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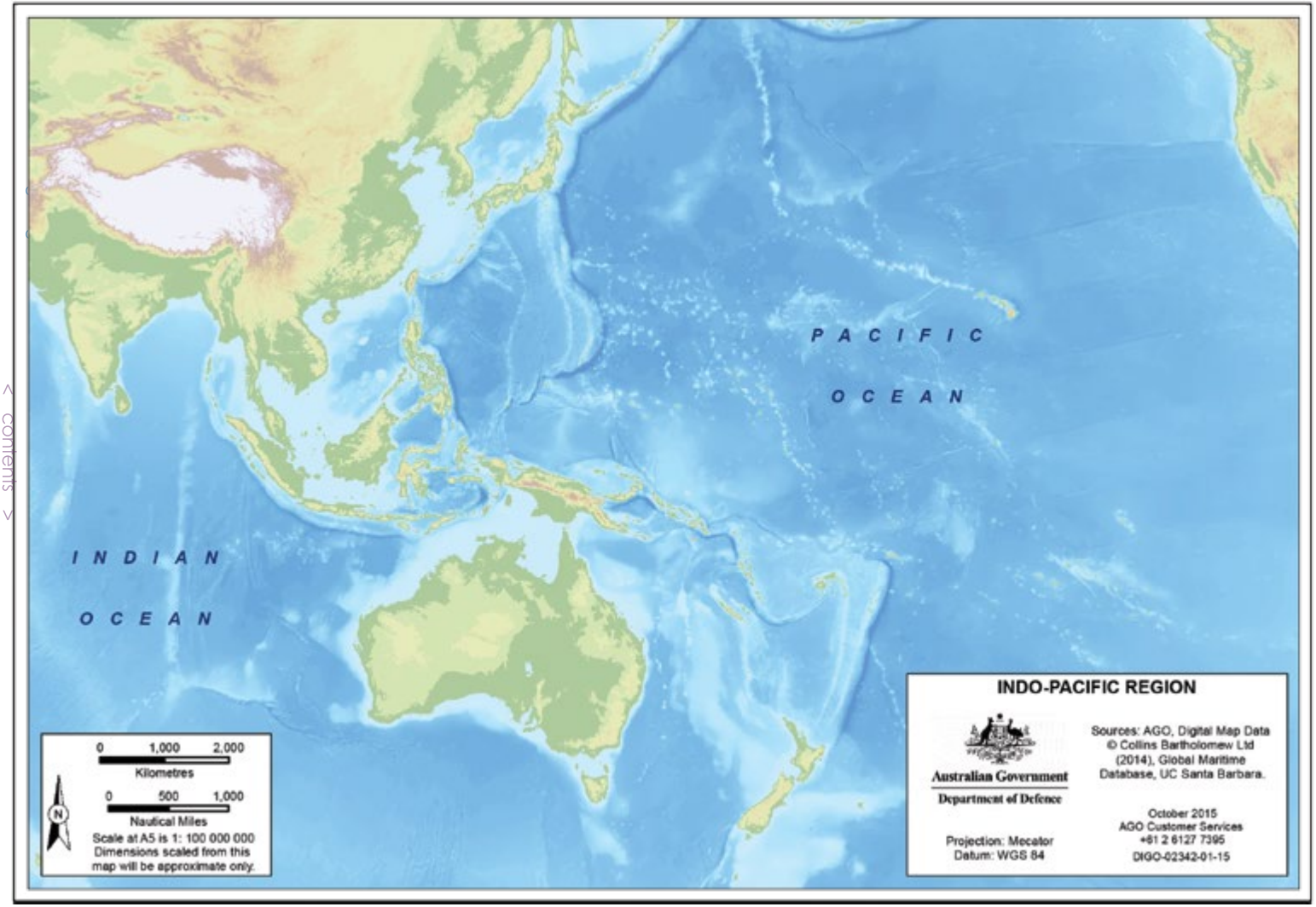
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Foreword

Since the release of Australia's latest Defence White Paper in February 2016 the pace of strategic change in the Indo-Pacific continues to speed up with unpredictable consequences for regional security. The election of Donald Trump in the United States and Rodrigo Duterte in the Philippines, as well as Britain's surprise decision to exit the European Union, point to a mood of disenchantment with 'establishment' politics. Similar signs of popular unhappiness with Government can be seen in many Indo-Pacific states. In defence and security, we have seen a more assertive China continue to press its strategic agenda in the South China Sea; North Korea has accelerated its nuclear weapons and missile testing; Japan has adopted a less restrictive approach to use of military force and Taiwan has elected a pro-independence government.

In Southeast Asia, significant numbers of so-called 'foreign fighters' are returning to the region with combat experience from Iraq and Syria. Terrorism is a real and present danger in many countries in the Indo-Pacific. ASEAN struggles to present a unified response to many of the strategic challenges facing the region. Throughout the Indo-Pacific a riskier and harder edged strategic competition is demanding more attention and careful thought on the part of policy makers.

This collection of papers from students at the Centre for Defence and Strategic Studies of the Australian Defence College shows the gamut of troubling strategic issues facing today's policy makers. But this book is no mere accumulation of graduate essays. The work here offers mature reflections from senior and experienced military, Border Force, diplomats and public servants already in key roles and likely to become even more senior in coming years. Apart from the sheer range of topics, what's impressive about these papers is the forward-looking focus of many writers, who are looking for new policy solutions to emerging strategic problems. There is a strong emphasis on the need to adopt multi-agency approaches to find better policy solutions. It's also refreshing to see these policy professionals thinking about Australia's interests on a broad canvas. These papers don't limit Australia's options to a narrow geographic arc. Rather they show the importance of building deeper connections with friends and allies globally.

If you are looking for original thinking about Australia's role in the world, and wanting to build a deeper understanding of the strategic dilemmas facing the Indo-Pacific, then this collection of papers deserves a place on your desk, side by side with the Defence White Paper. I commend the authors for their work and the Australian Defence College for being an essential incubator of new strategic thinking.

Peter Jennings
Executive Director, Australian Strategic Policy Institute
21 November 2016

Introduction

The Centre for Defence and Strategic Studies is the senior professional development and educational institution of the Australian Defence College. It is responsible for providing students with the knowledge and skills required to operate at the strategic level in a modern security environment. It is also responsible for leading developments in Defence's learning environment, manages Defence publications and research, and delivers courses on leadership and ethics.

The Defence and Strategic Studies Course is our marquee activity. This year-long master's-level course is designed for senior military officers and government officials engaged in national security matters. The course is attended by Australian and international officers and officials who focus their learning energies on defence and security issues in a complex strategic setting. This group of practitioners brings substantial intellectual weight to the national security debate and it is therefore appropriate that the best analyses are published in the Indo-Pacific Strategic Digest.

The range of papers in this fourth edition of the Digest reflects research submitted by students of the 2015 and 2016 Defence and Strategic Studies Courses, together with two papers by ADF officers from other courses. The papers have been chosen for publication based on their scholarly attributes and strategic relevance. The topics relate to Australia's area of primary and enduring strategic interest—the Indo-Pacific region—and have relevance to Australia's policy interests. International students have authored two of the papers in this edition. Their perspectives are important contributions to learning during the course and are now able to be shared with readers of this Digest, providing excellent balance to the Australian perspectives. I am pleased to offer both to you.

On behalf of all staff and students, I commend these readings to you.

For further information about the Centre for Defence and Strategic Studies' publications, please visit
<http://www.defence.gov.au/adc/publications/publications.html>

Ian Errington, AM, CSC
Principal
Centre for Defence and Strategic Studies

November 2016

The evolution of jihadist-Salafism in Indonesia, Malaysia and the Philippines, and its impact on security in Southeast Asia

Superintendent Craig Riviere

Australian Border Force

Abstract

This paper examines the evolution of jihadist-Salafism, an extreme and violent variant of militant Sunni Islamism, in Indonesia, Malaysia and the Philippines. The paper contends that while these three countries have made great strides against jihadi-Salafists since the September 2001 attacks in the US, the continuing evolution of jihadist-Salafism presents a severe security challenge to the countries themselves, and the wider region including Australia.

The paper argues that Indonesia, Malaysia and the Philippines must build on their successes and do even more to combat jihadist-Salafism, warning that unless this challenge is met in a nuanced and coordinated fashion, the stability of Southeast Asia will be threatened. The paper concludes by noting that ongoing events in the Middle East, North Africa and South Asia provide a dire warning of the consequences of under-estimating the threat.

Introduction

Jihadist-Salafism, an extreme and violent variant of militant Sunni Islamism, currently presents a serious security challenge to law and order in Indonesia, Malaysia and the Philippines.[1] Global jihadi-Salafist events since the September 2001 al Qa'ida attacks in New York and Washington DC, including terrorist attacks, separatist insurgencies and civil wars, suggest that these three governments, each with their own unique challenges, will need to invest considerable effort in tackling jihadist-Salafism in the next ten years and beyond.

This paper will analyse the evolution of jihadist-Salafism in Indonesia, Malaysia and the Philippines and detail its implications for security. It will argue that jihadist-Salafism provides a theological justification for violence, whether or not there are other motivating factors, and that its adherents opportunistically prey on regions with poor governance.

