track of peaceful development. The main change is that China today will put the security and sovereignty at the top of its foreign policy agenda. No matter whether they like it or not, the United States and other countries should have a new vision towards China. The reason for such a change is simple: this is not an era of spheres of influence. While no side could take a 100 per cent control of the islands, they should think about the possible cooperation. Each side should have broad vision on the relations among the countries concerned. This is not a zero-sum game in which no country should become a loser, this is a win-win cooperation. As discussed in the previous sections, the MSR should be a road of peace and cooperation. So when the Chinese leaders proposed such an initiative, they would like to re-open such a road to every country.

The role of Japan in Indian Ocean security: a Japanese perspective

Mr Masanori Nishi

Former Vice-Minister of Defence, Japan



Indo-Pacific Maritime Security: Challenges & Cooperation

The role of Japan in Indian Ocean security: a Japanese perspective

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The Indian Ocean has been an important route for various types of trade all through history. It was the route between China and the Middle Eastern countries, as well as India, for trade in ancient days and was known as 'the Silk Road at sea.' The trade along the route went as far as Europe. Even today, it is an important trade route for various types of goods.

For example, the Indian Ocean is the route used to transport crude oil to Japan, China and other Asian countries today from oil-rich Middle Eastern countries. Although it has experienced oil crises twice in the past, Japan still heavily relies on the Middle East for its crude oil supplies. Even the Arab Spring has not changed the importance of this route.

The safety of the route is, therefore, vital for Asian countries in various ways. Japan, for example, has deployed destroyers and P-3 surveillance aircraft to Djibouti for anti-piracy operations in the Middle East as a member of multinational initiatives for safeguarding trade in the region. The numbers of pirate attacks has declined dramatically in recent years as a result of the efforts of multinational forces in the region. However, social conditions in the local countries have not been sufficiently improved to prevent the resurgence of piracy. Japan, therefore, intends to continue to deploy forces to safeguard maritime transport in the region.

Is there any possibility of the Indian Ocean route losing its importance? What factors could change the strategic importance of the Indian Ocean region?

In my view, there are two conditions that might change the significance of the route (although these are unlikely to occur).

1. The development of a new route through the Arctic, which is under serious study. If the route were to be commercialised, it would provide a shorter route between Europe and Northeast Asia than the route through the Indian Ocean. The new route could also avoid the piracy problems near the Strait of Malacca and Gulf of Aden that plague the current route. Environmental factors are, however, much more critical to the new Arctic route and the passage would be very difficult in winter. It should also be noted that the ASEAN market may not enjoy the advantage of the shorter Arctic route to European markets. There are also cost issues that should be considered. The legal status of coastal countries related to the new route is not clarified yet, either.

2. Due to the production of shale oil, the U.S. is once

again a net exporter of crude oil. Japan would benefit from this new source of crude oil and this could reduce its dependence on the Middle East. It should be noted again, however, that Japan will probably continue to rely on crude oil from the Middle East to a certain extent. The route would never be unimportant.

Each of the above conditions is not sufficient to decrease the importance of the Indian Ocean trade route. The combination of these conditions might shift Japan's security concerns in future to a certain extent, although even if it happened, however, it would still have to pay serious attention, as it currently does, to the importance of the Indian Ocean for Japanese security. This invites us to consider how to maintain Indian Ocean security.

India has become the largest power among Indian Ocean states; however, there are growing factors changing the security environment of the region. These include: Pakistan's nuclear capability; Muslim fundamentalist movements such as the Taliban and Islamic State; China's growing presence in the Indian Ocean; and the recent nuclear agreement with Iran.

I am most interested in China's presence in the Indian Ocean region. The Sino-Indian border issue has been unsettled for many years, and the most recent conflict happened in 2013. The more important issue is the growing presence of the Chinese navy (People's Liberation Army Navy, or PLAN) in the Indian Ocean. There are occasional port visits of PLAN ships to Pakistan including a ship supporting the operation of submarines. This indicates the possibility of PLAN submarines operating in the Indian Ocean.

Submarines are a delicate issue for assessing the threat factor at sea. Anti-submarine warfare (ASW) capability requires a serious investment of money as well as human resources and training programs. It consists of submarines, surface ships, and anti-submarine airplanes and helicopters. It also requires technological advancement and improvement in personnel skills. Japan has been developing this capability since the days of the Imperial Navy. Although Japan suspended its ASW development for a period after the World War II, it restarted the development again after establishing the Maritime Self-Defense Force (MSDF) about fifty years ago. During the Cold War, Japan developed submarine warfare capabilities as well as ASW capabilities against the Soviet navy. Japan's geographical position was important in the Cold War due to the presence of the Soviet Pacific Fleet in Vladivostok. There were three straits that vessels of the Soviet Pacific Fleet had to pass to enter the Pacific Ocean, and controlling these straits was an important mission for the MSDF.

Japan has now decided to boost capacity in the region, including transferring knowledge of underwater medicine to the Vietnamese navy. This is an indication of Japan's commitment to the regional security environment. Bilateral

military cooperation between Japan and India is still limited. However, Japan's participation in Exercise Malabar with India and the US is an important first step towards that end, along with India's participation in the 2015 Japanese Fleet Review. The bilateral talks concerning the sales of the US-2 flying boat will be the next important bilateral security issue between India and Japan.

Japan currently faces a difficult situation in the East China Sea. The Japanese Maritime Self-Defense Force has about 50 destroyers; however, almost half of the on-operation ships are tied to the East China Sea. There are many objects for intelligence, surveillance and reconnaissance (ISR) operations in the East China Sea and most of them are PLAN ships. The Chinese declaration of an Air Defence Identification Zone (ADIZ) in the East China Sea is another important security concern. Japan believes that China would like to control the sky in the announced area almost as if it were sovereign airspace.

This necessitates paying serious attention to China's recent rapid land reclamation initiatives in the South China Sea. If this is a step towards China announcing another ADIZ in the South China Sea, it would cause disturbances against the right of freedom of navigation in that area.

The navigation corridor from Japan to the Middle East is very important for Japanese security now and its significance is likely to continue. The concept of 'Indo-Pacific' covers the whole geographic area that is essential for Japan's prosperity. Australia is at the centre of the concept, although slightly away from the major transport route. India is the largest power among Indian Ocean states. Both are important countries in the geography of the concept of the Indo-Pacific and Japan has built good relations with them.

The bilateral security relations between Japan and Australia developed significantly in the post-Cold War era. Encouraging the United States to maintain its commitment in the Asia-Pacific region was the first important agenda item of the Japan–Australia bilateral security dialogue soon after the end of the Cold War. The UN Peacekeeping Operation in Cambodia was the first case of cooperation between the two countries in the field. The introduction of the F-35 Joint Strike Fighter is also a capability development Japan and Australia have in common. Thus bilateral cooperation covers a wide range of areas: strategic concepts, operational cooperation, and the introduction of new equipment.

The development of bilateral relations between Australia and Japan provides good and meaningful guidance for enhancing India–Japan relations: exchange of people; mutual visits of military units; and concluding a bilateral Acquisition and Cross-Servicing Agreement and General Security of Military Information Agreement to enhance security ties.

It may not be easy, however, to improve bilateral security relations between Japan and India. Both Japan and Australia are allied security partners of the U.S. while India is not. However, there are opportunities for Japan and India to develop security relations as a result of economic ties as well as security concerns. But Japan's initiatives with India are rather limited because of the tight security environment in the East China Sea, as mentioned above.

The Japanese MSDF deployment to Djibouti will contribute to developing bilateral security relations because of Japan's significant reliance on Indian logistical support. This will provide more opportunities for Japanese vessels to visit Indian ports during the voyage across the Indian Ocean. Japan has also undertaken capacity-building initiatives with ASEAN countries; however, those opportunities should not be limited within that geographical entity.

There is still a lot that Japan can do for the security and safety of the Indian Ocean.

Japan's key role in capacity-building in the Indian Ocean

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Indo-Pacific Maritime Security: Challenges & Cooperation

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One of the key themes of this Conference has been to explore the potential for Japan to enhance its contributions to Indo-Pacific maritime security, not just in the Pacific, but also in the Indian Ocean. Ambassador Sumio Kusaka in 'Indo-Pacific Maritime Security': Challenges and Cooperation outlined Japan's concerns about the Indian Ocean security as part of its growing role across the Indo-Pacific. In 'The Role of Japan in Indian Ocean Security,' Masenori Nishi describes why Japan's dependence on the sea lines of communication (SLOCs) across the Indian Ocean is likely to continue for the foreseeable future. Admiral Kazu Akimoto in 'A New Dimension to the Australia-Japan Maritime Security Cooperation,' explains how the Bay of Bengal/Eastern Indian Ocean would become a zone of major strategic importance for Japan in the event of a closure of the South China Sea to navigation – meaning that energy traffic through Malacca Strait would likely move eastwards to transit the Lombok Strait and Makassar Strait, into Philippine Sea, staying beyond the first island chain. In those circumstances, Japan and its partners must be in a position to stabilise that part of the Indian Ocean.

This paper seeks to build on those observations and give some suggestions as to how Japan might seek to build its role in the Indian Ocean and help contribute to peace and stability in the region. Debate about Indian Ocean security is quite new for Japan. Indeed, until very recently, broader questions about Indian Ocean security (apart from the specific problem of piracy) were not really much on Japan's security agenda. For the last 70 years, Japan's security horizons have not really extended past Singapore, if they even extended that far. In essence, Japan largely left its interests in the Indian Ocean to be protected by the U.S. Navy.

While the U.S. Navy remains the leading security provider in the Indian Ocean and will continue to be for the foreseeable future, that approach is no longer sustainable. Washington has made it clear that it is looking for its allies and friends to play a more active maritime security role right across the Indo-Pacific. Japan will likely seek to work with countries such as Australia and India to leverage its role in the region. That is a good strategy, but in my view the era when Japan could simply take the position that it can effectively 'outsource' its security needs to others is over.

There is a strong expectation from Japan's allies and friends that Japan will also make direct contributions to the security of the broader Indo-Pacific region.

It is also in Japan's interests that it develop its own security relationships with countries in the region.

Indeed, I see Japan as one day becoming an essential player in Indian Ocean security. Japan has many maritime security concerns in the Western Pacific, obviously including disputes in the East China Sea and the South China Sea. But Japan's SLOCs do not magically end at Singapore, rather running right along the Indo-Pacific littoral. This means that Japan must be an active player right along that littoral, by itself and in partnership with regional countries. Responsibility for maritime security can no longer be placed in simple boxes. Maritime security is becoming highly interdependent along the Asian littoral, including in the Pacific and Indian Oceans.

Japan has been an active contributor to the international fight against piracy in the western Indian Ocean since 2009, including ongoing deployments of the Japan Maritime Self-Defense Force (JMSDF) vessels and aircraft. Concerns about Somali-based piracy are now receding, and in my view it is time for Japan to develop a more comprehensive strategy for the Indian Ocean.

I suggest that Japan could play an active role in stabilising Indian Ocean and reinforcing a rules-based order there in the following key areas:

1. Engagement with key Bay of Bengal states such as Myanmar, Bangladesh and Sri Lanka through investments in infrastructure and capability-building.
2. Support for emerging regional institutions in the Indian Ocean such as the Indian Ocean Rim Association and the Indian Ocean Naval Symposium and possibly new institutions.
3. Maritime capacity-building among Indian Ocean island states and other developing states in the Indian Ocean, with a focus on the blue economy.
4. The special role of the Japanese coast guard.

In all of these areas Japan can work by itself and in partnership with key Indian Ocean countries such as India, Australia or Indonesia.

1. Engagement in the Bay of Bengal

Of anywhere in the Indian Ocean, Japan has the most important role to play in South Asia and the Bay of Bengal region.

There has been considerable discussion in recent years about Japan's growing partnership with India, and that partnership is certainly crucial. But Japan can and should also play a major stabilising role through partnerships with

Bay of Bengal states such as Myanmar, Bangladesh and Sri Lanka. As mentioned, Admiral Akimoto has identified the Bay of Bengal region, and Sri Lanka in particular, as a key strategic zone for Japan in light of developments in the South China Sea. It is vital for Japan and its partners, including Australia, to work together to proactively stabilise key countries in the Bay of Bengal. The aim would be to prevent the spread of the strategic instability we are currently witnessing in the South China Sea and to create a secure area to provide strategic options in the event of contingencies.

Indeed, Japan already plays an active role in the region, including as a long-term provider of aid and investment to the Bay of Bengal as part of its Partnership for Quality Infrastructure initiative. Through this and other initiatives, Japan is playing a crucial role in economically integrating South Asia and Southeast Asia across the Bay of Bengal. Japan can broaden its current role of economic stabilisation through enhanced defence diplomacy and capacity-building, with a focus on coast guard assets and training. This should be focused on Myanmar, Bangladesh and Sri Lanka. These efforts would enhance these countries' abilities to provide their own security, making them less reliant on others.

