

## THE US-AUSTRALIA ALLIANCE AND DETERRENCE IN THE PACIFIC ISLANDS REGION

## BY TOM CORBEN

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Since 2018, representatives from Australia and the United States have engaged in an annual dialogue to refresh the alliance's thinking about deterrence in an era of strategic competition with China. These discussions have underscored several assumptions and expectations in need of revisitation, including as to where the allies should expect to better defend, deter and, if necessary, fight together in the Indo-Pacific.

However, the Pacific Islands region (PIR) remains somewhat peripheral to these discussions. Historically, the region has not been a leading source of "traditional" military threats, but America and Australia can no longer afford to overlook the PIR as a locus of Chinese security activity. Indeed, a Pacific base could "give China a foothold for operations to coerce Australia, outflank the US ... and collect intelligence in a regional security crisis." There is arguably a growing need to incorporate planning and action against this possibility, however slim, into alliance discussions.

Both allies have long-standing regional interests, but are both guilty of under-resourcing and underengagement save for short-term moments of "crisisdriven interest." Some argue that the growth in Chinese influence in the PIR has occurred while

Washington has been asleep at the wheel. While aid and trade have been Washington's preferred avenues for engagement, the capacity and resourcing problems associated with the Obama Administration's "Asia arguably impacted on Rebalance" engagement with the PIR, too. Indeed, the region remains peripheral to the Trump Administration's strategic thinking. The 2017 National Defense Strategy does not mention the PIR once, while Indo-Pacific Strategy documents from the Department of Defense and Department of State do not provide longterm blueprints for addressing the region's strategic challenges. Notwithstanding encouraging signs in the FY20 NDAA, contemporary US strategic interests in the PIR truly remain somewhat unclear

Historically, Australian PIR policies have also waxed and waned, though its recent behavior is more encouraging. Canberra had become accustomed to perceiving the Pacific as a source of primarily nontraditional security threats, and distant campaigns in the Middle East have driven capability development and operational spending since 2001. Fortunately, China's growing Pacific profile has shifted Australia's strategic attention and resources back to the region. Aid and infrastructure have formed the most visible components of the government's 'Pacific Step-Up' policy to date, but Canberra has also upscaled regional security engagement. Among other initiatives, the annual Indo-Pacific Endeavour naval exercise was conducted through the Pacific in 2018, while Australia is sponsoring programs to improve states' maritime domain awareness and surveillance capabilities, and standing up a Pacific Support Force to lead regional military training.

There is evidently some distance between current Australian and American perceptions of the PIR's strategic importance, and it could not come at a more significant time. Though perhaps driven more by "strategic opportunism" than Grand Strategy, China's growing regional influence could have serious implications for the alliance should Chinese-funded infrastructure projects facilitate a regular military presence. Such a development would allow China to surveil alliance peacetime activities, exert control over vital waterways, or threaten local forces in the event of major conflict in Asia. challenges allegations

that China is subjecting the PIR to "debt-trap diplomacy," yet weak regional governance and the generally small scale of infrastructure required create a favorable <u>cost-benefit</u> dynamic for China should it eventually seek strategic access. However, some alliance practitioners allege that <u>military expansionism</u> is Beijing's long-term goal. The head of US Indo-Pacific Command Admiral Phillip Davidson recently described the Belt and Road Initiative as "a stalking horse to advance Chinese security concerns," including for military bases in the PIR.

Recent incidents have fueled such anxieties. In April 2018, reports alleged that Beijing and Port Vila had discussed formalizing military access to Vanuatu's commercial ports (both countries denied this). In November 2018, Canberra became concerned that Beijing was seeking to co-develop four major ports in Papua New Guinea, including at Lombrum Naval Base on Manus Island, concerns which likely spurred the alliance's partnering with PNG to redevelop Lombrum themselves. And in October 2019, provincial authorities on Tulagi in the Solomon Islands signed an agreement to lease the entire island to a Chinese state-owned company, an agreement which the Solomons' central government eventually voided. Aside from being the former site of a deepwater naval base in World War II, analysts also speculated that planned airfields nearby could accommodate Chinese fighter aircraft.

Evidently, while China has yet to secure strategic access in the Pacific, alliance policymakers cannot wait until "after the fact" to agree upon appropriate courses of action. Though Admiral Davidson claimed that American and Australian Indo-Pacific strategies both clearly sought to prevent the establishment of Chinese bases in the Pacific, is it unclear whether their respective approaches are sufficiently aligned for the purposes of collective deterrence. The alliance urgently needs to consider whether China's alleged designs can be deterred or, if not, forge a consensus on how best to mitigate the strategic challenges that could result.

Several options spring to mind, though none are unproblematic. Firstly, Canberra and Washington could seek to preemptively establish their own facilities at strategically important locations. The allies did so in PNG, and some further <u>access</u> in the Solomon Islands seems possible. However, competing with Beijing on the basis of dollar figures alone does not <u>advantage</u> the allies in the long term, and it would thus seem extremely difficult to deter China from seeking regional strategic access if it is determined to do so.

Alternatively, the allies could consider employing grey zone tactics such as sabotage in an attempt to raise the costs of Chinese projects to unacceptable levels, and signal their own intent without resorting to overt escalation. Here, the allies ought to heed the lessons from Beijing's approach in the South China Sea. Aside from providing sea control and shelter for militia and fishing fleets, recent analysis suggests that Chinese island bases would be far more time- and resource-consuming to neutralize in a conflict than commonly assumed. It is possible to imagine Chinese PIR access points being similarly difficult to dislodge. However, Beijing's Pacific interests are somewhat peripheral to core concerns closer to home, meaning that Canberra and Washington could contemplate limited preventative—and deniable—action against Chinese projects at a limited cost. Nevertheless, these actions could still risk inadvertent escalation if exposed or poorly executed, and could potentially undermine the allies' regional political capital, given that these facilities would most likely be commercial or dual-use facilities on a third party's territory.

Instead, it could prove cheaper to invest in new military capabilities to limit the utility and usability of prospective Chinese facilities. For example, the allies could co-develop anti-ship or other INF-range missile capabilities. Aside from holding local Chinese forces at risk, expanding collaborative research and development—and deployment-would Australia generate independent strategic effects, and assist the US with addressing a raft of challenges associated with implementing the Indo-Pacific Strategy. That said, it could be too soon for such "strategic fatalism"—the alliance has enduring nonsecurity advantages over China in the region which could yet be leveraged at much lower economic and political cost.

Regardless of the approaches decided upon, deeper alliance discussion on deterrence in the PIR is

undoubtedly needed. Hopefully, future Deterrence Dialogues can unpack these complex questions in more detail.

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