The focus for the paper will primarily be on events since the 'war on terror' after September 2001 and the more recent rise of Islamic State in Iraq and al-Sham (ISIS) and this group's effect on local jihadi-Salafists.[2] Key groups in each of the three countries will be covered, as will the response by authorities to each of these groups and the respective responses to the ideology of jihadist-Salafism itself. These three countries have been chosen because of the strength of active jihadi-Salafist groups within their borders, their inter-connectedness and the threat they pose.

The central theme of the paper is that the evolution of jihadist-Salafism in these countries presents a severe security challenge to the countries themselves, and the wider region including Australia, and that unless this challenge is met in a nuanced and coordinated fashion, the stability of Southeast Asia will be threatened—with events in the Middle East, North Africa and South Asia showing just how badly things can turn out. After analysing the threats posed by jihadist-Salafism, Part 6 of the paper will introduce a range of policy and operational responses that may assist the three governments in addressing the security challenges posed by jihadi-Salafists.[3]

What is jihadist-Salafism?

Jihadist-Salafism emphasises the importance of returning to a 'pure' form of Islam, that of the *Salaf*, the pious ancestors. Further, this ideology propagates the notion that violent *jihad*, or struggle, is a personal religious duty.[4] Ayman al-Zawahiri and Abu Bakr al-Baghdadi, the respective leaders of al Qa'ida and ISIS, can be categorised as jihadi-Salafists.

Jihadi-Salafists from the Middle East typically denounce elections as placing man's law above God's; their main foes are the 'near enemy' (Arab rulers), the 'far enemy' (the West) and Shia Muslims.[5] There are a number of groups in Southeast Asia which subscribe to the jihadist-Salafism ideology. They include but are not limited to Jemaah Islamiyah (JI), which operates in Indonesia, Malaysia, Singapore and the Philippines; Jemaah Anshurah Taihid, which operates in Indonesia; and Abu Sayyaf Group, which operates in the Philippines.[6] The security challenges posed by these groups and others will be discussed later in this paper.

What is meant by an impact on security?

There is dense theoretical debate about what 'security' means in international relations and many definitions are values laden, representing one political view or another.[7] Indeed, it is a highly-contested concept among scholars and practitioners, with no agreed or universally-accepted definition.[8] For the purposes of this paper, the context in which security will be used is the ability for a state to maintain control of its territorial borders, provide a decent level of services for its people (such as health and education), sustain a functioning economy, and maintain law and order.[9] A key component of a secure state, therefore, is its ability to maintain law and order, which requires the state to effectively regulate the conduct of its citizens and, in return, provide the basic arrangements that allow it to protect the life and property of those citizens.[10]

This paper argues that jihadi-Salafist groups in Indonesia, Malaysia and the Philippines have undermined security for several decades and that if they are left unchecked, they will continue to do so in the years ahead. The responses by the respective governments, individually and collectively, will determine the degree to which these groups undermine security for the next ten years, and possibly much longer.

What is Islamisation, Islamism, Wahhabism, a majority-Muslim nation and an Islamic state?

There are many terms and concepts used to describe the rise of jihadist-Salafism and related ideologies and events. This includes 'Islamisation', 'Islamism', 'Wahhabism', 'majority-Muslim nation' and 'Islamic state'. Different authors sometimes use these terms synonymously and/or ambiguously.[11] For the purpose of clarity, the following definitions will be used in this paper.

Islamisation refers to the intensification of Islamic belief and practice in a society among those who are already Muslim.[12] **Islamism** is a commitment to comprehensively implement an ideological vision of Islam in the state and

society. Whether Islamisation necessarily leads to Islamism depends on a number of factors and is by no means a certainty. Islamisation can represent a legitimate expression of political aspiration in a democracy. However, this paper will argue that increasing Islamisation in Southeast Asia contributes to a conducive environment for jihadist-Salafism to take hold and prosper.

The term **Wahhabism** is often used synonymously with Salafism but is not the same thing. While adherents of both ideologies reject religious and political pluralism, as well as propagating an Islam that is allegedly a more perfect and unsullied version based on the early years of the faith, they differ in that Wahhabism has its modern origins in Saudi Arabia, whereas Salafism has its modern origins across the Middle East but particularly in Egypt.[13] Dennis Ignatius, a retired Malaysian diplomat, has a less flattering interpretation:

> Wahhabism, the official religion of Saudi Arabia, is an exceptionally virulent, narrow and militant interpretation of Islam based on the teachings of an austere 18th century preacher and scholar, Muhammad al-Wahhab (1703-92). Over time, it has morphed into an all-encompassing politico-religious theology that considers all other faith groups deviant, has no tolerance for other cultures, no respect for human rights, no love for democracy and an abiding distaste of Western values. It is harsh, puritanical, unforgiving and violent.[14]

It is also important to distinguish two other terms. A **majority-Muslim nation** is one where the majority of people are Muslims; **an Islamic state**, on the other hand, is one that bases its political legitimacy on Islam.[15]

Jihadist-Salafism's theological justification for violence

Jihadist-Salafism promotes revolutionary violence to establish a caliphate, or an Islamic state.[16] In other words, jihadi-Salafists believe they are authorised to commit violent acts in the name of Islam. Further, jihadist-Salafism challenges Western norms and liberal democratic values, and its followers reject religious and moral pluralism.[17] To be clear, this paper does not assert that Islam and democracy are incompatible in Southeast Asia or elsewhere. Indonesia, Malaysia and the Philippines are all, to varying degrees, democracies. The first two are majority-Muslim nations and the third has an influential Muslim minority. They demonstrate that Islam and democracy are not mutually exclusive.

However, this paper argues that jihadist-Salafism is a manifestation of Islamic practice—an extremely dangerous and pervasive manifestation—and one that poses challenges for any nation-state, democratic or otherwise. If coupled with tribal, ethnic, economic or geo-political divisions, as is often the case, it is even more dangerous.[18]

The preceding paragraphs argue that jihadist-Salafism provides a theological justification for violence. However, as then British Prime Minister David Cameron

stated in July 2015, 'you don't have to support violence to subscribe to certain intolerant ideas which create a climate in which extremists can flourish'.[19] He further asserted that:

> The extremist world view is the gateway, and violence is the ultimate destination…. No-one becomes a terrorist from a standing start. It starts with a process of radicalization. When you look in detail at the backgrounds of those convicted of terrorist offences, it is clear that many of them were first influenced by what some would call non-violent extremists.

There is a certain logic to Cameron's assertions. If we apply this thinking to Indonesia, Malaysia and the Philippines, it becomes apparent that not only do the violent jihadi-Salafists require ongoing attention from authorities but so do those who promote the ideology. Put another way, there is an ideological, theological and political struggle underway that cuts across cultures, nations and civilisations, between the vast majority of moderate and peaceful adherents of Islam and the jihadi-Salafists.[20] This struggle is global, and Southeast Asia is a key battleground.

Part 1: Islam, the Middle East and Southeast Asia

Islam moves to Southeast Asia

Islam in Southeast Asia has been, for the most part, a moderate and modernising force.[21] It was introduced into Indonesia by traders from the Middle East and South Asia more than 700 years ago. For the most part, it was an accommodating form of Islam and blended with local customs.[22] In Indonesia, it is sometimes referred to as 'Archipelago Islam' or Islam *Nusantara*, and was initially influenced by Hinduism and ancient Javanese religions.[23] At the end of the 19th century, waves of 'reformist' conservative Islam came from the Middle East seeking to 'modernise' Islam in Indonesia.[24]

Since then, a tension between a local, more tolerant Islam and an imported, conservative and pious Islam has existed.[25] Since Indonesia's independence in 1945, the tension has often resulted in a violent radical fringe seeking the imposition of *shariah law*.[26] Over the last 20 years, in particular, conservative Islam has increased in importance in the daily lives of many Indonesians, whether this is reflected in the increasing popularity of Islamic dress or growing sales of Islamic literature.[27] Strikingly, this same period of increasing adherence to imported Middle Eastern practices has witnessed a string of murderous jihadi-Salafist attacks in Indonesia.

Islam in Malaysia, like in Indonesia, was introduced by traders from the Middle East and South Asia over 700 years ago. From Malaysia and Indonesia,

it spread into the southern Philippines, although there is some evidence that Chinese Muslims may have also played a role in the spread of Islam into the southern Philippines, eastern Indonesia and Malaysia.[28] Islam has arguably had a greater impact on Malaysian society and political development than any other nation in Southeast Asia.

Of particular note, the Malays have a centuries-old history of Islamic states, especially on the Malay Peninsula with its nine sultanates. This closer attachment between Islam and the state in Malaysia, compared to the situations in Indonesia and the Philippines, highlights the uneven spread of the religion throughout Southeast Asia. This unevenness can be seen in differing levels of 'Islamic-ness' across the three countries, as well as in an inconsistent spread of accommodating and moderate Islamic practices, against pockets of pious and conservative practices within each country.[29]

Islam had gained a strong foothold in the Philippines by the time the Spanish arrived in the early 16th century, particularly in the south. If not for the arrival of the Spanish and their introduction of the Roman Catholic religion, it is highly likely that the Philippines would have become a majority-Muslim nation like Indonesia and Malaysia.[30] Notably, the relationship between Islam and Christianity in the Philippines was one of adjacent development, and not integration or assimilation.[31]

This had a particularly profound effect in the southern Philippines, where a once-majority Muslim population, known as the Moro people, estimated to be around 98 per cent in Mindanao and the Sulu Archipelago in 1913, waned rapidly as a result of large-scale, government-encouraged resettlement from Christian regions. By 1999, the Muslim population in the southern Philippines was a minority in what it regarded as its ancestral homelands.[32] This changing religious composition, coupled with social and economic dislocation from the north of the country, has played a significant part in a politico-religious Muslim separatist movement that has plagued the Philippines from the second half of the 20th century until today.