2. Support for emerging regional institutions

One of the greatest strategic weaknesses in the Indian Ocean is its regional institutions. Although groupings such as the Indian Ocean Rim Association (IORA) and the Indian Ocean Naval Symposium (IONS) have been established, they remain very weak and underfunded. A lack of regional institutional frameworks and the 'habits' of regionalism seriously undermine the abilities of Indian Ocean states to work with each other in providing maritime security or to speak with a powerful voice towards extra-regional states.

This only increases the risk of strategic instability in the region, particularly as we will see changes in the balance of power in the coming years. The relative military dominance of the United States in the Indian Ocean will almost certainly decline and the relative role of India, China and other extra-regional players, such as Japan, will almost certainly increase. These major players can and should play important roles, but it is important that they operate in an environment where there are some basic functioning regional institutions and frameworks. Smaller regional states need to be given the tools to allow them to contribute to the 'rules of the road' in the Indian Ocean in a meaningful way.

Japan is already an observer of IORA, although so far it has not really played an active role, and has only recently become an observer of IONS. In my view, even though it is an extra-regional state, Japan could play an extremely active role in supporting the development of these organisations and other Indian Ocean regional institutions and helping promote the discussion and awareness of the

importance of the international rules-based order at sea. Japan's reputation runs very highly in most Indian Ocean states and it is seen in very benign terms. It should use that reputation and resources to help build the Indian Ocean as a cohesive region. Japan would also want to be in a position to potentially contribute to the development of new security institutions in the region.

3. Maritime capacity-building among island states

Japan also has the ability to involve itself in maritime capacity-building in many of the less-developed states in the region, including Indian Ocean island states such as the Maldives, Mauritius, Seychelles and Comoros Islands, which tend to have very few capabilities and huge areas of maritime responsibility.

One promising area for assistance is in hydrographic research. India already plays an active role in providing hydrographic services to countries throughout the Indian Ocean, helping them to map and understand their oceanic resources. Japan could also play an important role in helping these countries as part of an overall focus on helping them to develop their blue economies.

Another potential area of assistance is in fisheries regulation. One of the key security issues faced by many Indian Ocean states is the effects of illegal or unregulated fishing in their exclusive economic zones, which is often associated with other forms of maritime crime. Japan could play an important role in raising its international profile as a defender of sustainable fishing in the Indian Ocean.

As Anthony Bergin discusses in 'Australia–Japan, the Indian Ocean Blue Economy', Japan potentially has a key role in the Indian Ocean blue economy. This would assist in the broader economic stabilisation of relatively weak states that could otherwise be tempted to take actions that could destabilise the region. More specifically, blue economy initiatives led by Japan could help these countries exert more-effective control of their zones of maritime jurisdiction, thus reducing the destabilising effects of piracy, illegal fishing and arms and drug trafficking.

4. The role of the Japan coast guard

In all of this, the Japan Coast Guard potentially has a key role to play. In the East China Sea and the South China Sea we are witnessing the so-called 'white hulls' of coast guards and similar maritime agencies taking a leading role in providing maritime security and/or asserting national interests. In the Indian Ocean, we are likely to see a shift towards much greater cooperation among coast guard agencies, in addition to cooperation among traditional navies. This is not only more politically acceptable to some countries, but also reflects the nature of many security challenges in the Indian Ocean region, such as piracy, illegal fishing and smuggling, which requires more of a constabulary than a high-end war fighting response.

Japan's navy is large by any standards. The JMSDF currently has some 47 destroyers and frigates, which compares very favourably, for example, with Australia's mere 11 frigates. Australia has for decades used its relatively small pool of assets intensively, including on regular extended deployments to the far reaches of the Indo-Pacific region. In contrast, while Japanese perspectives on naval deployments beyond its immediate neighbourhood are evolving, considerable cultural, political and legal inhibitions remain regarding the idea of the long distance deployment of naval assets.

These constraints are far less pronounced when it comes to Japan's coast guard. Japan has by far the most capable coast guard of all Indo-Pacific maritime states, deploying numerous offshore patrol vessels, many of which are more or less the size of frigates. The coast guard operates under the oversight of the Ministry of Land, Infrastructure, Transport and Tourism, which in many respects gives it greater legal and political latitude than the JMSDF.

For more than a decade, the Japan coast guard has conducted regular exercises and training with the Indian coast guard off southern India. Japan is also using its coast guard to spearhead capacity-building assistance being provided to Southeast Asian states such as Vietnam and the Philippines.

In my view, there are significant opportunities for Japanese 'white hulls' to lead the way in helping to build capabilities (including through frequent exercises and provision of training) in the eastern Indian Ocean. Japan could, for example, consider sponsoring regional coast guard exercises or other regional activities with key Bay of Bengal states. These efforts would be designed to complement India's activities in that region and properly recognise India's leading role as a regional security provider.

Again, in this area, Japan potentially has a significant role to play in building habits of cooperation among Indian Ocean states that could help mitigate the destabilising effects of changes in the regional balance of power.

Conclusion

My key suggestions as to how Japan might seek to build its role in the Indian Ocean and help contribute to peace and stability of that region are as follows:

- > Japan has had a small but valuable naval presence in the Indian Ocean for some years. It is now time for Japan to develop a more comprehensive strategy for the Indian Ocean.
- > It is in the interests of Japan and the region for Japan to play a more active role in Indian Ocean security, in cooperation with key partners such as Australia and India.

- > Japan potentially has a very special role in building stability, democracy and prosperity in Bay of Bengal states such as Myanmar, Bangladesh and Sri Lanka.
- > Japan can also play a very important role in supporting the development of institutions that give Indian Ocean states a stronger regional voice and reinforce the commitment of regional states to an international rule based order at sea.
- > Japan can also play a key role with Indian Ocean island states in helping to develop their blue economies. That will help to provide economic stability as well as improving these states' effective control of their maritime jurisdictions.
- > Many of these initiatives could be spearheaded by the Japan Coast Guard. This could avoid some of the constraints faced by the JMSDF and be consistent with the particular maritime security requirements of the Indian Ocean region.

Japan's commitment to Indian Ocean security: a vitally important highway, but risks of strategic overextension?

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Indo-Pacific Maritime Security: Challenges & Cooperation

Japan's commitment to Indian Ocean security: a vitally important highway, but risks of strategic overextension?

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Introduction

Since the end of the Cold War, Japan has consistently expanded its activities towards improving maritime domain security. But this trend is gradually changing, due to budget restrictions and changes in the security environment surrounding Japan. Despite strict budget conditions, the Japan Maritime Self Defence Force (JMSDF) has to engage in an increasing number of missions, meaning it would be quite difficult to expand the distribution of its resources to Indian Ocean security above its current posture.

The Indian Ocean is a vitally important highway for Japan's foreign trade, and Japan's commitment around the Indian Ocean should be managed effectively within the limited resource distribution available.

If Japan invests too much in Indian Ocean security beyond its means, it risks what Liddell Hart called 'strategic overextension.'

Japan's counter piracy operations

The JMSDF currently contributes to counter-piracy operations around the Gulf of Aden. Since March 2009, two Japanese destroyers have always been deployed, and soon after that two P-3C maritime patrol aircraft were added to the surface force deployment.¹ For Japan, the Indian Ocean and surrounding maritime areas are considered a 'maritime highway' of sea lines of communication (SLOCs) stretching from the Persian Gulf to coastal Japan. Stable seas controlled by rules and laws are critically important for Japan, because Japan places over 99 per cent reliance on SLOCs for foreign trade.² For this reason, it is necessary for Japan to reduce the risk of SLOC instability caused by piracy, generated by failed states such as Somalia.

The counter-piracy operation commenced soon after the end of Japan's logistic support operation for coalition forces for the War on Terror after the September 11, 2001 terrorist attacks. The JMSDF has therefore been deploying its surface forces around the Indian Ocean for almost fifteen years, from the beginning of the twenty-first century. This 'quasi-permanent' deployment imposes considerable burdens on the JMSDF. Japan's counter-piracy operation

is based on Article 82 of the Self-Defense Force Act, which provides for 'Maritime Security Operations' in order to protect Japan-related vessels from acts of piracy in the waters off the coast of Somalia and in the Gulf of Aden.³ JMSDF vessels and other naval vessels conduct anti-piracy operations as part of the traditional naval role of constabulary operations.⁴ In the case of operations in peacetime or in a "low-intensity" environment, there is no need for highly developed anti-air warfare or power projection capabilities for deployed forces. On the other hand, these anti-piracy forces require the capabilities to enable them to stay for a long time in seas far from their home ports, in a vast operational area.

For this, deployed surface vessels are required for 'sea basing,' including payloads of fuel and provisions. Deployed vessels must also be equipped with C4ISR (command, control, computers, communication, intelligence, surveillance and reconnaissance) capabilities such as tactical data links and satellite communication systems, and helicopter operation and maintenance capabilities. As of March 2016, the JMSDF possesses 47 destroyers and frigates. But Aegis destroyers are primarily responsible for homeland defence such as ballistic missile defence (BMD), and large-sized helicopter carriers are inappropriate for this mission from the viewpoint of utility and costs. In addition, small coastal frigates must be excluded, so only 26 'multi-purpose destroyers' such as the Akizuki-class, Takanami-class, Murasame-class and Asagiri-class satisfy requirements for anti-piracy deployment in the Indian Ocean.⁵

In general, the rate of operation for these 26 destroyers is roughly estimated at 80 per cent, meaning that around 20 of them are in service at any one time, while the others are undergoing repair and maintenance. Then, it is necessary to secure six destroyers for the permanent deployment of two destroyers in the Gulf of Aden, because the JMSDF has to calculate the other two as in transit between Japan and the operational area, and two more have to be kept for pre-deployment preparations or after-deployment maintenance. In total, six of twenty, or approximately 30 per cent of in-service multi-purpose destroyers, are in use in Japan's counter-piracy operations.

¹ The Cabinet Secretariat of Japanese Government, Annual Report 2014 'Japan's Actions Against Piracy off the Coast of Somalia and in the Gulf of Aden,' May 2015.

² Ibid.

³ Ibid.

⁴ Generally speaking, navies have three roles: military, constabulary and diplomatic. Ken Booth, *Navies and Foreign Policy*, Routledge, 2014, p.16. (First published in 1977 by Croom Helm Ltd.)

⁵ Stephen Saunders eds, *Jane's Fighting Ships 2014-2015*, IHS, 2015, pp.431-441.

The distance between Japan and the Gulf of Aden is about 6500 nautical miles, and there are no bases or ports that can provide reliable replenishment and repair for sophisticated surface combatant ships. This means that deployment forces always depart from Japan and sail to the Gulf of Aden, taking approximately 23 days (if sailing at 12 knots). In total, it takes about one month for the transit, including replenishment.⁶

The counter-piracy operation thus imposes a severe burden on the JMSDF from the viewpoint of resource redundancy. During the transits for this operation, it is possible to engage in ad hoc multilateral exercises or deal with unexpected humanitarian assistance and disaster relief (HADR) requirements. These activities contribute to Japan's political presence and are quite important missions directly connected to Japan's interests.⁷

On the other hand, JMSDF vessels are not required only for SLOC defence in far seas. If anything, missions such as strategic ISR and BMD conducted off the coast of Japan, which are directly connected to homeland defence, should be given higher priority. Thus, it is almost unrealistic to expand forces that work full-time missions in far seas around the Indian Ocean to anything greater than the current posture. Paul Kennedy found that the major reason for the British Royal Navy's decay was what Liddell Hart called its 'strategic overextension' due to Britain's worldwide colonial rule.⁸ This issue could apply to the JMSDF to some degree. If Japan forgets its status and strengthens its commitment excessively in the far seas, such activities would not contribute to Japan's interests in the long term. Thus, Japan recognises that India is the one of its most important security partners as long as India maintains its neutral and gentle diplomacy.

Japan welcomes India's position as the 'main resident power' in regional security and its role as a 'friendly policeman.'⁹

Resource distribution between 'homeland defence' and 'stabilising the vast SLOCs'

What is the context of Japan's security environment? The U.S. Department of Defense's Asia-Pacific Maritime Security Strategy (APMSS) published in August 2015 demonstrates America's commitment to Asia-Pacific regional security, taking into consideration China's maritime expansion. The APMSS proposes three strategic goals:¹⁰

- > Safeguard the freedom of the sea
- > Deter conflict and coercion
- > Promote adherence to international law and standards

According to the APMSS: 'For 70 years, the U.S. military presence in the Asia-Pacific region has played a vital role in undergirding regional peace, stability, and security. This presence has enabled tremendous prosperity and economic growth across the region and facilitated the

unimpeded flow of resources and trade across vital Asian waterways. It is in the interests of all nations, not only those in the Asia-Pacific region, that the United States continues to deter and prevent conflict in this critical region. As the maritime security environment continues to evolve, this task is becoming more challenging. But there should be no doubt that the United States will maintain the necessary military presence and capabilities to protect our interests and those of our allies and partners against potential threats in the maritime domain.'¹¹

One of most critical issues in Asia-Pacific security is China's growing anti-access/area-denial (A2/AD) capability. Certain A2/AD capabilities are relatively low-cost compared with U.S. capabilities, which could provide asymmetrical military capabilities that efficiently deny U.S. military advantages. The U.S. response to China's A2/AD strategy involves securing a forward deployment and power projection capability (PPC) through carrier strike groups (CSG) and expeditionary strike groups (ESG) and maintaining offensive military strategy. The operational concept called Air Sea Battle (ASB) (now called the Joint Concept of Access and Manoeuvre in Global Commons or JAM-GC), is one of the ways to secure operational access under an A2/AD environment and perform U.S. forces' PPC. ASB secures the corridor to deploy CSGs and ESGs, and they will perform their PPC as usual.¹²

⁶ This restriction is also common for other naval vessels of East Asian countries, including the Chinese navy. Recently China has advocated the "One-Belt, One-Road Concept," and some of views regard this advocacy as military threat. But this issue should generally be discussed in the fields of diplomacy or economics. China does not possess self-conclusive forward deployment bases in the Indo-Pacific theatre, which equip highly developed anti-air warfare systems and logistics networks such as the US forces in Japan. Thus, if China investigates and develops ports located in friendly countries, they can contribute China's peacetime trade and enhance its political presence. But there are very severe limitations for military use because it is quite difficult to overcome their military vulnerabilities.

⁷ Edward Luttwak defines the deployment of naval forces for transmitting political intention as "Active Suasion," and regards this mission as one of major roles in the use of naval forces. Edward Luttwak, *The Political Uses of Sea Power*, The Johns Hopkins University Press, 1974, pp.17-18.

⁸ Paul Kennedy, *The Rise and Fall of British Naval Mastery*, The Third Edition, Fontana Press, 1991, p.412.

⁹ David Brewster, *India's Ocean - The Story of India's Bid for Regional Leadership*, Routledge, 2013, p.203. The Indian Ministry of Defence published "India's Maritime Military Strategy" in 2007. The sub-title of the document is "Freedom to Use the Seas." For this, it is possible to understand that India regards "freedom of the seas" as one of the most important strategic goals. Integrated Headquarters Ministry of Defence, *Freedom to Use the Seas: India's Maritime Military Strategy*, 2007.

¹⁰ U.S. Department of Defense, *Asia-Pacific Maritime Security Strategy*, August 2015, pp.1-2.

¹¹ Ibid, p.2.

¹² US Department of Defense Air-Sea Battle Office, *AIR- SEA BATTLE - Service Collaboration to Address Anti-Access & Area Denial Challenges -*, May 2013, p.1.

The U.S. Defense Innovation Initiative (DII), published in November 2014, aims to set out the means of maintaining the U.S.'s military superiority in the twenty-first century. In order to achieve this, the DII suggests that "we will identify a third offset strategy that puts the competitive advantage firmly in the hands of American power projection over the coming decades."¹³

As an ally of the United States, Japan has to establish the direction of its efforts in a manner adapted for U.S. strategy. However, considering the scale and capability of the Self-Defense Forces, and Japan's budget conditions, it is unrealistic that Japan itself will share the power projection capability with U.S. forces. One of the most significant efforts is securing forward-deployment bases in Japan as a sanctuary, in order to perform U.S. forces' power projection capability. To achieve this goal, Japan has to deny China's A2/AD strategy efficiently, and Japan's response to China's strategy can be identified as 'Japan's area-denial strategy.' This development is being realised incrementally: increasing the number of submarines in the JMSDF; increasing the number of Japan Air Self-Defense Force (JASDF) fighter squadrons in Okinawa Island; and the deployment of surface-to-surface missile forces in the Ryukyu Islands by the Japan Ground Self-Defense Force (JGSDF).

These initiatives relate to homeland defence, based on the deterrence of high-intensity conflict by countering the A2/AD environment. On the other hand, the most critical issue that requires an urgent response is the diplomatic confrontation and low-intensity territorial disputes in the East China Sea and the South China Sea. In these disputes, the main actors are not grey-hull naval vessels, but white-hull maritime law enforcement (MLE) vessels. Through *fait accompli* activities centred on territorial disputes and showing political presence, there is confusion around the deployment of MLE and air/naval assets. The possibility of a high-intensity conventional conflict is relatively low within the context of deterrence, but the risk of a low-intensity conflict is greater.

This situation is sometimes called the Stability-Instability Paradox, which is the paradoxical situation between stable deterrence on the higher level of escalation ladders and instability on the lower level of them. This concept was initially proposed by Glenn Snyder in the context of nuclear deterrence. He argued that "the point is often made in the strategic literature that the greater the stability of the 'strategic' balance of terror, the lower the stability of the overall balance at its lower levels of violence."¹⁴ Snyder's suggestion means that the stable nuclear deterrence structure based on Mutually Assured Destruction between the U.S. and the Soviet Union would not deter regional conventional conflicts such as the Korean War, the Vietnam War and the Soviet invasion of Afghanistan.

Applying this theory in the current security environment in the Asia-Pacific region, "the greater the stability of the high-

intensity conventional conflict level, the lower the stability of overall balance at its lower levels of low-intensity territorial disputes." The challenger who wants to change the status quo need not calculate the risk of escalation and can more easily commence action in low-level disputes.

Based on this recognition, there are no efficient ways to stabilise the current security environment and all participants must continue to commit to low-level confrontation for a long time.

It is important to pay attention to the difference between counter-A2/AD assets and useful assets for low-intensity confrontation. Capable counter-A2/AD assets adapted to the A2/AD environment consist of stealth features, unmanned aerial vehicles, fifth-generation fighter jets, submarines, and so on. On the other hand, it is important to appeal its existence to show its political presence at the level of low-intensity disputes, such as the use of impressive high-end surface combatant vessels. Nevertheless, in general, suitable assets need to be deployed in response to the particular situation and escalation level. It is also important to distribute resources between various military assets adapted to diverse security requirements.

Conclusion

The Indian Ocean SLOCs are a vitally important highway for Japan, but it is necessary to consider resource distribution between homeland defence and SLOC defence, or between deterrence and showing political presence. Japan has to investigate each of these and cannot be one-sided. The role of Japan in Indian Ocean security can be considered through the following Ends-Ways-Means Structure.

Ends

- > To secure 'freedom of the seas' as global commons in Indian Ocean from now on, Japan continues to make efforts to maintain an 'open and stable sea'¹⁵ suitable for SLOCs.

Ways

- > The Japan-U.S. alliance is the cornerstone of security in the Indo-Pacific region. But this region is also the foundation of economic development in the global world, so that the alliance itself is insufficient for providing comprehensive security resources.

¹³ Secretary of Defense Chuck Hagel, *The Defense Innovation Initiative*, November 15, 2014, p.2.

¹⁴ Glenn Snyder, "The Balance of Power and the Balance of Terror," Paul Seabury eds, *Balance of Power*, Chandler Publishing Company, 1965, pp.198-199.

¹⁵ Japan National Security Council, *National Security Strategy*, December 17, 2013, p.2.

- > To improve this situation, Japan expects India to take responsibility in the Indian Ocean, and Australia in the Western Pacific. It is also necessary to increase connections with 'like-minded countries' in this region.

Means

- > Japan must optimise its resources in self-help. For Japan, it is important to appeal to friends and allies to ensure superiority in the vast maritime domain while Japan deals with China's A2/AD strategy in the geographically limited theatre of the South and East China Seas. The JMSDF shows its presence through multilateral exercises and non-traditional security activities such as HADR, and proposes diverse networks and connections through personnel and educational exchanges, capacity-building and so on. These activities can contribute indirectly to homeland defence.

On the other hand, Japan has historical issues with surrounding countries, and India also has various problems with its neighbours. Thus, it is important to coordinate the details of commitment to like-minded countries between India and Australia.

Until the mid-twentieth century, the balance of power between European great powers was the most critical issue in international politics. In the current world, the first-ever global Great Game is occurring. Japan does not possess sufficient resources to participate in the Great Game, so strategic decision-making and resource distribution are critically important. Japan's main stages are not only located in its neighbourhood, but are also expanding into the vast maritime domain of the Indo-Pacific.

インド洋の安全保障に対する日本のコミットメント

- 死活的に重要な物流のハイウェイ、戦略的拡張状態へのリスク-

2等海佐 後瀉桂太郎

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序 論

冷戦終結後、日本は一貫して海洋領域における安全保障環境の改善に関わる活動を拡大してきた。しかしこのトレンドは財政状況と安全保障環境の変化に伴い、徐々に変化している。海上自衛隊は厳しい財政事情にも関わらず、増加する任務に対応し続けてきたが、これ以上のコミットメント増加は極めて困難である。インド洋は日本の海外貿易にとり死活的に重要なハイウェイである。しかし日本のコミットメントの程度は限られた資源配分の範囲内にとどまるものであり、もしもこれ以上の過剰な投資を続けたとしても「過度の戦略的拡張状態」を招来し、日本の将来安全保障環境に深刻な影響を及ぼすことになる。

海賊対処活動の実情

海上自衛隊は2009年3月以来アデン湾における海賊対処活動を継続しており、2隻の護衛艦ならびに2機のP-3C哨戒機が当該海域に展開している。日本にとりインド洋ならびにその周辺海域は、ペルシャ湾から日本周辺海域に至る海上交通路（sea line of communication: SLOC）におけるハイウェイとでもいえるべき存在である。言うまでもなく日本は輸出入の99%以上を海上交通に依存しているため、法の秩序に基づいて安定した海洋は日本にとり死活的に重要である。そのためソマリア等の破綻国家に起因する海賊行為によって高まったSLOCのリスクを他国とともに速やかに減減させる必要があった。この海賊対処活動は「9.11」以降に実施された有志連合に対する補給支援活動が終結してからほどなく開始されたものであり、結果として海上自衛隊は今世紀初頭から約15年間、ほぼ常続的にインド洋もしくはその周辺海域に水上部隊を展開し続けてきた。

この「準恒久的」展開は海上自衛隊にとり相応に重い負担をもたらしている。海賊対処活動は自衛隊法第82条に基づく海上警備行動を根拠とする。同様に参加する他国の海軍艦艇もまた海軍の伝統的任務としての警察権の行使として、いわば「低烈度（low-intensity environment）」もしくは平時の活動として海賊活動の未然防止のため作戦を実施している。このようなレベルの作戦では、高度な防空能力、あるいは兵力投射能力が要求されるわけではない。一方で自国領域から遠く離れた外洋において、長期間洋上にとどまって広範な海域を監視する能力が必要である。

このため、派遣される水上艦艇には燃料・食糧といった必要物資の搭載量を含め一定レベルの長期行

動能力、戦術データリンクあるいは衛星通信装置といったC4ISR（command, control, computer, communication, intelligence, surveillance and reconnaissance）能力に加え、ヘリコプターの搭載・整備・運用といった能力が要求される。海上自衛隊は2016年3月現在で47隻の護衛艦を保有するが、弾道ミサイル防衛にあたるイージス艦、コスト的に不適当な大型のヘリコプターキャリアー、あるいは小型の沿岸配備型護衛艦（FFG/DE）を除き、これらの要求性能を満たす艦艇は汎用護衛艦と呼ばれる「あきづき型」、「たかなみ型」、「むらさめ型」、「あさぎり型」の計26隻である。

26隻の護衛艦は常時その全てが稼働状態にあるわけではなく、一部は修理のため非稼働状態にある。概ね80%が稼働状態にあると考えた場合、ある時点で稼働状態にあるのは26隻のうち20隻程度となる。また、常時2隻を海賊対処活動のためアデン湾に展開するためには、日本国内において派遣準備に従事する別の2隻、さらに活動海域への進出・帰投中の2隻を考慮に入れる必要がある。つまりアデン湾に2隻の護衛艦を派遣し続ける、ということはその時点において稼働状態にある約20隻の汎用護衛艦のうち30%にあたる6隻が常に拘束されている、ということ意味する。

日本からアデン湾までの航程は6500海里に及ぶ。そしてマラッカ海峡を抜けてから広大なインド洋を経てアフリカ東岸に至る海域において、システム化された水上艦艇の整備を実施できる、長期間にわたる活動拠点となり得る港湾は存在しない。よって派遣艦艇はその都度日本を出港してアデン湾に向かうこととなる。平均12ノットで航行した場合に約23日間を要し、これに燃料・食糧等の補給を目的とした寄港を加えた場合、水上艦艇の進出・帰投には約1か月の日数を考慮に入れる必要がある。

このように海賊対処活動は海上自衛隊に対し相当に大きな負荷を与えるものである。進出・帰投時において多国間訓練あるいは災害派遣・人道支援といった不測事態に対応することは可能であるし、その結果として政治的意図に基づくプレゼンスに寄与することは日本の国益に関わる、極めて重要な任務であろう。

一方で海上自衛隊の艦艇は遠海（far seas）のSLOC防衛にのみ従事しているわけではない。むしろ日本近海における戦略的ISR、弾道ミサイル防衛をはじめとする本土防衛に直結した任務により高い優先順位を置くべきであり、その結果インド洋周辺の遠隔地に常時展開する部隊をこれ以上増強させる、などということは非現実的である。かつてケネディ（Paul Kennedy）は英国海軍衰退の要因を世界規模の植民地経営に伴う「過度の戦略的拡張状態（strategic overextension）」に見出したが、この状況は規模の違いこそあれ現在の海上自衛隊にも当てはまる。自身の能力を超え、遠隔地におけるコミットメントを強化することは長期的に見て日本の国益に資するものではない。それゆえに日本はインドが中立的であり続ける限りにおいて安全保障面における積極的なパートナーであると認識しており、インドが安全保障における「温かな警察官（friendly policeman）」として振る舞