The paragraphs above highlight Islam's long history in Indonesia, Malaysia and the Philippines, and also underscore the diversity of Islamic practice and integration across the region. The history of Islam in Southeast Asia is one of a religion that has developed in its own context, and been influenced by its people, geography and pre-existing cultures, which explains its generally-moderate outlook. However, it has also been, from time to time, influenced by deep connections with the conservative Islamic practices of the Middle East, especially among the more devout Muslim practitioners in Southeast Asia.[33]

World events since September 2001 and their effect on jihadist-Salafism in Southeast Asia

The events of September 2001 ushered in an era of expansionist and hyper-violent jihadist-Salafism that has continued until today. While al Qa'ida was not the only jihadi-Salafist group, from September 2001 until Abu Bakr al-Baghdadi declared his caliphate in June 2014, it was by far the pre-eminent group of its type.

Al Qa'ida was a galvanising force for the world's jihadi-Salafists, and it directed or inspired a number of devastating terrorist attacks in the early years of the 21st century, including but not limited to the Bali tourist district bombings of October 2002, the Madrid train bombing of March 2004, and the London public transport bombings of July 2005. The 2003 US invasion of Iraq also provided al Qa'ida with an opportunity to further its war against the West—and it was from the seeds of this insurgency and brutality in Iraq that ISIS, an al Qa'ida off-shoot, was born.[34]

While it suffered many setbacks between 2001 and 2016, including the death of Osama Bin-Laden in 2011, al Qa'ida was reduced but not destroyed in Afghanistan or Iraq. Arguably, the years immediately after the US invasion of Iraq in 2003 saw the influence of jihadist-Salafism spread across the globe, not least because the insurgency in Iraq was drawing a disproportionate amount of political focus, blood and treasure of the US and its alliance partners. David Kilcullen has observed that:

> [O]nce the insurgency in Iraq really hit its stride after March 2004, the demand for resources created by the escalating conflict, like the cost in lives lost and ruined, was stupendous, as was the drain on policy makers' attention. It was impossible to get leaders to focus on resurgent violence in Afghanistan, the emergence of al-Shabaab in Somalia, the growing Pakistani Taliban, rising anti-Americanism in countries subjected to drone strikes, proliferating terror cells in Europe, AQ [al Qa'ida] franchises in other continents, or any of the other issues we could have addressed—and perhaps prevented—had the United States and its allies (including Australia and the UK) not been mired in Iraq.[35]

Significantly, the Iraq war was not just a terrible distraction from Afghanistan or al Qa'ida that allowed the spread of jihadist-Salafism elsewhere to go unchecked, as Kilcullen argues, but it also served as a unifying force for many Muslims around the world, whether disposed to violence or not, as it fed into a narrative of Western persecution and encouraged many Muslims to feel part of an international community of grievance.[36] However, this was not new, as earlier generations of jihadi-Salafists had previously tapped into the same sentiment on issues around the Israeli-Palestinian conflict and the Soviet war in Afghanistan.[37]

By the time of the Arab Spring in 2011, jihadi-Salafist groups were successfully operating in North Africa, the Middle East, South Asia and Southeast Asia; the world was effectively witnessing a global insurgency, although many government officials, academics and the general public remained unaware or were deliberately ignorant. The Arab Spring, and in particular the civil war in Syria, further spurred these groups and, in late 2011, still under the loose command of what might be called 'al Qa'ida central', Abu Bakr al-Baghdadi was directed to expand operations from Iraq into Syria.[38] The story of ISIS's subsequent success will not be detailed here, save to say that when al-Baghdadi declared his caliphate in June 2014, it struck a chord with many jihadi-Salafists around the world.[39]

Jihadi-Salafists in Southeast Asia were not immune from the post-September 2001 contagion. In particular, the Iraq war and then the civil war in Syria were invigorating for their respective causes, and they re-activated connections with foreign groups that went back as far as the Soviet war in Afghanistan.[40] Connections with Islamists in the Middle East and South Asia, typically established through pilgrimages and education at overseas *madrassas* (Islamic religious schools), provided a network through which jihadi-Salafists could communicate.

In Indonesia, Malaysia and the Philippines, groups with primarily local grievances and their own objectives were inspired by or worked directly with foreign jihadi-Salafists in relationships of mutual benefit. Indeed, Southeast Asia in general became something of a 'back office' for al Qa'ida and other groups, as a transit hub, training ground, financial centre or hideout.[41]

While international jihadist-Salafism has connected with and influenced events in Southeast Asia, it is necessary to explore the local groups and circumstances more closely in order to assess the current and future threats for the region. The next three parts of the paper will analyse the evolution of jihadist-Salafism in Indonesia, Malaysia and the Philippines, as well as the key groups and their origins.

Part 2: Indonesia

> The language of the Prophet is not the spoken language here. The Palestinian-Israeli conflict is geographically distant, despite the widespread presence of Al Jazeera in people's homes and the resultant public relations victory of the Gaza Palestinians. Islamic law is applied sparingly and is not always revered. Most importantly, Indonesia is a democracy where people are unafraid of having their thoughts on religion printed, for fear of retribution from either the government or radical groups. Thus, Indonesia provides the level playing field necessary to establish the true vision and philosophical texture of Islam in the twenty-first century.[42]

The effects of jihadist-Salafism on Indonesia's nascent democracy

The Indonesian state is founded on a political philosophy known as *Pancasila*, which is based on five principles: social justice; belief in one God; a just and civilised humanity; government by the will and consent of the people; and Indonesian unity.[43] In essence, these principles promote religious and cultural freedoms, human rights and social justice.[44]

Since the 1998 pro-democracy street demonstrations that led to the fall of the military-backed, authoritarian Suharto regime, Indonesia has implemented democracy and is considered to provide a glowing example of a majority-Muslim nation which has transitioned from dictatorship to democracy.[45] In the year of the Arab Spring in 2011, then US Secretary of State Hillary Clinton made this very point.[46]

While there is no inherent bias in majority-Muslim nations against democracy, a moderate and tolerant version of Islam is key.[47] And it is *Pancasila* that provides the framework for Indonesia's moderate version of Islam, Islam *Nusantara*, to flourish. However, extremists can undermine any democracy. Therefore, when analysing the threats posed by jihadi-Salafists in Indonesia, it is important to consider what effect, if any, there is on *Pancasila* and democracy when there is an overlap of beliefs between violent and non-violent groups—beliefs such as a desire to implement *shariah* law or to establish a caliphate.

To draw this out further, should democracy start to falter, perhaps undermined from within by so-called non-violent groups, governance may weaken and, in turn, the ability for the state to maintain law and order may suffer. With this in mind, it is important to consider a selection of jihadi-Salafist groups that have undermined law and order in Indonesia.

Darul Islam and JI

Darul Islam was a separatist movement in Indonesia that began in 1948 and which sought to establish an Islamic state ruled by *shariah* law.[48] It followed a particularly Indonesian ideological pathway in that it was influenced by both Wahhabism and the anti-colonial nationalism enshrined in the Islamist Muslim Brotherhood of Egypt.[49] Darul Islam was very much a product of its time and its principal goal was to see newly post-colonial Indonesia established as an Islamic state.

When the moderate and largely-secular nationalist leaders such as Sukarno and Hatta rejected Islam as the sole foundation of the state, Sekarmadji Maridjan Kartosuwirjo, who had led an anti-Dutch militia, accused them of

crimes against Islam and commenced a separatist insurgency that would spread to nine regions of Indonesia, where he established political and military commands. These regions were Aceh, Sumatra, Kalimantan, Sulawesi, East Java, Central Java, Jakarta, West Priangan and East Priangan.[50]

By the time Darul Islam was militarily defeated in 1962, the lives of 25,000 people had been lost. The social movement that supported it, however, was not defeated and the fact it had established networks across the country during the conflict allowed those adherents not killed or captured to go underground, only to re-surface after the fall of the Suharto regime in 1998.[51] Darul Islam survived because its militant ideology and aspirations lived on. In particular, the co-founders of JI, Sheik Abdullah Sungkar and Abu Bakar Bashir, had been close associates of the Darul Islam leader, Kartosuwirjo, and for over 30 years they remained fervently dedicated to establishing Indonesia as an Islamic state. In this period, they were jailed for participating in a clandestine militia, released, charged again, fled and sought refuge in Malaysia.[52]

Sungkar and Bashir travelled in the 1980s to Saudi Arabia, then Afghanistan, and became important figures in organising Southeast Asian recruits to fight against the Soviet occupation of Afghanistan. Virtually all the senior leadership of what would become JI studied and trained between 1985 and 1995 in camps in the mountainous border region of Afghanistan and Pakistan. Close connections with al-Qa'ida were established, and bonds were formed with other militants, such as the Moro Islamic Liberation Front and Abu Sayyaf Group.[53] These global connections influenced Sungkar and Bashir to break away from Darul Islam and formally establish JI in January 1993. It subscribed to an ideology that emphasised global jihadist-Salafism, which stood it apart from Darul Islam's more Indonesia-centric goals.[54]

The fall of the Suharto regime in 1998 allowed Sungkar and Bashir to return home to Indonesia. Sungkar died in 1999 and Bashir assumed the leadership of JI. He built support in the uncertain post-Suharto years by highlighting the failure of nationalist projects to deliver political, economic and social benefits to Muslims, and arguing that only an Islamic state could deliver such justice.[55] In this period, JI began a wave of attacks across the country, including the bombing of the Istiqal Mosque in Jakarta in April 1999 and the residence of the Philippines' Ambassador in Jakarta in August 2000.