うために「主たる地域大国（main resident power）」であることを歓迎するのである。

「本土防衛」と「広大なSLOCの安定」を巡る資源配分

では日本の安全保障環境の文脈についてどのように理解すべきなのであろうか。2015年8月に公表されたアジア太平洋海洋安全保障戦略（Asia-Pacific Maritime Security Strategy: APMSS）は、米国の安全保障上のコミットメントについて中国の海洋進出を念頭にアジア太平洋地域に特化して示したものである。APMSSはその序章において3つの目的を掲げる。

- ① 海洋における自由の擁護
- ② 紛争と強制の抑止
- ③ 国際法・国際秩序遵守の促進

ここから読み取れるのは「公共財としての海洋の自由という国際秩序を維持し、力ではなく国際法に基づいて国際問題が解決されるよう、紛争を抑止する」という姿勢である。

東アジアの安全保障に関するトレンドにおいて最もインパクトをもたらすものとは、米軍の優越を阻害するためにPLAが発展させてきた比較的安価かつ非対称な能力、「アクセス阻止・エリア拒否（anti-access/area-denial: A2/AD）」能力である。そしてA2/ADに対する米国の軍事戦略は明快であり、従来米軍の優越を担保してきた前方展開と空母打撃群あるいは遠征打撃群を中心とする兵力投射能力を確保し、攻勢戦略を維持するというものである。エアシー・バトル（Air-Sea Battle: ASB、もしくはJoint Concept of Access and Maneuver in Global Commons: JAM-GC）はA2/AD環境下で従来の兵力投射能力を発揮させるために作戦アクセスを確保する方策であり、ASBで確保された海空ドメインをとって従来通りCSG、ESGの兵力投射能力を発揮させることが前提である。

また、2014年にヘーゲル米国防長官（当時）が公表した「防衛革新構想（Defense Innovation Initiative: DII）」が目的とするのは21世紀における米軍の軍事的優越を維持することであるが、そのために「第三の相殺戦略を策定する。これは今後数十年間にわたり兵力投射能力を手元に維持し、確固たるアドバンテージをもたらす」という意図を示している。

このような米国の方針と適合する、日本の同盟国としての努力の方向性とはどのようなものであろうか。現状の自衛隊の規模と能力、あるいは日本の財政状況を考慮した場合、日本自身が米軍同様の兵力投射能力を保有することは現実的ではない。一義的には米軍が兵力投射能力を発揮できるよう、日本国内にある前方展開拠点を確保し、「聖域化」するための努力が重要である。そのためにはA2/AD戦略を拒否することが重要なのであり、「日本のエリア拒否戦略（Japan's area-denial strategy）」と呼ぶべきものであろう。このトレンドは潜水艦の増勢、空自戦闘機部隊の沖縄本島における増強、あるいは琉球列島における陸自SSM部隊の新規配備といった形で

徐々に具現しつつある。

ここまで議論してきた本土防衛とは、A2/AD環境への対抗という、高烈度の通常紛争を抑止するという文脈に基づくものである。一方で東シナ海、南シナ海で最も喫緊の対応を要する事象は、海上法執行機関（maritime law enforcement: MLE）を中心としたアセットが前面に出る政治的対立あるいは低烈度の領土紛争である。そこでは領土主権をめぐる既成事実化とプレゼンスの顕示が関係諸国間で争われており、MLEと海軍・空軍アセットがその手段である。高烈度の紛争発生が公算が低く、主として抑止の文脈で議論されるのに対し、低烈度の領土紛争が沈静化する気配は見られない。

このようにエスカレーションラダーの高位において抑止が機能し、均衡がとれることにより、事態のエスカレートがないという予測が低位のラダーにおける不安定を惹起する、という状況は「安定－不安定のパラドクス」と呼ばれる。この概念を提示したスナイダー（Glenn Snyder）は「戦略レベルでの恐怖の均衡が安定すればするほど、そのエスカレーションラダーの下位レベルの安定性は低下する」と述べる。スナイダーが念頭に置いていたのは冷戦期に米ソ間で相互確証破壊が機能し、核戦略レベルで均衡が見られる一方、朝鮮戦争あるいはその後勃発したベトナム戦争、そしてソ連のアフガニスタン侵攻のような通常戦力による紛争を抑止できない、という状況を示す。

これを現在のアジア太平洋における安全保障環境に敷衍すると、高烈度の通常紛争という高次のレベルにおいて安定が成立し、抑止が機能することにより、現状変更を企図する側は、エスカレーションの危険をあまり感ずることなく、低次ラダーの領土紛争レベルでの行動を遂行することが容易になった、ということの意味する。すなわちA2/ADやASBといった高烈度の通常紛争レベルで抑止が機能する、という認識が低烈度の対立・紛争を抑止できない現状を作り出しているのであり、当面の間この状況を沈静化させる効果的な手段は見当たらない。

ここで留意すべきは、A2/AD環境に適応し、これに対抗するアセットと、遠海におけるSLOC防衛あるいは低烈度の対立・紛争に使用されるアセットは大きくその性格が異なるということである。A2/AD環境に適したアセットとは低視認性、隠密性に富む無人機、ステルス航空機、潜水艦といったものである。一方で領土主権等を主張し、政治的プレゼンスを顕示するために有効なのは多くの水上艦艇のように、逆にその存在をアピールするものである。つまり現在の安全保障環境においてオールラウンダーは存在せず、その使用する状況に応じて適合するアセットは大きく異なるのであり、それらを建設するための資源配分が重要となる。

結 論

ここまで議論してきたとおり、インド洋のSLOCは日本にとり死活的に重要である一方、本土防衛と抑止といった視点とは異なる投資と努力の方向性が要求される。したがって日本は限られた資源をそのいずれにも配分

する必要があり、そのいずれかに特化することはできない。これらを踏まえた上でインド洋における日本の安全保障上の役割について、戦略文書でポピュラーな「目的-方策-手段」という枠組み（Ends-Ways-Means Structure）にしたがって示す。

（１）目的（Ends）

国際公共財としての「海洋の自由」がインド洋において今後も確保されるため、海洋交通のハイウェイとしてのSLOCに適した、「開かれ安定した海」を維持する。

（２）方策（Ways）

日米同盟はインド-太平洋地域の安定に関わる礎石であるが、グローバル化する世界においてこの地域は成長の基盤をなしており、もはや日米同盟だけで安全保障に関わる資源を提供するには不十分である。

そのため、インド洋においては主としてインドに、さらに西太平洋ではオーストラリアに期待するところが大きい。日米印豪が中心となり、さらに“like-minded countries”をこの地域に増やすことが必要である。

（３）手段（Means）

まず日本自身の努力として、限られた資源をインド洋においてできるだけ有効に活用することが求められる。それは地理的に限定的なA2/AD環境ではなく、広大な海洋という領域において日本とその同盟・友好諸国が優位にあることをアピールすることである。それは多国間訓練や人道支援・災害派遣（HADR）といった非伝統的安全保障分野を通じてプレゼンスを示し、友好国との間で海軍の人的交流、能力構築支援といった多様なネットワークを提示する、といったことになるだろう。これは間接的に日本の本土防衛にも寄与し得るものである。

一方で日本が周辺諸国との間に第二次世界大戦までの歴史的経緯に起因する問題を抱えているように、インドもまた地域大国として周辺諸国との間に様々な問題を抱えている。このため、友好諸国へのコミットメントに際しインド、オーストラリアとの間で緊密な連携をとり、有効なコミットメントの態様について調整することが重要である。

20世紀半ばまでの国際社会は欧米の列強間における勢力均衡が重要な命題であった。ひるがえって現代は史上初めてグローバルな「Great Game」が展開されている。日本の持つ安全保障に関わる資源は潤沢ではない。しかしそれゆえに戦略的な選択と意思決定が重要になっていることはいうまでもない。そしてその主要な舞台は日本の近傍だけでなく、インド太平洋の広大な海域に広がっているのである。

Australia-Japan cooperation in the Indian Ocean blue economy

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Indo-Pacific Maritime Security: Challenges & Cooperation

Australia-Japan cooperation in the Indian Ocean blue economy

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The Indian Ocean has enormous potential for harnessing blue economy resources. Fisheries, offshore oil and gas, marine-based tourism and maritime industries are already making a significant contribution to the economies of Indian Ocean states.

The blue economy concept has the potential to act as a key driver of sustainable development and political stability through the Indo-Pacific region. Mauritius and Seychelles, two small island developing countries, have already embarked upon a marine policy strategy for implementing blue economy principles in their respective economies.

There is a question as to what extent the blue economy is a site for competition and contestation and whether civil ocean development cooperation can be a model for cooperation across to major strategic interest areas. I would suggest that greater cooperation in areas like marine scientific research, maritime search and rescue, and marine environmental protection could help defuse tensions and build trust between major powers.

Indian Ocean rim states are considering how to seize the opportunities emerging from blue economy sectors for higher growth.

Australian Foreign Minister Julie Bishop launched Australia's Blue Economy Initiative during the Indian Ocean Rim Association (IORA) Council of Ministers' Meeting in Perth in October 2014. She introduced it as the topic of the Ministerial retreat. Japan is a key dialogue partner in the IORA, and it has the potential to become a key blue economy player in the region.

The blue economy incorporates not just traditional maritime industries such as fisheries, shipping and ports, but also developing industries like aquaculture, renewable energy technologies for wind, wave and tidal power, bio-products (pharmaceutical and agrichemicals), blue carbon (carbon sequestration) and desalination.

A report last year by the Economist Intelligence Unit on the blue economy argues the oceans are likely to become an economic force this century, driven by new technologies that make it economically viable to tap marine resources and demographic trends fuelling the search for food security and alternative sources of minerals and energy. Seaborne trade is expected to quadruple by 2050.

By 2030, two out of every three fish on our plates will have been farmed, much of it at sea. Offshore wind capacity is forecast to rise almost tenfold by 2030. There will be a surge in investment in coastal infrastructure, industry and tourism as the global migration to cities and coasts

deepens. Rising sea levels and storm surges as a result of climate change will drive investment in defensive infrastructure development.¹ The blue economy idea is all about the sustainable development of the Indian Ocean. The goal is now included in the IORA Economic Declaration.

Australian ocean interests

The blue economy is an obvious area where Australia can cooperate with Japan in the Indo-Pacific.

Australia lays claim to the third-largest marine jurisdiction of any nation on earth, and has responsibility for a search and rescue area that covers over one-tenth of the earth's surface. Australia's maritime strategic interests comprise offshore island territories, the Australian Antarctic territory, the sea-air gap and navigational rights and freedoms.

Australia's maritime borders require enforcement in the face of unregulated people movement, illegal fishing and goods, safety of shipping and the introduction of marine pests. Australia's ocean industry sector contributes significantly to the country's economy. By 2025, Australia's oceans are expected contribute \$100 billion per annum its economy, up from the current \$47.2 billion annual contribution.² This contribution includes existing industries such as tourism, ports, transport, shipbuilding, offshore oil and gas, aquaculture and wild fisheries. Opportunities for further economic gains lie in biotechnology, wind, wave and tidal energy and innovation-based growth in established sectors.

Australia's oceans host some of the most important marine habitats in the world. Australia has got a clear obligation to protect the environment in its marine jurisdiction and conserve its living resources. But Australia still lacks much of the scientific knowledge required to discharge this obligation effectively: it has yet to explore more than 75 per cent of its marine estate.

The oceans surrounding Australia hold the key to the country's climate. The cycles of droughts and floods are controlled by ocean circulation patterns, and their interaction with the atmosphere in the Indian, Pacific and Southern Oceans is critical. Seasonal climate predictions will improve as we gain a greater understanding of ocean processes.

¹ Economist Intelligence Unit, *The Blue Economy*, 2015 (<http://www.economistinsights.com/sustainability-resources/analysis/blue-economy>).

² National Marine Science Committee, 'National Marine Science Plan 2015 – 2025: Driving the Development of Australia's Blue Economy', 2015 (http://frdc.com.au/environment/NMSC-WHITE/Documents/NMSP_TS_040116%20website%20update.pdf), 9.

A more integrated approach to oceans policy will give Australia substantial national strategic benefit from its ocean territory and surrounding oceans and seas. Activities within Australia's own offshore estate may have effects on the ocean health and security of its near region. Oceans policy should therefore be centre stage in terms of Australia's emerging strategic cooperation with Japan in the Indo-Pacific: many of these countries have extensive maritime interests, including significant ocean zones that need to be managed. If countries like Japan and Australia don't work to advance the blue economy, then other states that wish to expand their ocean economy and broader maritime interests, will certainly do so. Countries as diverse as China, US and India are looking to expand the full range of their ocean industries.

A vision in blue: Japan's role

Along with Australia, Japan sees the blue economy as a shared vision for growth in the Indian Ocean region: both countries want to make marine economic activity a driver for Indian Ocean rim economies.