But it was not until the devastating Bali bombings in October 2002, which killed 202 people—including 88 Australians—and the extensive investigations that followed, that the Indonesian Government was willing to acknowledge that it faced a home-grown terrorist threat with global connections. It is particularly noteworthy that despite advice from the Malaysian and Singapore

governments before the Bali bombings that Bashir and his field commander Riduan Isamuddin, also known as Hambali, were the directing figures in a transnational terrorist network, no discernible action was taken against JI.[56]

The Bali bombings, and then the Marriot Hotel car-bomb attack in August 2003, spurred the Indonesian Government to comprehensively respond. The Indonesian police, with significant technical assistance, advice and support from the Australian Federal Police, tracked down, arrested or killed every one of the masterminds or integral members of JI involved.

The Indonesian Government also introduced an anti-terrorism law that, among other things, extended the period for which police could detain a suspected terrorist for up to 20 days, which could then be extended for another six months. They also established an Anti-Terrorism Task Force comprised of relevant officials from the National Intelligence Agency, military intelligence and police intelligence.[57] By 2007, the scrutiny from the Indonesian Government resulted in JI ostensibly renouncing violence and, on the surface at least, steering its followers towards religious outreach and education.[58] Of course, it may well simply have been repeating the earlier approach of its parent organisation, Darul Islam, whereby networks and contacts established over many years could re-emerge with deadly intent.

Jemaah Anshurah Taihid and Mujahidin Indonesia Timor

Darul Islam and JI are not the only jihadi-Salafist groups to have challenged law and order in Indonesia. Other groups remain a current threat. One such group is Jemaah Anshurah Taihid, which was founded by Bashir, the former spiritual leader of JI, with the notional intent of eventually implementing a caliphate in Indonesia. Jemaah Anshurah Taihid subscribed to the ideology of jihadist-Salafism and adopted two ideals; first, to be militarily prepared; and second, that local Indonesian officials who did not adhere to Islamic law would be as important targets as Westerners.[59]

Bashir was imprisoned in 2010 when Indonesian counter-terrorism police uncovered a Jemaah Anshurah Taihid terrorist training camp. However, the group has remained active and, in fact since 2011, has undertaken several lethal terrorist actions, including suicide-bomb attacks in Cirebon and Solo, as well as the assassination of Indonesian police officers.[60] It also has pledged allegiance to ISIS.[61]

Mujahidin Indonesia Timor is a breakaway group of Jemaah Anshurah Taihid, established in Poso in Central Sulawesi by Santoso, alias Abu Wardah.[62] Mujahidin Indonesia Timor is considered a nationalist Islamist group with

possible international connections. Santoso has assembled a group of combat veterans and, in part because it does not target civilians, his group has posed difficulties for the Indonesian authorities to dismantle.[63] The Poso area has rough terrain, and Indonesian media has speculated that the group may receive protection from locals.[64]

However, the Indonesian police, which established a special task force under the name Operation TINOMBALA, recently seized 86 homemade bombs, factory-made rifles and a shotgun, as well as a number of homemade rifles, shotguns and ammunition.[65] While this is a policing success, it demonstrates the potential that Mujahidin Indonesia Timor possesses for large-scale attacks on soft targets. It also has pledged allegiance to ISIS.

The Indonesian response to jihadist-Salafism, and its importance to Southeast Asia, and perhaps the world

As the country with the world's largest population of Muslims, and a rare example where a majority-Muslim nation has embraced democracy, how Indonesia addresses the rise of ISIS and jihadist-Salafism generally is important to Indonesia and the international community at large.[66] Since September 2001 and the declaration by President George W. Bush of a global war on terror, successive Indonesian governments have been careful not to appear to be doing the bidding of Western nations when tackling jihadist-Salafism and not to appear as anti-Islam generally.[67] And yet Indonesian presidents have nevertheless been able to argue strongly that jihadi-Salafists pose a threat to Indonesia.

Further, some of Indonesia's largest religious organisations have added their weight to campaigns against jihadist-Salafism, arguing that its ideology is alien to Indonesia's Islamic traditions.[68] Indonesian authorities are, therefore, well placed to continue the fight against jihadist-Salafism. However, a larger question arises, that is, is Indonesia confident enough to do more than fight jihadist-Salafism within its own borders but go further and inspire Muslims throughout the world to practise a more tolerant version of Islam, an 'Archipelago Islam', instead of the version being offered by the likes of al Qa'ida and ISIS? The answer to this question will unfold over the next decade and beyond.

Part 3: Malaysia

Jihadist-Salafism in Malaysia

The problem of jihadist-Salafism existed in Malaysia well before the September 2001 attacks in the US and the subsequent period that is the focus of this paper. From the 1970s onwards, and up until the 1990s, a number of groups with claims that the Malaysian government was not giving Islam its proper due surfaced from time to time. However, the troubles were generally locally focused and suppressed by the police, often through extremely efficient use of detention and investigative powers under the *Internal Security Act*.[69] The dominant party in Malaysian politics, the United Malays National Organisation, also accused the main opposition party, the Pan-Malaysian Islamic Party, in the 1980s and 1990s of supporting Islamic militancy.

While some links between the Pan-Malaysian Islamic Party and jihadi-Salafists existed, and indeed arguably exist to this day, the Malaysian government was nonetheless criticised for being particularly cynical in exploiting fears about Islamic militancy for political advantage and, in doing so, ruthlessly suppressing the Pan-Malaysian Islamic Party. This was particularly highlighted by a police raid in 1985 on a religious compound in a remote village in the state of Kedah, where a Pan-Malaysian Islamic Party stalwart, Ibrahim Mahmood, was preaching, and the subsequent killing of 18 people during the raid.[70] The continual suppression of the Pan-Malaysian Islamic Party by the Malaysian government eventually led to the creation of the jihadi-Salafist group, Kumpulan Mujahidin Malaysia, which will be discussed further in the next section.[71]

Up until the formation of Kumpulan Mujahidin Malaysia, Malaysian jihadi-Salafists had been extremely reluctant to consider carrying out acts of violence within Malaysia.[72] This might partially explain the Malaysian government's arguably inconsistent approach to jihadi-Salafists before September 2001. Some groups had been clinically monitored and suppressed by the government, as the 1985 Kedah incident demonstrated, but the government was also wary about the extent to which it suppressed these groups and was cautious about just how far it would take its political attacks on the Pan-Malaysian Islamic Party.

Moreover, until the September 2001 attacks and the subsequent investigations by US and Malaysian authorities, Malaysia had not aggressively pursued the presence of foreign jihadi-Salafists in Malaysia, such as those in JI or al Qa'ida.[73] One can only assume that whatever level of awareness Malaysia had of JI and al Qa'ida operations before September 2001, they were deemed at that stage to be of insufficient threat, presumably because it was judged that they

would not launch attacks in Malaysia and did not threaten Malaysian interests, notwithstanding how freely these groups had been carrying out their activities.[74]

Kumpulan Mujahidin Malaysia

Kumpulan Mujahidin Malaysia was established in October 1995 by Zainon Ismail and six other veterans of the conflict in Afghanistan against the Soviets.[75] Its main objectives were the overthrow of the Malaysian government and the establishment of an Islamic state in Malaysia, and thereafter a Southeast Asian Islamic caliphate.[76] The Pan-Malaysian Islamic Party was seen as the only Malaysian political party that subscribed to a sympathetic ideology consistent with that of Kumpulan Mujahidin Malaysia, and both had some overlapping membership.[77] Accordingly, Kumpulan Mujahidin Malaysia constructed an operations network to defend the Pan-Malaysian Islamic Party, should the Malaysian government crackdown on it, which included buying weapons, including M16s, AK-47s and hand grenades, utilising connections in Indonesia and Thailand.[78]

Kumpulan Mujahidin Malaysia was a violent jihadi-Salafist group and had a number of operational cells, the most active of which was the Selangor cell led by Zulkifli Abd Hir, an Afghanistan veteran and friend of JI's Hambali, who he had first met in Afghanistan.[79] The Selangor cell was responsible for an attempted bank robbery, the murder of a Penang politician who was believed to have persuaded young girls to convert to Christianity, and an attempt to seize weapons from a police station. Kumpulan Mujahidin Malaysia was uncovered when a Malaysian was arrested for an attempted shopping mall bombing in Jakarta in August 2001, which exposed the cross-border dimension to its activities.[80]

After September 2001, Kumpulan Mujahidin Malaysia's activities were severely curtailed in the crackdown by Malaysian authorities on JI and al Qa'ida, which included the arrest of its most senior leadership.[81] However, claims by analysts such as Peter Chalk that Kumpulan Mujahidin Malaysia is defunct would seem premature.[82] Rather, 'dormant' might be a more accurate term. This is because it is likely that some members joined JI and, similar to the early heralding of Darul Islam's extinction in Indonesia—which turned out to be incorrect, there is every possibility that former members remain in contact and may re-emerge either in other jihadi-Salafist groups or in a re-formed Kumpulan Mujahidin Malaysia.