Japan wishes to promote prosperity and stability in the Indian Ocean, and again, like Australia, seeks to achieve this through maritime security and safety and sustainable economic growth.

Japan has proven expertise and has demonstrated real contributions in ensuring freedom and safety of navigation as witnessed by Japanese contributions to improving navigation safety in the Straits of Malacca.

The blue economy is really part of a larger trajectory of stronger regional cooperation where Japan can play a very useful role for the collective benefit of the Indian Ocean region by growing the region's economic potential, while safeguarding the longer-term health of the ocean. This goal certainly requires marine scientific research, and that is one of Japan's great strengths. Areas where Japan can contribute to the Indian Ocean blue economy could range from providing good data to better manage data-poor fisheries; combatting illegal, unreported and unregulated fishing; mapping wave-energy resources, assisting with dredging science for port developments; or eco-engineering approaches to coastal development.

Rather than going through all these areas, however, I would like to take five examples of where Japan's ocean industry expertise could be shared to promote the blue economy in the region.

Renewable offshore energy

Indian Ocean states are looking at renewable ocean energy generated from diverse sources such as wind, solar, wave, tidal cycles and thermal power for meeting the

growing energy demand in the region. As these countries look seaward for alternative non-conventional renewable sources of energy, there is interest in offshore solar power as having high potential as a major source of energy.

Japan's largest solar power plant, the Kyocera Corporation's Kagoshima Nanatsujima Mega Solar Power Plant, is an offshore technology built on reclaimed land jutting into the waters of Kagoshima Bay, generating 70 MW of energy in Kagoshima City. Construction of the mega solar plant began in September 2012 and it was opened in November 2013. The project has an annual power generation capacity of 78,800MWh and is expected to supply clean electricity to approximately 22,000 households on average while also saving 25,000t of CO₂ per year.³

Deep-sea mining

While there has been no commercial developments to date, there is still interest in investing in deep-sea mining in the Indian Ocean. A good summary is provided by Lyndon Llewellyn and two colleagues at the Australian Institute of Marine Science (AIMS), in an excellent recent survey of the blue economy in the Indian Ocean:

Deep seabed mining is expensive, requiring complex infrastructure and tools to mine at depths of many thousands of metres, capture and process extracted seabed in surface facilities, and then transport the product to shore-based facilities. But as the more easily accessed land-based resources are exhausted, people have turned once more to the ocean's unexplored depths. Increasing commodity prices, driven by demand for new technologies that depend on rarer metals, have now made seabed mining more commercially attractive.⁴

For polymetallic nodules, Japan is a pioneer investor in the Indian Ocean, and the International Seabed Authority entered into a contract with Japan after the Law of the Sea Convention came into effect. Technology development is the key to deep-sea mining in the Indian Ocean region. Japan can help with mining technology, processing technology and environmental impact assessment. There is also growing interest in developments in relation to reserves of deep-water gas hydrates energy reserves (reservoirs of gas trapped in ice crystals) where Japan is at the cutting edge. India and Japan last year carried out a joint survey for gas hydrates using a Japanese drilling ship in the Indian Ocean.

³ Power Technology, 'Kagoshima Nanatsujima Mega Solar Power Plant, Japan' (<http://www.power-technology.com/projects/kagoshima-nanatsujima-mega-solar-power-plant/>).

⁴ Lyndon E. Llewellyn, Susan English and Sharon Barnwell, 'A roadmap to a sustainable Indian Ocean blue economy', *Journal of the Indian Ocean Region* Vol. 12, No. 1 (2016): 52–66.

Prime Minister Modi has listed work on gas hydrates in the top 10 areas of potential research for India, given his country's dependence on imported fossil fuels. Japan has set itself the target of bringing methane hydrates into the mainstream by the early 2020s.⁵ The Japanese Agency for Marine Earth Science and Technology can assist in collaborative work with Indian Ocean states in the field of ocean sciences.

Marine biotechnology

Research and development in marine biotechnology is emerging as a promising sector for growth and employment in the Indian Ocean. The Indian Ocean region is rich in marine biodiversity: we are likely to see the realisation of marine biotechnology potential, including the culture of a range of marine organisms for biofuels, bioremediation and bioproducts. Japan can work with Indian Ocean states to realise some of the economic benefits. Of the 677 international claims of marine gene patents, between 1991 and 2009, 90 per cent are held by just 10 countries. Japan is in third place.⁶

Aquaculture

Aquaculture is a key driver of the blue economy in the Indian Ocean, providing opportunities and food to people in the region. Harnessing the nutritional power of the oceans through improved aquaculture may well be the key to a sustainable future. Since capture fisheries in the region face the problem of overfishing, the challenges of food security can be addressed through sustainable aquaculture production.

Aquaculture has the potential to transform the global food system for the better. It is the fastest growing food production system, with 7.5 per cent a year growth over the past 20 years. By 2030, aquaculture will make up 65 per cent of fish protein, and by 2050, 30 Mt/year of extra aquatic productions will be required to feed the planet.⁷ If aquaculture practices can be refined through technology, it will go a long way toward lessening the impact of illegal, unregulated and unreported fishing, and so help with sustaining ocean resources.

Although some regional arrangements for aquaculture exist among the Indian Ocean countries, it would be helpful to examine what is needed by way of cooperation in aquaculture within the blue economy framework.

In their previously cited paper I referred to earlier on the Indian Ocean blue economy, the AIMS researchers point out that a regional approach to skills and technology transfer will be needed to foster aquaculture, given the significant disparity in Indian Ocean rim states in terms of the development of aquaculture as an industry. The AIMS study points out that, given the demand is so great and is expected to continue, the "entry of new suppliers into the global marketplace is unlikely to diminish the opportunity for established national industries".

Japan has tremendous skills in this industry and can assist Indian Ocean rim states in developing aquaculture systems that can expand the range of foods and the nutritional content of those foods, while ensuring that the industry is economically and environmentally sustainable. Japan, for example, has a lot of expertise in developing high-volume feed that does not rely on wild-caught fish inputs and it also has great skills in creating market demand for farmed fish through pricing, nutritional content and availability. Japan's aquaculture industry has considerable knowledge on ensuring farmed fish do not transfer diseases to wild fish.

There is talk of seaweed as the new superfood. Japan is a world leader in the development and marketing of seaweed. Farmed sea vegetables, like kelp and seaweed, are low-maintenance sources of food that do not require irrigation and extract nutrients from the ocean itself.

Japan can assist not just with the technology challenges of farming seaweed, but also with the marketing and cultural challenges, as many people do not yet know how to prepare or consume seaweed.

Digital blue economy

Japan can contribute to the digital blue economy in the Indian Ocean: undersea cables and other telecommunication links and the electronic services that they can enable, such as broadband and data exchange. Japan can contribute to the growing digital fabric connecting the Indian Ocean, as it has some of world's top vendors of submarine cable systems.

⁵ See Sylvia Pfeifer, 'Methane Hydrates could be energy of the future', *Financial Times* 17 January 2014 (<http://www.ft.com/intl/cms/s/2/8925cbb4-7157-11e3-8f92-00144feabdc0.html#axzz42SMaHMqn>) and Nikita Mehta, 'India, Japan to carry out gas hydrate survey', *Live Mint* 27 February 2015 (<http://www.livemint.com/Politics/i8bYMjIVB3SS25VJdKU6al/India-Japan-to-carry-out-gas-hydrate-survey.html>).

⁶ Sophie Arnaud-Haond et al, 'Marine Biodiversity and Gene Patents', *Science* Vol. 331, Issue 6024 (2011): 1521.

⁷ The World Bank, 'Fish to 2030: Prospects for Fisheries and Aquaculture', World Bank Report Number 83177-GLB, 2013 (http://www-wds.worldbank.org/external/default/WDSPContentServer/WDSP/IB/2014/01/31/000461832_20140131135525/Rendered/PDF/831770WP0P11260ES003000Fish0to02030.pdf).

Conclusion

The concept of the blue economy in the region is evolving, with more countries and businesses wishing to tap Indian Ocean resources for economic growth and investment. It's an obvious area where Japan can work with both Australia and India: the Japan–Australia–India trilateral dialogue was launched last June and will continue into the future. When Prime Minister Abe visited India last December, Prime Minister Modi explained that maritime security is a major challenge, and expressed his interest in building maritime surveillance capacity and further promoting information-sharing. This cooperation is very relevant to advancing the blue economy in the Indian Ocean. I have no doubt that Japan sees the value of blue economic growth in the Indian Ocean and will share its ocean industry skills, data and knowledge with the region.

Composing a seamless chain of maritime security coalitions across the Indo-Pacific region

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Indo-Pacific Maritime Security: Challenges & Cooperation

Composing a seamless chain of maritime security coalitions across the Indo-Pacific region

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Introduction

It is widely recognised that, with the Indo-Pacific's rapid development, energy and natural resource security have become important issues in the region's strategic and economic environment. The rapid growth in demand for energy and natural resources could lead to conflicts between regional countries and destabilise energy and resources markets and transportation routes, especially sea lanes. Consequently, as the world's economic centre of gravity shifts to the Indo-Pacific region, the stable supply and transportation networks for regional energy and other natural resources must be secured and developed safely.

However, the Indo-Pacific region faces a variety of traditional and non-traditional maritime security challenges even as it develops economically, including through increasing maritime trade. Regional maritime countries need to find ways to create greater stability throughout the Indo-Pacific region.

The most challenging factor in terms of the regional security situation is China. China has been working on the rapid modernisation and enhancement of nuclear weapons, ballistic and cruise missiles, air-sea power, and space and cyber warfare capabilities. In recent years, China has been acting hegemonically towards the East China Sea, the South China Sea, the Western Pacific and further remote waters such as the Indian Ocean.

China's assertive expansion toward the near seas and the outer oceans, backed up by its rapidly developing military power, has caused friction with countries in Northeast and Southeast Asia and the wider Indo-Pacific region.

At times, the situation has become hot, leading to the need for greater vigilance from the international and regional communities.

The beginning of China's maritime expansion in the South China Sea

China has been conducting forcible maritime expansion in its neighbouring seas in a manner inconsistent with international laws and practices, starting with advancement in the South China Sea. In 1974, China invaded the Paracel Islands of what was then South Vietnam with its military forces, and in 1988 it advanced to, and effectively

controlled, the coral reefs of the Spratly Islands and others in the South China Sea, for which neighbouring countries were claiming their own territorial rights.

In the 1990s, China advanced further into the seas near the Philippines, and constructed buildings on Mischief Reef in the Spratly Islands, where the Philippines was claiming its territorial rights. In 1997, China and the Philippines had military encounters over Scarborough Shoal, and in 1998, China built permanent facilities on Mischief Reef. The Philippines tried to confront China with the strong backing of its ally, the United States. The U.S. and the Philippines entered a Status of Forces Agreement for Visiting US Forces in 1998 reviving the military cooperation relationship between the two countries. Due to these developments, China's advancement toward the South China Sea subsided temporarily.

China's shift of expansionary activities from the South to the East China Sea

However, China did not stop its maritime advancement. Rather, China shifted the front lines of its advancement, almost as if planned beforehand, toward the East China Sea, near Japanese territorial waters, and towards Japan's exclusive economic zone.

In 1971, China suddenly declared Japan's Senkaku Islands to be Chinese territory. Since then, China has used fishing boats and private ships to periodically enter Japanese territorial waters. In 2008, China sent two marine survey ships to invade Japan's territorial waters around the Senkaku Islands, leading to an incident in 2010 where a Chinese fishing boat crashed into a Japanese Coast Guard patrol boat.

When the Japanese government acquired the islands' ownership from a private Japanese landowner in September 2012, the Chinese government began dispatching government ships to the waters surrounding the Senkaku Islands on regular basis, blaming Japan for unilaterally declaring the nationalisation of these islands. Ever since, Chinese naval ships and air force planes have frequently and regularly undertaken provocative actions that challenge Japan's sovereignty over the Senkaku Islands.

Moreover, in 2013 China unilaterally declared an air defence identification zone covering the East China Sea, without getting any effective control of the area, which was criticised by the regional and international communities. In the Western Pacific Ocean, China's activities, especially the activities of the Chinese navy, are escalating in scale and scope.

The renewal of China's expansionary activities in the South China Sea

More recently, China seems to have shifted its expansionary front to the South China Sea again, and has

openly and actively invaded the area. As a result, China has repeatedly entered into disputes and confrontations with other littoral countries, such as Vietnam and the Philippines, over territorial rights in the South China Sea. Around some islands in the Spratly Islands, which China seized from the Philippines by force, China has reclaimed reefs and has built runways for large military aircraft and piers for large naval vessels.

Moreover, China is assiduously undertaking the development of strategic strongholds for military use by connecting reclaimed lands. Such actions not only obstruct freedom of navigation and flights over the area, but also increase the instability of the regional security environment. Therefore, ASEAN countries as well as the international community as a whole, led by the U.S. and Japan, have strongly criticised China for such activities.