Of course, the banner of jihadi-Salafist groups does not matter so much as their objectives, intent and capabilities. To reinforce the point that former Kumpulan Mujahidin Malaysia members remain dangerous, it should be noted that an ISIS-inspired cell had formed in Kualar Lumpur under former Kumpulan Mujahidin

Malaysia member Murad Halimudin, also known as Murad Sudin. When he and 19 other experienced jihadists were arrested in August 2014, it was discovered that ingredients for explosives had been purchased and discussions had occurred about bombing bars, discos and a prominent brewery.[83]

JI and al Qa'ida in Malaysia

During the years that the Indonesian fugitives Sungkar and Bashir were sheltered by Malaysians for their former Darul Islam activities, both continued their preaching and had a profound influence on a select group of Malaysian youths.[84] JI was formed in January 1993 by Sungkar while he was in Malaysia.[85] From its Malaysian headquarters, Sungkar, Bashir and Hambali went about establishing a regional terrorist group that would eventually have active cells in Singapore, Malaysia, Indonesia and the Philippines.[86] Members were dispatched to al Qa'ida training camps and to JI camps that were established in Afghanistan and the Philippines, as well as to training camps of other jihadi-Salafist groups such as the Moro Islamic Liberation Front in the Philippines.[87] Notably, the connections between JI and Kumpulan Mujahidin Malaysia strengthened during this period, with the Selangor cell of Kumpulan Mujahidin Malaysia, for example, occasionally inviting Bashir and Hambali to talk at its meetings.[88]

JI was not the only foreign jihadi-Salafist group operating out of Malaysia before September 2001, and al Qa'ida used Malaysia to hold meetings, invest and transfer money and allow members to receive medical treatment. Crucially, the last planning meeting for the September 2001 attacks was held in Malaysia. Al Qa'ida also established relations with Kumpulan Mujahidin Malaysia and JI in Malaysia.[89] The paragraphs above demonstrate the multiplicity of links between different jihadi-Salafist groups that date back decades, many having formed in the mujahidin war against the Soviets in Afghanistan. The mutual benefits for cooperation between these groups extend to training, logistics and ideological comfort. Indeed, it is these bonds of friendship and brotherhood that make wiping out jihadi-Salafist groups almost impossible in Southeast Asia.[90]

Malaysia's operational and ideological responses to jihadi-Salafist groups

Malaysia's security response after the September 2001 attacks and then the Bali bombings of October 2002 is widely acknowledged as being operationally successful. The same cannot be said for its response to the ideological threat.[91] Operational successes have been founded in effective intelligence measures

from the likes of the Malaysian Police Special Branch, the ruthless application of the *Internal Security Act* and its strong investigative and detention powers, and targeted regional and international cooperation with intelligence and law enforcement agencies.

Strikingly, however, it took the events of New York, Washington DC and Bali to prompt the Malaysian authorities to aggressively move against the likes of JI and al Qa'ida. Malaysian authorities had long been aware of the presence of Indonesian JI leaders opposed to the Suharto regime but, because they had not attacked any Malaysian targets, the group had operated relatively freely.[92]

The Malaysian response to the ideological threat posed by jihadist-Salafism has not been as equally vigorous or successful as its operational responses. There are several reasons for this. The United Malays National Organisation government has used accusations of Islamism to pressure the Pan-Malaysian Islamic Party but, at the same time—and this is almost contradictory, has attempted to establish stronger Islamic credentials and be seen as more Islamic than the Pan-Malaysian Islamic Party.[93] This has occurred in an environment where, in recent years, Malay Muslim chauvinism has continued to entrench itself in Malaysian politics, to the detriment of Malaysian democracy and possibly to the advantage of jihadist-Salafism.[94] Joseph Liow argues that this exclusivist climate is a breeding ground for organisations such as ISIS, asserting that:

> Islam casts a pale shadow over Malaysia today not because it is Islam, or even Islamism per se, but because its proponents are articulating a particularly exclusive brand of Islam that is divorced from the religion's historically enlightened traditions, and which has no intention to encourage pluralism or compromise.[95]

It is this same exclusivist climate that has allowed so called 'peaceful Salafism' to provide a legitimising comfort for jihadi-Salafists. In a climate where the United Malays National Organisation's Supreme Council member Annuar Musa can brag that his prejudice is fine because it is based on Islam, the lines between violent and non-violent Salafism are easily blurred.[96] Peaceful Salafists need to be clear in their thinking and recognise that religious prejudice and exclusivism give the jihadi-Salafists hopes that an Islamic utopia within Malaysia is in reach.[97] An answer to this dilemma may be found in *Rukun Negara* (Malaysia's declaration of 'national principles'), which is discussed further in Part 6 of this paper.

Part 4: The Philippines

Poor governance, Muslim suppression and separatism

As discussed earlier, the history of Moro dispossession and disenfranchisement from the political process and economic systems led to the creation of a Muslim independence movement in the late 1960s. The independence movement transitioned to an armed insurgency after several massacres of Muslims at the hands of government security forces, including one where 70 Muslims were killed, some of them women and children, at a mosque in the province of Cotabata in Mindanao in June 1971.

The complex mixture of financial and social neglect, as well as racial and religious hostility from the central government towards the Moro, meant that many of the grievances held by the separatists were justified.[98] Tellingly, however, this fed into the narrative of Muslim persecution that was spreading throughout the Islamic world in the 1960s and 1970s.[99]

In his study on the evolution of al Qa'ida and other jihadi-Salafist groups, Seth Jones explains that their spread in Africa and the Middle East has occurred where weak governments have failed to establish law and order, permitting militant groups and other sub-state actors to fill the vacuum, asserting also that:

> State weakness is particularly likely in remote areas, where insurgent and terrorist groups can establish rural strongholds. The more extreme the decline or absence of authority in a region, the more the population becomes 'virgin territory' for those who would become an alternative government. Weak governance fuels alternative power centers, and warlords often flourish. Poor governance also increases the likelihood of insurgency and terrorism because the state's security forces are weak and lack popular legitimacy.[100]

Jones could easily be describing the situation in the southern Philippines over the last 50 or so years rather than regions of Africa or the Middle East. And just like in the remote and poorly-governed areas of Africa and the Middle East, international opportunists have moved into the islands, hills, forests and coconut farms of the southern Philippines. For at least two decades, the southern Philippines has become an important area for regional and global terrorist groups such as JI and al Qa'ida. Remote areas in this region have become training grounds for Indonesians, Malaysians, Singaporeans, Thais and Arabs who subscribe to jihadist-Salafism.[101]

The Moro National Liberation Front and the Moro Islamic Liberation Front

The Moro National Liberation Front started in Jolo in 1969 and quickly spread across the Sulu Archipelago and Central Mindanao.[102] In the mid-1970s, a brutal separatist war ensued between it and the central government under President Ferdinand Marcos, resulting in an estimated 50,000 deaths, many of them non-combatants, killed by either the insurgents or the military.[103] The conflict then simmered somewhat as a result of international pressure, before the Libyan leader Muamar Gaddafi brokered a treaty between the two sides in 1976.[104]

While the skirmishes never entirely ceased, by 1989 the government agreed to grant much of the region limited self-rule under the auspices of the Autonomous Region of Muslim Mindanao. Notably, under the agreement, approximately 7500 former Moro National Liberation Front combatants joined the Philippine Armed Forces or police by 2010, bringing employment and social benefits to the Moro people but also operational benefits to the security forces, given the knowledge of local culture, terrain and insurgent tactics that the new recruits brought with them.[105]

However, the granting of autonomous region status, which brought only limited autonomy, was not enough for all Moro people. The Moro Islamic Liberation Front was a breakaway group which formed in 1981 after disillusionment with the autonomy agreement.[106] Significantly, several hundred Moro Islamic Liberation Front members went to Afghanistan in the 1980s and 1990s to either fight against the Soviets or train at al Qa'ida or JI camps, which provided the Moro Islamic Liberation Front with greater fighting capacity and a core of members who had been exposed to al Qa'ida-style jihadist-Salafism. On returning, some of these members opened terrorist training camps in Central Mindanao; notably, several JI members involved in the Bali bombings had been trained or conducted training at these camps.[107]

The Moro Islamic Liberation Front suffered a high number of casualties in the early 2000s after President Joseph Estrada ordered a large military offensive. Then, in 2003, their founding leader died and was replaced by a more moderate leader, Ebrahim el Haj Murad, who dropped the demand for independence and commenced peace talks with the government.[108] These talks eventually led to a peace deal which was signed in late March 2014, known as the Comprehensive Agreement on the Bangsamoro, which paved the way for an autonomous Bangsamoro (Moro homeland) region in Mindanao to replace the Autonomous Region of Muslim Mindanao.[109] However, the agreement has yet to be ratified by the Philippines Congress, not least because it may usher in a form of 'federalism' not favoured in Manila.[110]

Furthermore, no peace deal has yet proven acceptable to the myriad groups in the southern Philippines. Neither the Moro National Liberation Front nor the Moro Islamic Liberation Front, which now both favour autonomy over independence, have been able to set aside their lingering ill will.[111] Both are divided along linguistic and tribal lines in a culture of clan and land rivalries where these factors are never far from the surface.[112] With divisions such as this among the groups of the southern Philippines, members of Congress might quite rightly ask whether any deal can hold and whether there can be a united Moro voice. This question is even more valid when considering breakaway groups such Abu Sayyaf and their motivations.