China's A2/AD initiative

The Chinese navy formulated its 'Near Sea Strategy' in the 1980s. According to that strategy, China's 'First Island Defence Line', linking the Japan home islands, the Nansei (South-Western) Islands, Taiwan, the Philippines, Borneo and the Indo-China peninsula, is China's 'absolute sea line of defence.' This contains the East China Sea and the South China Sea.

Moreover, backed up by naval power, China has been expanding its 'frontier sea line of defence' towards the east, making a 'Second Island Defence Line', linking the Izu Islands, the Ogasawara (Bonin) Islands, the Mariana Islands and New Guinea. A zone between the 'First and Second Island Defence Lines' will be used by China as its 'strategic buffer zone' in order to intercept any foreign forces, including U.S. carrier strike groups, trying to close or even pass through its absolute sea line of defence.

From these ambitions, we can observe that China aims to make the South China Sea, which is deep enough to be suitable for covert actions by nuclear strategic submarines, as a 'Sea of Sanctuary,' while keeping the East China Sea under its maritime and air operational superiority as a 'Sea of Control.' The buffer zone between the outside of the 'First Island Defence Line' and the inside of the 'Second Island Defence Line' would be a 'Sea of Interception.' This 'Three Seas Concept' is another way of looking at China's anti-access/area denial (A2/AD) concept.

China's ambitions: 'Hegemony via the ocean' beyond the Asia-Pacific

Although regional maritime countries have reacted modestly to these developments, China's hegemonic expansion has not stopped, but has in fact become more aggressive, as seen in China's recent unilateral land reclamation in the South China Sea. China's defence white paper, published in May 2015, confirmed that the Xi Jinping regime is seeking 'Hegemony by the Ocean' as national

policy. The Xi regime believes that its ambitions will be only accomplished by overcoming the U.S. Navy. In November 2015, China's state-owned Xinhua News Agency reported on the 'Total Reformation of the PLA' through the Central Military Commission Reform Work Conference, which aimed at constructing a realistic 'Fighting Military.'

The outline of the reform includes changing the PLA's conventional regional defence organisation from '7 Military Wards' into '5 War Zones' in order to carry out joint operations. Each War Zone Command will be reorganised into a 'joint operational command mechanism' comprising the four services: army, navy, air force and the strategic missile command (formerly the Second Artillery Command). This reorganisation in several domains is intended to give the PLA the capability to fight and win against U.S. forces.

We can also observe China's ambitions of 'Hegemony by the Ocean' extending beyond the Asia-Pacific region. For many decades, China has been constructing many strongholds, via its 'String of Pearls' strategy, throughout the northern coast in the Indo-Pacific region, aiming for achieving its ambition of regional 'maritime hegemony.' Based on this concept, China has been expanding its naval presence into the Indian Ocean.

The Xi regime is now promoting the concept of the '21st Century Maritime Silk Road' or 'One Belt One Road' as an evolution of the 'String of Pearls.' In all dimensions – political, economic and military – China takes both hard and soft stances. While advocating a 'Great Revival of the Chinese Nation', it essentially seeks to be a 'Leader of the Greater China Co-Prosperity Sphere.'

Regional reactions to China's continuing maritime expansion

How should regional players react? While an outright containment or isolation policy against China is inappropriate and counterproductive, efforts should be made to improve comprehensive cooperation and ensure that China will conform to, and fulfil its responsibilities under, established international law and practices in the region. At the same time, regional players need to formulate security and defence postures necessary to hedge against the situation developing in undesirable directions.

On the other hand, for regional players, it is advisable to involve China in bilateral and/or multilateral talks in order to avoid the danger of unintended maritime clashes, to prevent inordinate military build-ups or an irrational arms race, and to use every opportunity to foster a habit of cooperation among regional militaries. Greater transparency and confidence-building measures should be the keys to achieving these objectives.

In this context, bilateral air and maritime communication mechanisms should be established, including holding regular dialogues, setting up hotlines and introducing

common communication systems between the militaries of China and other regional players. This is urgently required between China and Japan. Moreover, it is important for regional players to develop cooperative security frameworks throughout Indo-Pacific region.

Collective maritime security cooperation

Reflecting the developments mentioned above, most regional maritime players should promote collective maritime security cooperation in a free and flexible way. Confidence-building through exchanging official dialogue and security information, and conducting cooperative maritime exercises between the regional maritime forces that need collective maritime security cooperation, will contribute to regional stability by preventing misunderstandings, reducing mistrust, and expanding the scope of common interests, in addition to the efforts through the consultative frameworks mentioned above.

Regional maritime players have already demonstrated such collective maritime security cooperation against so-called non-traditional maritime threats. They have been making cooperative efforts to tackle common concerns such as piracy and illicit trade (especially trade in materials that could be used to manufacture weapons of mass destruction). In addition, in light of the fact that the Indo-Pacific region is subject to frequent earthquakes, typhoons, cyclones, tsunamis and other natural disasters, a majority of regional maritime players believe that the reliable regional maritime powers (RRMPs) such as Japan, Australia and India, as well as the US, should play more-important roles in countering non-traditional maritime threats in the Indo-Pacific region.

RRMPs could be the key players in maritime security and defence in the Indo-Pacific region, because they share not only a wide range of common maritime interests but also a broad responsibility for ensuring the region's security and prosperity as 'public goods.' They are the players with the will and abilities to contribute to the region's security and stability, despite some differences in maritime policy and capability. The majority of the regional maritime players welcome the RRMPs' initiatives and believe that greater security and defence cooperation can also be pursued through establishing seamless maritime security coalitions involving the RRMPs.

A majority of regional maritime players identify and recommend that the RRMPs take responsibility for areas of security and defence cooperation from the perspective of Indo-Pacific stability and prosperity. They welcome the progress already made in developing cooperation between the RRMPs in the areas of maritime security and defence, as well as the ongoing development of this framework into a seamless collective maritime security coalition.

A majority of the regional maritime players believe it is essential that the RRMPs and other regional

maritime players enhance and develop cooperation in both traditional and non-traditional areas of maritime security and defence – including anti-piracy operations, humanitarian assistance and disaster relief, and the non-proliferation of weapons of mass destruction – not through traditional alliances, but rather in a seamless chain of minilateral maritime security coalitions. These coalitions would not resemble a 'containment alliance' targeting a particular country such as China, but would rather be a loose, voluntary association providing universal maritime security as regional 'public goods.'

A seamless chain of maritime security coalitions

China would not react well to attempts by other powers to contain it. But a majority of the regional maritime players in the Indo-Pacific region should nevertheless seek to counter or deny China's hegemonic maritime expansion effectively and in a collective manner.

Regional maritime players, including small players that share common interests and ideas, could join minilateral maritime security coalitions in their sub-regions, led by the U.S. Navy and backed up by the other RRMP navies such as Japan, Australia and India.

The formation of maritime security coalitions should gradually go beyond a few coalitions to seek out a layered, seamless maritime security coalition connecting the Indo-Pacific region as a whole, with participation from as many other responsible maritime players as possible. However, each maritime security coalition should stay within a minilateral, not a multilateral, framework, since consensus-building measures are difficult if there are too many participants in a single body, especially in such a diverse region.

Therefore, the maritime security coalitions should be minilateral in order to avoid internal conflicts caused by having a large number of participants. But each minilateral maritime security coalition must be seamlessly connected, even loosely, as a 'chain of coalitions' in a multilayered collective form across the entire Indo-Pacific region where China has been developing its 'String of Pearls', and is going to develop its '21st Century Maritime Silk Road.'

Conclusion

Despite Beijing's objections to what it views as a containment strategy by the region's other maritime powers, most countries in the Indo-Pacific wish to take collective action to counter China's perceived hegemonic maritime expansion. In order to do so effectively, smaller regional countries that share common interests should join in minilateral maritime security coalitions—for instance by sub-region, thereby addressing their unique geographic

and strategic needs. These coalitions would need to be backed by the United States, including its naval forces, and by the other responsible regional maritime powers—Japan, Australia, and India—as providers of regional public goods.

New strategic partnerships among Indo-Pacific partners: key enablers to building partner capacity

Dr Jennifer Moroney

Director, RAND Australia



Indo-Pacific Maritime Security: Challenges & Cooperation

New strategic partnerships among Indo-Pacific partners: key enablers to building partner capacity

Dr Jennifer Moroney, Director, RAND Australia

In preparing my remarks for this session, I began pondering some fundamental questions about the future of Indo-Pacific partnership arrangements. This conference has been very helpful in teasing out these questions.

Some key questions that come to mind include the following:

- > What is motivating Australia and Japan to consider new strategic partnership arrangements and what would these look like?
- > What are the strategic goals for a deepened partnership between Australia and Japan, and with other countries in the region?
- > What should be the key focus areas for new and invigorated partnerships?
- > How should other countries in the region be brought into the dialogue?¹
- > And finally, how would we know 'success' if we saw it?

In considering these questions, I would like to reflect upon the practical lessons from my own research at RAND.

For much of my career, I have focused my work on security cooperation, which in Australia is called building international partnerships or defence engagements. In the US, security cooperation is about building relationships, capabilities, and access to foreign partner countries through a variety of mechanisms, including training, equipping, advising and exchanging information to achieve U.S. national security and partner country objectives.² I have also done some work on learning operational lessons in this region, primarily in the humanitarian assistance/disaster response space, for the U.S. Office of the Secretary of Defense.³ I thought it would be useful to reflect upon those insights from those analytical threads and weave them into this context.

In framing my short remarks, I settled on this key question:

What are some key enablers to building partner capacity that could help to further operationalise this concept of minilateral cooperation and what might such a new framework look like?

I offer the following four ideas for your consideration.

1. Seek to enhance the dialogue around issues common to all

My first point is that it is important to find common ground and identify the most pertinent issues that are common

to many countries. Humanitarian assistance/disaster relief (HA/DR), countering violent extremism, and illicit tracking of persons, goods, and capital are examples of such topics. There are others, of course. But allow me to comment on these three.

HA/DR is a big focus of effort in this region as we all know too well. Unfortunately, it is a guarantee that natural disasters will occur in the Indo-Pacific every year, and that international responses and support will be required in most instances. Some countries have invested major resources in improving their disaster response capacity in recent years. Future efforts will require, first and foremost, the ability to leverage the comparative advantages of allies and partners in the region to help cope with HA/DR challenges and the ability to cooperate with these partners during disaster-responses. Cataloguing these capabilities is important, and sharing this catalogue with partners in the region would be particularly useful. Countries may wish to highlight certain HA/DR-related capabilities they possess in planned exercises.

However, while the international community continues to send both civilian and military personnel into natural and manmade disaster zones to support the affected nations, my observation is that many lessons still need to be learned and applied from prior HA/DR operations. And this can present opportunities for 'minilateral' cooperation.

To quickly summarise, I led a study for the U.S. Department of Defense a few years ago that looked at several HA/DR case studies in the Indo-Pacific where our Department of Defence had been directly involved. The case I'm most familiar with is the Great Earthquake in Japan and the international response.

¹ See *Look East, Cross Black Waters: India's Interest in Southeast Asia*, Jonah Blank, Jennifer D.P. Moroney, Angel Rabasa, Bonny Lin, RR-1021, RAND Corporation, Santa Monica, CA, 2015.

² See *What Works Best When Building Partner Capacity in Challenging Contexts?* —Christopher Paul, Jennifer D.P. Moroney, Beth Grill, Colin P. Clarke, Lisa Saum-Manning, Heather Peterson, Brian Gordon, RR-937, RAND Corporation, Santa Monica, CA, 2015; *How Successful Are U.S. Efforts to Build Capacity in Developing Countries?: A Framework to Assess the Global Train and Equip "1206" Program*, Jennifer D.P. Moroney, Beth Grill, Joe L. Hogler, Lianne Kennedy-Boudali, Christopher Paul, TR-1121, Santa Monica, CA, 2011; *A Building Partner Capacity Assessment Framework: Tracking Inputs, Outputs, Outcomes, Disruptors, and Workarounds*, Christopher Paul, Brian Gordon, Jennifer D.P. Moroney, Lisa Saum-Manning, Beth Grill, Colin P. Clarke, Heather Peterson; RR-935, RAND Corporation, Santa Monica, CA, 2015; *Building Partner Country Capacity for Stability Operations*, Jefferson P. Marquis, Jennifer D.P. Moroney, Justin Beck, Derek Eaton, Scott Hiromoto, David R. Howell, Janet Lewis, Charlotte Lynch, Michael J. Neumann, Cathryn Quantic Thurston, RB-9627, RAND Corporation, Santa Monica, CA, 2011; and *Review of Security Cooperation Mechanisms Combatant Commands Utilize to Build Partner Capacity*, Jennifer D.P. Moroney, David E. Thaler, Joe L. Hogler, RR-413, RAND Corporation, Santa Monica, CA, 2013.

³ See *Lessons from Department of Defense Disaster Relief Efforts in the Asia-Pacific Region*, Jennifer D.P. Moroney, Laurel E. Miller, Stephanie Pezard, Jennifer D.P. Moroney, Jeffrey Engstrom, Abby Doll, RR-146, RAND Corporation, Santa Monica, CA, 2013.

While there were many issues identified across the case studies, there are several that stood out: civil-military coordination/command and control, information/intelligence sharing/disclosure, and strategic communications between countries offering assistance and directly with the affected nation's government and their people.