Abu Sayyaf Group

Abu Sayyaf Group, a splinter group from the Moro National Liberation Front, was formed in 1991 under the command of Abdurajak Janjalini.[113] It was formed with the help of al Qa'ida and, from its inception, adhered to a more virulent version of jihadist-Salafism.[114] Its stated goals are the eradication of Christian influence in the southern Philippines and the creation of an independent Islamic state of Mindanao.[115] While it has a reputation for raising money from extortion and kidnappings, it has also been involved in several high-profile attacks, including the firebombing of a ferry in Manila in February 2004 which killed 116 people—believed to have been carried out in conjunction with JI—and a series of bombings on Valentine's Day in February 2005.

There was also a particularly audacious plan, known as Oplan Bojinka, albeit foiled in 1996, which was believed to have been coordinated by Ramzi Yousef, the mastermind behind the 1993 attack against the World Trade Center in New York. It was a multi-targeted plan seeking to assassinate the Pope and President Clinton, bomb US embassies in Manila and Bangkok, and explode US commercial aircraft mid-air on trans-Pacific routes. The plan was foiled after volatile explosives ignited a fire in an apartment Yousef was renting in Manila.

Abu Sayyaf Group was considered such a threat that in 2001 the US dispatched Special Forces to the Philippines under Operation ENDURING FREEDOM to offer expertise in counter-terrorism operations and train the Philippine Armed Forces. US Special Forces stayed in the Philippines for over a decade and, by 2014, Abu Sayyaf Group's operational tempo and ideological unity were substantially degraded.[116] In recent years, some terrorism experts have contended that Abu Sayyaf Group has become a mere kidnap-for-ransom gang.[117] However, such assertions are perhaps premature.

First, as the history of the region has demonstrated—and as this paper has recounted in regards to the likes of Darul Islam in Indonesia—the links between

many jihadi-Salafist groups are deep, the borders in the region are porous, and groups have a tendency to re-emerge in one form or another after having been written off by experts and governments alike. Indeed, Abu Sayyaf Group recently demonstrated that it continues to have the intent and capability to directly oppose the government of the Philippines when it engaged troops from the 44th Infantry Special Forces Battalion in a battle that lasted for almost ten hours and killed 18 soldiers for the loss of five Abu Sayyaf Group members.[118]

Second, Abu Sayyaf Group has been one of the more 'ideologically extreme' jihadi-Salafist groups in Southeast Asia and it would be foolish to dismiss the ideological attraction of ISIS to Abu Sayyaf Group, and vice-versa. Notably, in early January 2016, Abu Sayyaf Group announced its allegiance to ISIS, while ISIS has declared Abu Sayyaf Group's Isnilon Hapilon the leader of ISIS in the Philippines.[119]

Prospects for the peace process, the new President and points of vulnerability

The Government of the Philippines and the Philippine Armed Forces have respectively achieved some political and military successes since 2001 but there are a number of challenges on the horizon. The peace process is stalled in Parliament and will need the backing and priority of the new president. It is positive that President Rodrigo Duterte, as a former mayor of Davao City, comes to the presidency with a view of the conflict that is based in his Mindanao roots, which is likely to be very different to that of someone from metropolitan Manila or the Philippines' elite who have studied in the US.[120] Duterte's desire to find a political solution is widely known and he also seemingly has the respect of the Moro National Liberation Front and the Moro Islamic Liberation Front.

However, while the withdrawal of US Special Forces demonstrated a belief that the Philippine Armed Forces are capable of dealing with Abu Sayyaf Group, recent clashes may lead to a conclusion that this was not the best course of action. And Abu Sayyaf Group is not the only group that remains intent on pursuing a separatist agenda by violent means. Finally, whether the Government of the Philippines is doing enough to tackle the ideology of jihadist-Salafism remains in doubt, especially in the correctional facilities which house a significant number of extremists following years of insurgency and terrorism.[121] These points of vulnerability may provide an 'open gate' for an opportunistic jihadi-Salafist group to stroll through, with early indications suggesting that ISIS may very well do so.

Part 5: The penetration of ISIS into Southeast Asia

> It is not centrally important now to determine whether Islamic State has a direct role in terrorist outrages carried out in its name. Islamic State is a perfectly postmodern organization in the service of perfectly medieval ideas. It is a flat structure, a social media movement, a cyber reality. It not only crowd funds, it crowd and cloud recruits. It sends its instructions through cyber space to a million atomised recipients who nominate themselves as actors in the Islamic State drama. This does not make its actions incoherent or random. Rather, it is the contemporary mutation of asymmetric guerilla warfare.[122]

ISIS in Indonesia

The emergence of ISIS has had an invigorating effect on jihadist-Salafism in Southeast Asia, raising fears about more violence, shifting tactics and the potential for new cross-border alliances.[123] Estimates of how many foreign fighters have left Indonesia to fight with ISIS in Syria and Iraq vary. Sidney Jones, who specialises in the study of terrorist groups in Indonesia, has suggested that as at January 2016 the number was most likely between 250 and 300, although some of these have since been killed and many do not intend to return to Indonesia.[124]

Since June 2014, when Abu Bakr al-Baghdadi announced his caliphate, Indonesians—like many jihadi-Salafists from all over the world—have been drawn to Syria and Iraq, believing the Middle East to be the place where they can best defend and expand the caliphate.[125] The Internet and social media have been important in drawing these fighters from Indonesia but so has face-to face-recruitment from within groups that existed before the formation of ISIS.[126]

As at late 2015, it was estimated that at least 60 Indonesian foreign fighters may have returned home.[127] This figure could increase markedly if ISIS's leadership in Syria and Iraq tasked members of its Indonesian cadre to return home, where their leadership credentials, ideological commitment and combat experience would pose a high-level of threat to law and order in Indonesia.[128] In any event, the Indonesian Police believe the attacks in Jakarta in January 2016 were masterminded from Syria by Bahrun Maim, an Indonesian previously convicted of terrorism in Indonesia, demonstrating that ISIS can reach in from afar and motivate home-based jihadi-Salafists to murder.[129] Indonesia now must face the prospect of increasing attacks by ISIS-linked or -inspired groups.

ISIS in Malaysia

There are an estimated 100 Malaysians with ISIS in Syria and Iraq.[130] Many of them are fighting in a Malay combat unit, the Katibah Nusantara Lid Daulah Islamiyyah (the Malay Archipelago Unit of the Islamic State).[131] It is comprised mainly of Malaysians and Indonesians, and provides a social network to help Southeast Asians settle in and train, and is believed to act as a network between pro-ISIS groups operating in Syria and Iraq.[132]

Just as the return of fighters from the war against the Soviets in Afghanistan acted as a catalyst for jihadi-Salafist violence in the 1990s, and networks established in that conflict proved difficult for Southeast Asian authorities to combat, the potential threat in Malaysia and elsewhere in the region posed by hardened militants returning with deep ideological commitment and frontline battle experience should not be dismissed.[133]

However, the threat of returning foreign fighters is not the only one that ISIS presents to Malaysia. The idea and phenomenon of ISIS has spread through the Internet and social media and has inspired jihadi-Salafists to conduct attacks outside of Syria and Iraq, as demonstrated by recent atrocities in Orlando, Dhaka, Ankara and Nice.[134] The Malaysian Special Branch has reportedly prevented nine plots to launch attacks in Malaysia since 2014 but two recent events suggest they will continue to be tested.[135] A Malaysian, Mohd Rafi Udi, was seen in a graphic ISIS propaganda video released in June 2016 with two other ISIS fighters—believed to be an Indonesian and Filipino—beheading three Middle Eastern-looking captives somewhere in Syria or Iraq.

The consequences of this are quite concerning for authorities across Southeast Asia. Udi had not been considered 'extreme' by authorities, even when he had been a member of Kumpulan Mujahidin Malaysia. This highlights the danger of the poisonous ideology of ISIS elevating existing jihadi-Salafists to even higher levels of barbarity. If videos like this inspire jihadi-Salafists in Southeast Asia to adopt similar practices, the months and years ahead may well see numerous lethal attacks. The second recent incident of concern was a grenade attack in late June 2016 on a Malaysian nightclub that wounded several people and was claimed by ISIS.[136] These incidents demonstrate that ISIS poses a serious threat to Malaysia.

ISIS in the Philippines

The announcement by ISIS in January 2016 that it had formed a Southeast Asian province, or *wilayat*, in the Philippines seems to have raised concerns among the Philippines' neighbors, including Australia, but not so much in the Philippines itself.[137] The Philippines has tended to treat evidence of ISIS flags and

propaganda material found among its existing jihadi-Salafist groups as being at best indicative of some level of ISIS support but not necessarily conclusive of an actual ISIS threat, which of itself is logical.