Civil-military cooperation in HA/DR is particularly problematic. Working with international and non-governmental organisations, understanding and appreciating each other's roles and perspectives, and coming up with processes to better share information – these are all very important tasks.

Every country in this region has experienced and will continue to experience natural disasters, and all of them have key lessons that should be captured, shared and, ultimately, learned. These lessons can be incorporated into existing national security-level plans and strategies, regional strategies, and future security cooperation activities. Exploring ways to improve coordination and communication with these different assistance providers, particularly through security cooperation activities such as tailored workshops and exercises, will enable everyone to respond more efficiently to disasters; use their unique capabilities where they are most needed; and possibly limit the costs of interventions.

Still under the heading of seeking to deepen relationships around issues common to all, I think having events and projects that facilitate dialogue around countering violent extremism (CVE) would be really useful in this region. Many countries, including Australia, have taken steps to understand youth radicalisation at the local level through community-based projects, mainly. There is a growing dialogue in Australia, and I suspect in the region as well. This topic would easily lend itself to a series of workshops to compare and contrast the various approaches to CVE and key findings from these efforts. Such a workshop series could be organised by universities, with government officials included on the panels and in the audience.

On immigration and border security, I think it would be interesting and useful to know: how is each country assessing risk and mapping out its external border networks at the systems level? What are the primary capability gaps in each country? What are the cost implications for improving capabilities? What are the interoperability requirements and challenges to meeting those requirements in the region? In short, if the more influential countries in the region are able to help to facilitate this dialogue, they will be in a better position to identify appropriate assistance programs and activities to address the most critical issues.

Partnerships and arrangements, both formal and informal, are critical for stemming illicit trafficking of all kinds. A bilateral approach to engagement in the Indo-Pacific region creates stovepipes. A multilateral (or minilateral) approach

to building partner capacity would better enable effective information sharing efforts, and could also aid interdiction efforts as well, provided the necessary legal arrangements are in place. Again, a workshop series along the same lines one described above could work quite well to flesh out these ideas.

2. Offer capacity-building assistance that partners need and can absorb

My second point is that I believe it is important to ensure that the assistance and capabilities provided to partner countries in the region are appropriate, meaning the countries can actually absorb these capabilities and are, to the furthest extent possible, interoperable with neighbouring countries. Basic equipment and training should be provided first, sequenced logically, followed by more-sophisticated training and equipment, such as portal monitors, and other types of intelligence, surveillance and reconnaissance (ISR) equipment. All capabilities should include a plan for resourcing sustainment. Again, from my research, sustainment is often an afterthought, and is not factored in to discussions or assistance packages. It is also useful to have focused discussions around the intended use of the capabilities before they are provided. Each partner may have very different ideas on how they intend to use the capabilities provided. For example, a donor might see a capability such as fast patrol boats as useful in bolstering a country's border security capabilities for interdiction purposes, whereas the receivers might want to use the capabilities to stem illegal fishing.

Another observation from my research along these lines is that maritime assistance isn't necessarily coordinated at the event level among allies in this region. Allies might regularly share some plans and priorities, but I think there are opportunities to build on each other's experiences and activities, rather than either duplicating efforts or worse, leaving critical gaps in assistance. An example of better coordination could be simple, like sharing key leader talking points, or more involved, such as one country running a training event in country X, while another could validate that training in a planned, upcoming exercise. To take this a step further, allies should consider more actively and deliberately sharing strategies and plans to coordinate and even deconflict the capacity-building assistance that is being provided.

Another idea from our research at RAND is to make defence institution-building a core component of any assistance package and offer advice in specific areas like logistics reform, budgeting, personnel management/human resources and professional education and training opportunities. The idea would be to align strategy and resources at more of an institutional reform level rather than simply building up the capabilities of particular units, for example.

In practice, joint conferences, workshops, field exercises, and a series of focused tabletop exercises that include military, civilians, and representatives from international and non-governmental organisations, and key leader talking points that echo the same messages are useful approaches.

3. Consider new ways to exchange information and refine key topics

My third key point is that it may be time to consider new ways to exchange information and share ideas in this region. I understand that there are a number of trilateral and Track-II discussions taking place at various levels, and I think that is a very positive development. I often hear that the primary focus of these discussions tends to be on core national security topics—like combatting terrorism and ISIL, and bolstering trade relationships. These topics are of course extremely important and relevant, but could there be increased dialogue around other topics such as emerging technologies, cyber policy, innovation, energy sector reform, and smart cities?

One very practical way is to focus at the individual level through educational opportunities and exchanges across a broad range of topics. These could be funded through a series of academic or government grants or fellowships, or through more-formal staff-level exchanges to work on specific projects that have practical applications and policy outcomes.

4. Consider ways to assess progress in any new initiative

My fourth and final point is to think about new and innovative ways to assess progress in any new initiative that is attempted at the minilateral level. My research has shown time and again that not enough thought is given to assessments. Opportunities to do some critical strategic thinking about where a particular program or initiative is supposed to go are not being realised. Key elements of such an assessment framework would include developing SMART objectives and characteristics; in other words those that are specific, measureable, achievable, relevant and results-oriented, and time-bound⁴, establishing key milestones, identifying indicators of success, and collecting data to allow for informed decisions to be made about whether to continue, cut or alter a given initiative based on the extent to which things are working. These can be hard questions to answer, but I know through my own work that if there is a clear understanding at the outset where you want to go as far as building partner capacity, and the objectives are specific, measureable and sound, then the evidence becomes rather apparent, allowing for an analysis of the effectiveness of various initiatives and projects.

Overall, I believe that a key to success for improving maritime security in the region is to develop partnership models that integrate strategy, planning, resources, and assessment approaches

and to be transparent with partner countries in the region so that there is a mutual understanding of each other's objectives.

⁴ T. Doran, "There's a S.M.A.R.T. Way to Write Management's Goals and Objectives," *Management Review* 70, no. 11 (November 1981): 35.

India and the Indo-Pacific balance

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Indo-Pacific Maritime Security: Challenges & Cooperation

India and the Indo-Pacific Balance

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Geopolitical context

Over the next few decades as China closes in on the United States as a world power, India — the world's ninth-largest economy — will find itself emerging as a swing power. Its economic, military and diplomatic power affords it the ability to influence — although not yet decisively — the contest between the world's two biggest powers. Even as they improved relations with China and the the United States, Indian governments since the end of the Cold War have scrupulously resisted allowing their engagement with one be seen as being directed against the other.¹

As Henry Kissinger observed, being a effective swing power requires first, for India to enjoy better relations with the United States and China than they have with each other; second, to have the capacity to both benefit from and impose costs on the bigger powers; and finally, political and diplomatic dexterity to take positions issue-by-issue.² While the Indian government has not officially enunciated such a doctrine, its actions have generally been in this direction. New Delhi has pursued a strategic partnership with the United States since the early 2000s, and despite a longstanding border dispute, participated in Chinese-led initiatives like the Shanghai Cooperation Organisation (SCO) and the Asia Infrastructure Investment Bank (AIIB).

For their part, the United States and China have reacted to India's position in the changing global balance of power in different ways. Washington has systematically courted New Delhi, particularly in matters concerning the Indo-Pacific region, even while attempting to manage differences over the Middle East, Iran, Afghanistan and Pakistan. The signing of the India-US nuclear agreement in 2005 and the subsequent mainstreaming of India in the Nuclear Suppliers Group was a landmark in this regard. Since then, there is an ever-closer mutually bipartisan consensus on widening and deepening the India-US relationship.

Beijing's positions, on the other hand, have moved from assertiveness in the early mid-2000s to assertive and antagonistic over the subsequent decade. Whether taking hardline positions on the unresolved border dispute, or shielding Pakistan-based international terrorists from UN sanctions, China's actions have squarely worked against a positive transformation in bilateral relations.

Consequently, New Delhi finds itself pushed by Beijing into a deeper security relationship with the United States.

If China continues on this path, and if the United States manages to narrow differences with India to the west of the subcontinent, New Delhi will move away from attempting to be a swing power, and find itself drawing closer to the United States. A debate on this has already started among members of India's strategic community.

India's interests in the Indo-Pacific

India is primarily interested in the geoeconomic engagement in countries of the Indo-Pacific region to sustain India's economic growth and development. This is as true in 2016 under Prime Minister Narendra Modi as it was under prime ministers dating back to P.V. Narasimha Rao, who launched the 'Look East Policy' in 1992. Indian policy attempts to connect the Indian economy to its traditional maritime neighbourhood and trading partners, broadly across both sides of the Straits of Malacca.

Implicit in this policy is the desire for free movement of people, goods, services and investments across the reason. Security of sea lines of communication (SLOCs), freedom of navigation, availability of port infrastructure and non-discriminatory access to markets are some of the basket of issues that ensue from this definition of interests. In addition, New Delhi sees preserving and promoting the Indian footprint in East Asia, through shared culture, arts and religion as part of its broader interests.

To safeguard its interests, New Delhi has moved from being a passive ringside observer of East Asian multilateralism in the 1990s to an active, if conservative, contributor the the balance of power. It sees the East Asia Summit and the ASEAN Defence Ministers Meeting-Plus (ADMM-Plus) forum as the principal high tables of Indo-Pacific diplomacy.

Risk perception

Given the largely economic-focused perception of interests, risks to the norms that have underpinned the success of the region over the last half-century are of concern to India. An open, non-discriminatory trading system, lowering barriers to investment, free movement of people and knowledge and the importance of rule of law are key norms that are important to India. While the shifting of the global balance towards the East — manifested, for example, in new multilateral international financial institutions — can be in India's interests, New Delhi remains concerned about ensuring that China's regional dominance does not unfavourably change the norms. An exhaustive discussion of geoeconomic risks is beyond the scope of this paper: it will instead consider a few aspects germane to a conference on Indo-Pacific maritime security.

¹ "Indian media: Stronger ties with Japan 'not against China'", BBC News, 27 January 2014. <http://www.bbc.com/news/world-asia-india-25908605> Accessed 27 April 2016

² Henry Kissinger, "The White House Years", Simon & Schuster, New York, 1979, pp712

Belts and roads

China's promotion of "One Belt One Road" (OBOR) under the leadership of President Xi Jinping should not become an euphemism for a Chinese Belt and Chinese Road. It is in India's interests for regional economies to improve their internal and external physical connectivity, and low-cost Chinese financing and technical assistance can accelerate this process. However, such infrastructure must not end up creating discriminatory rules of access, create political economies that undermine the aspirations of the people of those countries, or indeed create permanent damage to the regional ecosystem.

Indeed, India would prefer a pluralistic 'Many Belts, Many Roads' in the Indo-Pacific, reflecting patterns of trade and human movement that prevailed through much of history.

Countries of the region could build infrastructure in response to common incentives, with diversity in routing, technology, labour, business models and sources of investment.

Senior Indian officials have expressed concern over the purpose of Chinese investment in infrastructure in regions where there is no discernible commercial purpose. Having not received satisfactory answers from their Chinese interlocutors, New Delhi is apprehensive about the risk of military facilities being surreptitiously built in its proximate and broader maritime neighbourhood. When Indian commentators say China is constructing a 'string of pearls' in the Indian Ocean, the unexpressed worry is that of being contained and losing preponderance in its immediate maritime neighbourhood,

Related to this, New Delhi sees the risk that the Indo-Pacific maritime space that is crucial to its economic interests might get locked into no-go areas, hindering freedom of navigation and imposing higher costs on trade.

Balancing games

In light of the escalating of tensions over expansive maritime territorial disputes in the South China Sea and the East China Sea, there is a risk of both accidental and intentional escalation of violence in the region. While India is shielded from such conflicts by distance, it will not be immune from indirect economic and security consequences.

The greatest risk of an outbreak of violence arises from the moral hazard of allies and proxies of the United States and China miscalculating and escalating a conflict. While neither the U.S. nor China might want such an escalation, the behaviour of the allies and proxies could be out of their control. Ergo, the risk of an unwanted war between China and countries with which it has disputes cannot be ruled

out. Further, the risk that such a conflict will draw in the United States, albeit far more remote, cannot be ruled out either.

To the extent that China and the United States can manage tensions arising from the former's territorial claims and the latter's forceful assertion of freedom of navigation, risks of a direct confrontation between the two can be contained. However, given the prevalence of strident nationalism among the Chinese population and aggressive rhetoric in the U.S. political system, the risk of even limited maritime war remains.

More likely, though, is the erosion of ASEAN solidarity as countries that do not have a dispute with China refuse to side with counterparts that do. Such an erosion could unsettle the Indo-Pacific balance of power, requiring New Delhi to fill in security vacuums that might emerge.

Finally, the proliferation of violent non-state actors and networks at sea, especially in conjunction with an unstable balance of power, present the region with the risk of 'violent peace'. This again will require India, Indonesia, Japan, Australia and other regional powers to raise their investments in securing the maritime space.

India's emerging role

New Delhi will continue to demonstrate its credibility as a contributor to the Indo-Pacific balance through joint military exercises, patrolling, port calls, anti-piracy missions and humanitarian missions. It remains to be seen if such measures will be perceived as credible enough by the countries of the region, especially if the conflict with China escalates.

In the near term, it is likely that the Indian Navy will increase the frequency of its engagements east of the Straits of Malacca. New Delhi's longstanding reluctance to participate in multilateral military exercises might not endure if Beijing continues on its current antagonistic trajectory.

The Modi government has set the stage for a transformed relationship with Japan, a move that has been reciprocated by Japanese Prime Minister Shinzo Abe.

It remains to be seen whether the two countries can extend their broad economic partnership into the military domain — especially in defence equipment. The extent to which Japan overcomes its pacifist policy moorings, and the extent to which New Delhi eases its complex defence procurement processes will determine the scope and pace of the relationship. Japanese exporters will also have to deal with the political economy and strategic underpinnings of India's traditional suppliers. This, however, is not insurmountable and Japanese industry has abundant experience in dealing with the Indian market. There is abundant scope for the two countries to cooperate in upgrading India's maritime capacity.

Diplomatically, New Delhi remains committed to the multilateralism of the East Asia Summit and the ADMM-Plus framework. However, many in India are sceptical of ASEAN's ability to manage its constituents' disputes with China without hurting the grouping's solidarity. It is unlikely that ASEAN will be able to hold China to rules even if they are mutually agreed. ASEAN states that have a formal or informal alliance with the United States will invite Washington to intervene, which the grouping will be unable to prevent. In such a scenario, there will be considerable pressure on ASEAN's policy cohesiveness and political solidarity. New Delhi's likely response will be to rely on strengthening bilateral relationships with key ASEAN states rather on the grouping itself.

Ultimately, India's most important role in the Asia-Pacific is to be a more successful form of itself: demonstrating that strong economic growth can be achieved within a diverse, plural, liberal democracy.

The future of the maritime domain: challenges and opportunities

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Indo-Pacific Maritime Security: Challenges & Cooperation

The future of the maritime domain: challenges and opportunities

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This paper discusses the future of the maritime domain. It will first address what I see as 'whole of domain' problems – that are arguably global in scale – and will then talk more specifically about navies and high-intensity warfare. This may seem a little schizophrenic, but the reality is that if you are thinking about maritime affairs, you need to range very widely indeed.

My argument is that the maritime domain will be marked by the need for much greater collective action if we are to cope with the increasing complexity, sometimes verging on chaos, of what is happening on, under and by the sea.

The truth is that we are already in a tail chase of many problems. We face the prospect of environmental degradation and climate change effects that will be highly disruptive, particularly in many of the highly populated and sea-dependent littoral zones of South and East Asia. The demands of safety, efficiency and security against non-state threats require greater controls over and monitoring of the movement of shipping. Resource management requirements are having similar effects on fisheries and other marine industries, a trend not only manifesting within national maritime zones, but on the high seas. Yet, while computers, beacons and remote sensors have promised increasing transparency and the end of an era in which ships could operate where eyes 'never looked', cyber capabilities open to both state and non-state actors suggest that the ideals of 'domain awareness' may never be realised and will often be significantly compromised.

The drive to greater governance will not go unchallenged in other ways. Traditional great power naval competitions are re-emerging after a quarter-century hiatus. These will exacerbate the debate over increasing controls. While some nations view the freedom of manoeuvre of naval forces as essential, others see a military advantage in restricting areas such as the exclusive economic zone. There is the possibility, typified by the events in the South China Sea, that the drive to greater governance will be perverted into 'creeping sovereignty,' with territorial concepts overtaking practices better suited to the maritime domain. We will have to balance emerging international and national concepts of governance with classical ideas of freedom of the seas.

Developments in the use of the sea

I will speak in more detail on these challenges, but first let me suggest how the use of the sea will develop. Arguably, we are just continuing a process that has been evolving since the beginning of what is now termed the 'age of Vasco da Gama'. But we have moved far beyond the square-rigged sailing ship that started things off. If the first period of globalisation was based upon the ocean-going cargo vessel and the telegraph, the second comes from a combination of the container and the internet. The first phase allowed the creation of just-in-time economies in relation to food and raw materials; the second has allowed the further refinement of the 'just-in-time' boundaries in relation to those cargoes while supporting the development level of the distributed manufacture of components, along with centralised assembly.

Ships, of course, provide by far the cheapest mechanism per ton-mile for the long distance transportation of containers – and the cost is steadily being driven down by the increasing size of the ships that dominate oceanic trade. A similar drive applies to bulk carriers. Even with the realisation of China's ambitions for the development of Central Asia – and Russia for the economic community it seeks to foster – the general relative advantages that ships have over land transport, even railways, will almost certainly be maintained. Furthermore, the drive to even greater efficiencies for waterborne movement has yet to be exhausted. Perhaps the clearest demonstration of the extent to which efficiencies have been achieved in recent decades has been the remarkable drop in emissions in relation to miles steamed, a hidden success story for the shipping industry.

There is one emerging tension – the cost of the facilities required for the very big container ships and bulk carriers, as well as the physical limitations on the ports that they can enter. The hub-and-spoke concept, with a few great *entrepôts*, has its logic, with feeder ships taking cargoes to smaller ports. However, if smaller hulls can manage to reduce their own costs through innovative technology, particularly in wind and solar propulsion, we may see some interesting developments. Furthermore, there may well be a third era of globalisation looming ahead. If 3D printing does fulfil its potential, we may see much more localised manufacturing – or 3D printing – with seaborne transport focusing more on the bulk carriage of raw materials, something at which it will arguably always be more effective than other means.

Environmental challenges

The future of global fisheries is less clear and more worrying. The extent of global overfishing and the general collapse of many key fish stocks is, in my opinion, yet to be fully acknowledged. There are local and even regional success stories of sustainable exploitation, but there are many more of uncontrolled and devastating damage. The

inability of many developing states to manage their own maritime zones and, with the lack of proper governance of much of the high seas, represent a fundamental problem for the world as a whole and is a threat to global and regional stability. Climate change and environmental degradation – ironically something much more often the result of human action on land than at sea – only worsen the prospect.

The need for collective action on fisheries and environmental management thus remains urgent, even if progress has been made in some areas. Indeed, the nature of that progress – based on consensus and then commitment on the part of many nations – suggests that continuing to drive for collective action has to be the priority. If the regulatory efforts of the members of the Convention for the Conservation of Antarctic Marine Living Resources (CCAMLR) has achieved a much more sustainable approach to the exploitation of Patagonian and Antarctic Toothfish, it has been the imposition of global port controls that has done more, at least for the moment, to hinder illegal fishing vessels.

The contest between control and license

It is problems such as I have described that mean that the future maritime domain will be the theatre for a contest between control and license, between the historical experience of the sea as a global commons with very few restrictions on its users – and those that did exist came into being almost always by consensus – and its evolution into a highly regulated environment much more akin to the situation in the air and on land.

I believe we must move to a much more closely regulated maritime environment. However, creating the level of assured and secure awareness required to make the world's oceans a governed regime represents much more of a challenge than many realise. The failure so far to locate the wreckage of the lost Malaysian Airlines flight MH370 has been one demonstration of the lack of consistent surveillance over many areas. Even in the narrow seas, where distances are much shorter, being able to know what is going on has a level of difficulty akin to that encountered in contested urban environments.

Google Earth does not cut it on the oceans. Most of the data sources of what passes for maritime domain awareness in fact rely upon reports by beacons or other mechanisms, such as the now compulsory Automatic Identification System (AIS). In other words, the ships that are being tracked are emitting a signal and doing so because they consent to being tracked. While this has achieved considerable advances in increasing

understanding of what is happening at sea, there is already evidence that many data sets are deliberately corrupted by commercial interests or criminal gangs. Similar problems have long been experienced with the equivalent Vessel Monitoring Systems (VMS), which fishing vessels use as a condition of their licenses to operate within other nations' exclusive economic zones. And, if a ship is not emitting, but rather sailing electronically covert, neither VMS nor AIS – nor any electronic intelligence system – will be any good. Hence the difficulties encountered by so many nations in their own zones, even those in which the strength of the national flesh matches that of the national spirit.

Furthermore, much destructive activity in the maritime domain comes from what could be termed the 'grey' sea-focused economies of developing nations, in small, often primitive craft or in larger vessels, which have the most basic of equipment. Fundamentally, their effective management needs the equivalent of the policeman on the beat, not just the eye in the sky. To give one example, Indian authorities are placing beacons on all small craft that go offshore. They will need to equip nearly a quarter of a million boats.

Nations such as Australia and Japan thus face many challenges in how they manage the drive towards greater control of what happens at sea in ways that do not surrender to the sort of 'creeping sovereignty' that is manifested in such things as China's ambiguous claims to 'blue territory' within the nine-dashed line around the South China Sea. But I do see both nations as having the potential – together – to play a leading role in managing the maritime domain. In particular, more-capable nations such as ours need to redouble their efforts to build capacity in poorer states – and provide it when the challenge is beyond the reasonable power of a small country. There will always be the need to be sensitive to the questions of sovereignty involved, but the way in which this can best be achieved is to ensure that the priority for capacity-building goes where it most matters – to the people concerned.

The future of warfare at sea

Let me now turn to the future of warfare at sea, at least in part because of the reality that, in the midst of all the challenges that I have described, state-on-state affairs and rivalries still count. In military terms, the contest between what are now termed anti-access, Area Denial (A2/AD) systems and seaborne maritime forces shares some of the characteristics of the problems I have already discussed. A2/AD fundamentally depends on the achievement of a sufficient level of awareness, both in terms of time and precision in location, to render approaching naval forces so vulnerable to attack that they cannot achieve their missions without suffering unacceptable losses. Arguably, at least part of the effort by some nations to restrict foreign naval operations in the exclusive economic zone is an element of this effort. It may be, of course, that China's increasing

global interests will bring about a change of mind within China on the subject, if only because such constraints within other nations' EEZs will create excessive limitations on the freedom of manoeuvre of an increasingly capable and globally active Chinese navy.

There can be no doubt that A2/AD systems represent a serious threat to naval forces. But it is much less clear whether they represent an existential one.

First of all, A2/AD systems are instruments for high-intensity warfare, while naval forces, with or without their amphibious elements, have utility across the spectrum of conflict. The classical diplomatic and constabulary roles of navies will remain to be fulfilled – and I think I have already suggested why this should be so.

But, even in high-intensity conflicts, the correlation of forces is extraordinarily difficult to predict, and will remain so.

Trying to gain some idea of what will happen is probably the major preoccupation of naval planners and war-gamers in more than one continent. The difficulty for both sides is that A2/AD and maritime operations are both, in modern forms, highly dependent upon networks for command and control, surveillance and targeting. We need to get out of our minds the cliché that this is 'asymmetric warfare', given the reliance of both sides in any conflict on their remote systems and communications. What we are seeing is driven more by the difference between the offence and the defence in maritime warfare and is not truly 'asymmetric'. Any high-intensity conflict will see these networks becoming targets in their own right and the disruption and resultant unavailability of communications networks and remote sensor and intelligence feeds may well become the rule rather than the exception. Surface and seaborne air force operations and tactics will evolve – and are evolving – in ways that focus much more on covert, deceptive, in-and-out deployments to an extent that has not been seen since the height of the Cold War when the Allied navies sought to subvert the Soviet Ocean Surveillance System.

The situation of an A2/AD force may well become analogous to that of the sniper in trench warfare – looking for the exposed head or limb across no man's land, while trying desperately hard not to become the subject of attack himself. In such circumstances, it is certain that submarines in particular will play an important role on both sides because of their ability to remain covert – and to be lethal when they strike.

But what is also clear is that major surface units are not going out of fashion. Indeed, there is a new drive to greater size in terms of surface combatants that may itself be a recognition of their utility across the spectrum, a utility based on the fundamental nature of sea power, which derives in the end from the carrying capacity of ships. In contemporary terms, this may translate into additional

weapons, sensors, helicopters, landing and boarding parties and platform endurance as well as survivability. It is rapidly extending to unmanned vehicles which can be deployed, recovered, serviced and redeployed under, onto and above the water.

My view is that such 'swarms' will also have the potential to provide the surface ships concerned with the bubble of awareness in three dimensions (and, arguably, in three environments) that will help them survive in high intensity warfare. In a contest of both cyber and kinetic elements, such local networks may well prove more robust than systems that span space and the continents. Unmanned vehicles will also provide manned surface ships and submarines with agents of action and influence – they can be deployed into the areas of highest threat, establishing which areas are safe even if they lack the capability to conduct engagements in their own right – and many are likely to have the capability to conduct attacks as well. I should add that I see this being very important for submarines in reducing the threat to them posed by improved acoustic and non-acoustic detection systems in the decades ahead. I believe that such systems will become very much more effective at short ranges, but that the opacity of the sea will still give stealthy submarines the advantage against long-range sensors.

Prediction, as they say, is very difficult, particularly of the future. I have consciously chanced my arm with a number of prophecies. But let me conclude with a final prophecy – and an assertion. The use of the sea will continue to matter, and it will matter very much how we manage, control and share it. Nations like Australia and Japan need to do more to ensure the future of the maritime domain, and they need to do it together.

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