However, with the reciprocal pledges of allegiance by ISIS and Abu Sayyaf Group leader Isnilon Hapilon earlier in 2016, more concerned expressions might have been expected from the Philippines' government. Abu Sayyaf Group is, after all, a group with a long history of violence and ideological commitment, and yet the Philippines seems to be in denial about the reach of ISIS into its borders.[138]

This leaning towards denying the threat of ISIS within the Philippines by Philippine officials is concerning because it shows a disconnect between officials in the region, which does not bode well for future cooperation between security agencies. The video in which Udi leads a triple beheading also involved him encouraging Southeast Asians who could not make it to Syria or Iraq to unite under the leadership of the southern Philippines-based Isnilon Hapilon. This video and call-to-arms led the chief of Malaysia's police counter-terrorism unit, Ayob Khan Mydin Pitchay, to say the video was not just propaganda but represented a serious threat. In stark contrast to Pitchay, Philippine military officials dismissed concerns about the prospect of deadly ISIS-directed or -inspired attacks in the region, saying the video was just propaganda and should be ignored.[139]

Violent movements do not die easily and when forced out of one redoubt they tend to move to another, if not physically, then at least emotionally and spiritually. If ISIS increases its focus on Southeast Asia as it loses ground in Syria and Iraq, the countries of the region will need to drastically increase their levels of cooperation.

Part 6: What can Indonesia, Malaysia and the Philippines do to mitigate the threat of jihadist-Salafism?

Indonesia, Malaysia and the Philippines have each had operational successes against jihadi-Salafist groups but the challenges they face are immense, especially with the growing scourge of ISIS-inspired terrorism. Even a comprehensive military defeat of ISIS in Syria and Iraq will not mean that jihadist-Salafism there, or anywhere else, has been quelled. ISIS is not the only jihadi-Salafist group in Syria and Iraq, or Southeast Asia for that matter. Therefore, a comprehensive operational, policy and ideological effort must be constructed, coordinated and implemented.

The combination of existing groups which have never been defeated in Southeast Asia, with the penetration of ISIS into the region, means Indonesia, Malaysia and the Philippines must invest further time, intellectual endeavor and resources if they are to maintain law and order. Four broad areas where further effort is required stand out, being robust, coordinated and clearly delineated police and military responses within the countries themselves and also across borders; enhanced correctional services; strong and nuanced policy and legal responses, including tacking the ideology itself; and an enhanced diplomatic effort in Southeast Asia and beyond.

The operational responses of the security forces

While Indonesia's national police counter-terrorism unit, Detachment 88, has had impressive operational successes against both JI and ISIS, it has an immensely challenging job, made even more difficult as the Indonesian Parliament has not given its police the same level of intrusive powers that many other countries have, such as Malaysia, the US and France.[140] Moreover, the Indonesian military needs to complement, not compete with the police in the area of counter-terrorism. This is especially important for an emerging democracy that needs to maintain social harmony and is not long out of the grip of military dictatorship.

Malaysia has robustly employed its police force, especially its Special Branch, against jihadi-Salafist groups over many years. However, in recent years, concerns have surfaced about some members of the military, including special forces soldiers, as well as some civil servants, having links with ISIS, with a number arrested and the subject of investigation.[141] Malaysia needs to urgently address this issue of the radicalisation of officials, lest the numbers grow, especially in its military. In its current political and social climate, which is sympathetic towards Salafism, this will not be an easy task.

In the Philippines, its armed forces have generally taken the lead in combating jihadi-Salafist groups. Their aggressive approach has at times paid dividends, and successful operations by the Philippine Armed Forces have aided the central government in furthering peace talks. However, even in recent years, the Philippine Armed Forces have suffered some significant battlefield losses against jihadi-Salafist groups, as mentioned earlier. Furthermore, as in Indonesia, at times rivalry between the military and the police in the Philippines presents obstacles to operational success, which is not helped by what appears to be a position of denial by some when it comes to the penetration of ISIS into the country.[142]

Correctional services

Prisons are a particular problem in Indonesia, Malaysia and the Philippines, and the ability for jihadi-Salafists to mix in prison and radicalise others poses a real challenge for correctional service authorities.[143] These authorities face a myriad of challenges, not least the training and professionalism of their workforce; there is also room to exercise greater control over the activities of inmates.[144] With hundreds, if not thousands of jihadi-Salafists imprisoned in the region, their activities during the time they spend incarcerated, and their level of commitment to jihadst-Salafism on release, will have an influence on the law and order outlook in the region for many years to come.

In Indonesia, for instance, prisons have proved a breeding ground for jihadi-Salafists. This has occurred because of corruption, overcrowding, limited intelligence gathering and poorly-trained and -paid staff.[145] Indeed, the grave law and order challenges posed by releasing convicted terrorists back into the community, possibly more radicalised than when they entered, was on display during the Jakarta attacks in January 2016. Police have confirmed that not only was the mastermind a former convicted terrorist operating out of Raqqa, Syria, but that the financier was released from prison in 2012 and is also in Syria; one of the attackers had also only been released from prison in 2015.[146]

This raises a series of questions about these men and the operation they carried out, as well as broader policy questions about radicalisation in prisons. These include but are not limited to what contact with jihadi-Salafists did each of the three have when in prison; if they had contact with jihadi-Salafists, was it being monitored and why was it allowed; what, if any, threat assessments are done prior to the release of convicted terrorists; what ongoing monitoring and intelligence activities do Indonesian police undertake once a convicted terrorist is released from prison; and what, if any, countering violent extremism and de-radicalisation programs are delivered in the prison system? These are questions not just for Indonesian correctional service authorities but for those of Malaysia and the Philippines as well.

The legal, policy and ideological responses

Adam Fenton and David Price have argued that Indonesia's legal and policy response to the threat of jihadist-Salafism has been slow and piecemeal.[147] As mentioned above, Indonesia has not given its police the same level of intrusive powers that many other countries have. Further, no laws have yet been passed to outlaw support for jihadist-Salafism, and it appears that authorities are limited in regards to what actions they can take when ISIS supporters conduct rallies or meet at mosques.[148] Indonesia needs to react sooner rather than later to put in place a strong legal and policy framework to tackle jihadist-Salafism.

The legal framework for combating terrorism in Malaysia is much stronger than it is in Indonesia. Malaysia has historically had strong laws to deal with terrorism, and prior to the recently-enacted *Prevention of Terrorism Act*, the *Internal Security Act* was used aggressively by Malaysia's police to detain and investigate the activities of jihadi-Salafists.[149] The new law is even stronger, and suspects can essentially be detained indefinitely by a Prevention of Terrorism Board, whose decisions are not subject to external judicial review. While the *Prevention of Terrorism Act* has been criticised within Malaysia and internationally as being draconian, Malaysia's Prime Minister, Najib Razak, is unapologetic and has been quoted as saying that '[w]e will not wait until disaster strikes before implementing necessary preventative measures'.[150]

In the Philippines, the legal and policy response to jihadi-Salafist groups has been hampered by the dominance of the security sector by the Philippine Armed Forces, judicial corruption and legislative inertia.[151] Further, like Indonesia and Malaysia, there is room for an increased effort in combating the ideology of jihadist-Salafism and not just its violent symptoms.

Indeed, it is in the ideological arena that there is scope for all three governments to do more work. Notably, Malaysian Prime Minister Najib has recommended that for the countries of Southeast Asia, it 'is now time for us to enhance cooperation and the effectiveness of our de-radicalization programs'.[152] Existing countering violent extremism and de-radicalisation programs have had mixed results, especially in the prisons.[153] However, the ideological debate in Southeast Asia will be a crucial battleground in the region's struggle against jihadist-Salafism, not just in prisons but in society more broadly. Critically, it may well be an arena in which the countries of Southeast Asia are well placed to excel.

Indonesia, Malaysia and the Philippines may well excel in the ideological arena because they can draw on long histories of moderate Islamic practices, combined with social, ethnic and cultural diversity. This moderate Islam has been a hallmark of the region's religious diversity and plurality. Indonesia's *Pancasila*, discussed earlier, and the Malaysian equivalent, Rukun Negara, have been the political philosophies underpinning statehood and good governance, anchored in principles of tolerance and humanity.[154]

In future countering violent extremism and de-radicalisation programs across Southeast Asia, concepts such as *Pancasila* and *Rukun Negara* should be incorporated into the ideological debates. Indeed, President Joko Widodo of Indonesia recently indicated that *Pancasila* should be used to stop terrorism, extremism and radicalism while promoting peace, tolerance and diversity.[155]

International cooperation and diplomacy

Jihadist-Salafism is an international problem that knows no borders and threatens many nations. Therefore, Indonesia, Malaysia and the Philippines would benefit from cooperating more closely with each other, as well as with other countries in Southeast Asia and further abroad as well. ASEAN has a history of producing action plans and statements of intent but it needs to go further in the fight against jihadist-Salafism and establish frameworks for cooperation that enable the member nations to work together closely, notwithstanding their historical concerns about non-interference in the affairs of others.[156]

This enhanced cooperation could take many forms, such as the sharing of operational information and intelligence on target groups, or trilateral joint patrols in the Sulu and Celebes seas.[157] Enhanced cooperation between national financial intelligence units to stop the flow of terrorist funding is also critical.[158] Indonesia, Malaysia and the Philippines already do some of these things but further efforts to pool resources, share strategies and collaborate in a range of other areas, for instance on countering violent extremism and de-radicalisation programs, will benefit all three nations and the international community.[159]

Conclusion

The world faces a global jihadi-Salafist insurgency that is now decades old. The diversity and lethality of global jihadi-Salafist attacks in the last two years alone appears to indicate that things are getting worse, not better. Indonesia, Malaysia and the Philippines are far from immune to the global threat and, while they have made great strides against jihadi-Salafists since the attacks in New York and Washington DC in September 2001, the sheer scale of the problem means there are immense challenges ahead. While each country has experienced periods of relative peace, jihadi-Salafists are active again and arguably pose a greater challenge now than at any time in Southeast Asia's post-colonial history. Not only do home-grown groups and al Qa'ida affiliates endure but ISIS has penetrated the region.

The challenges posed by these jihadi-Salafist groups mean authorities in Indonesia, Malaysia and the Philippines must build on their successes and do even more to combat jihadist-Salafism—operationally, policy-wise and ideologically. Merely imprisoning individuals and degrading the more violent groups will not be enough because this does little to confront the poisonous ideology. The spread of the ideology must be contained. Failure to do so will result in more attacks, more deaths, and law and order being undermined for the foreseeable future. The stability of all three states may even be threatened. Events in the Middle East, North Africa and South Asia provide a dire warning of the consequences of under-estimating the threat.

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Policy options for Australia to support stabilisation and resolution of maritime disputes in the South China Sea

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Abstract

This paper examines the various policy options that Australia could pursue to reduce tensions and work towards stabilisation and ultimate resolution of the ongoing disputes in the South China Sea. It argues that the South China Sea is a region of considerable importance to Australia's national interests, and that Australia's future wellbeing is clearly interlinked to resolving the disputes, or at least reducing tension to ensure longstanding stability.

The paper notes that because Australia lacks a direct stake in the disputes—and that China is particularly sensitive to any outside interference—any Australian policy needs to be carefully evaluated with regard to whether it could gain traction with China. It concludes that Australian policy must include proactive and honest engagement with all claimant nations, even where that is resented, and that Australia—while retaining a degree of independence from US policy—needs to strongly support the dispute resolution mechanisms of international law, as well as the rules relating to freedom of navigation.

Introduction

The South China Sea, despite being some 2500 kilometres northwest of Australia, plays a significant role in Australia's national interests. As a maritime trading nation, 90 per cent of Australia's merchandise trade moves by sea, of which approximately two-thirds transits the South China Sea. Nine of Australia's top ten trading partners are in the Indo-Pacific region, making the area the 'centre of gravity of Australia's economic and strategic interests'.[1] This importance is clearly articulated by the Australian Government, which considers that the security of the region is best served by a rules-based global order.[2]

The South China Sea contains a major sea line of communication (SLOC) through Southeast Asia, and is where six nations have overlapping and competing sovereignty claims on numerous islands, reefs and rocks, and the territorial seas and economic zones that are associated with the land features. Unfortunately, the South China Sea is an area beset by tension between those nations, and also between China and the US over strategic maritime issues. The risk of breakdown of order and subsequent conflict is assessed by several strategic commentators to be high.[3] Given the deep Australian interests in the region, there is concern regarding the impact of heightened instability or a regional conflict on Australian maritime trade to the region and, subsequently, on Australia's economic prosperity.

Despite its close interest in ensuring continued peace and stability in the South China Sea, Australia has been extremely careful in its policies and official government discourse towards the disputes and the nations involved. This is due to Australian Government recognition that it has no direct stake in the South China Sea, and reticence to offend China, which regularly criticises nations—including Australia—which comment on the disputes without having a direct stake in the sovereignty issues. Some scholars believe that this is a highly risk-averse and timid approach that does not serve the broader cause well.[4]

A recent relatively-innocuous statement by Australian Prime Minister Malcolm Turnbull that China's actions in the disputed sea had 'pushed the envelope' and had been counterproductive to its own interests produced an official—and standard—Chinese response, advising Australia to 'stay committed to not taking sides on issues concerning disputes over sovereignty'.[5] However, Australian policy may be turning. Defence Secretary Dennis Richardson has openly stated that Chinese land reclamation policy for military purposes would be of concern.[6] The ongoing Chinese land reclamation policy in the Spratly Islands has caused Australian officials to reconsider policy options in response to continuing Chinese assertiveness.[7] The challenge for Australia is to determine what course of policy action would produce the best outcome in reducing

regional tensions within the South China Sea and working towards resolution of the disputes.

This paper will analyse various policy options that Australia could pursue to reduce tensions and work towards stabilisation and ultimate resolution of the South China Sea disputes. Lacking a direct stake in the disputes—and noting China's objection to such interference—any Australian policy needs to be carefully evaluated with regard to whether it could gain traction with China in order to achieve a beneficial outcome. After analysing these options, the paper will recommend a set of policies that Australia could realistically adopt, noting that there is an inherent assumption that Australia should not disengage from the issue but instead adopt proactive policies, reflective of its belief in a global rules-based order.

The paper will consider what approach might best encourage a legal resolution of the disputes, and also a range of confidence-building measures that could be implemented to improve relationships and reduce tensions. A number of these have been proposed previously and either failed or not proceeded, so will be analysed to consider what Australia can value-add in reinvigorating such proposals. Joint development and shared resource options will be analysed to determine how Australia might successfully advocate for the competing nations to defuse tensions through this mechanism. Finally, the paper will consider whether Australia should more closely align its South China Sea policies with the US, or take a divergent approach.

Part 1: Overview of the South China Sea disputes

The South China Sea extends from the shores of Taiwan and China in the north, laps the coastlines of The Philippines, Brunei and (East) Malaysia to the east, Indonesia to the south, and abuts Malaysia and Vietnam to the west. Within its approximately three million square kilometre expanse are a number of groups of land features, which range in size and classification from islands to barely-visible outcrops of rocks and reefs, and also submerged banks and shoals. These features include the Pratas, Paracel, Spratly and Natuna Islands, Scarborough Shoal and Macclesfield Bank.[8] Central to the dispute is China's expansive claim to most of the South China Sea, commonly referred to as its 'nine-dashed line' claim (the boundaries of which are indicated by the red dash line at Figure 1).

Figure 1: Map of the South China Sea, showing the various exclusive economic zone boundaries and overlapping claims[9]

China's claim is contentious for reasons that will be discussed shortly. In essence, its claim is based on 'historical discovery' and control of the area dating back several centuries. This is disputed by several Southeast Asian countries bordering the South China Sea, which claim some of the same land features and sea territory as either sovereign territory or as part of their exclusive economic zone (EEZ) under contemporary international law and the 1982 UN Convention on the Law of the Sea (UNCLOS).[10] Taiwan makes the same claim as China, a position rejected by China as it considers Taiwan to be one of its provinces, rather than an independent country. The overlapping claims, sometimes with multiple claimants, are the basis of the present-day disputes, with China, Taiwan, The Philippines, Vietnam, Malaysia and Brunei the protagonists.

The basis of the claims

Economic and geostrategic advantages are significant factors driving China's interest in asserting sovereignty over features in the South China Sea, with

recognition by senior Chinese officials that 'whoever controls the Spratlys will reap huge economic and military benefits'.[11] Commentators identify three other core factors in China's claim: the perceived theft of China's resources by foreign nations; a perceived conspiracy against China by the US; and a desire by Beijing to be seen to be standing up to foreign challenges.[12]

At the heart of the dispute is a clash between China and other nations over the validity of historical claims versus contemporary international law, which requires continuous effective administration of an area to underpin sovereignty. China claims sovereignty based on historical grounds, arguing that Chinese explorers reached as far as the Spratly Islands between 206 BCE and 220 AD, and claimed the area for China.[13]

In 1980, China provided what it contended was historical and cultural evidence of control of the area dating from the Song dynasty (10th to 13th century).[14] It has also argued that official Chinese maps published in 1914, which included the claimed maritime boundaries, were the basis for an official map published by the nationalist Republic of China Government in 1947, which included an 'eleven-dashed line' maritime area claim.[15] Following the communist Chinese victory in the civil war, Premier Zhou Enlai in 1951 publicly asserted sovereignty by the People's Republic of China over the South China Sea islands.[16]

China argues that since it has administered the islands continuously throughout history, and that because its imperial sovereignty predates Western international law principles (and particularly the 1982 UNCLOS), it should be recognised as the valid *ab initio* claimant, that is valid 'from the beginning'.[17] When China ratified UNCLOS in 1996, it would normally have been compelled to surrender historical maritime claims for those congruent with the convention. However, Chinese caveats on its ratification made clear that China was not surrendering its historical claim, reinforcing China's view that its claim pre-dates the provisions of UNCLOS.[18]

However, there are several ambiguities and concerns with the Chinese position. First, Chinese maps over the years have depicted the dashed lines inconsistently, with some geographical differences between the versions. Second, the fact that the lines are discontinuous and have no coordinates provides for substantial ambiguity as to the exact delineation of the claim. Third, and particularly in the view of the US, China has incorrectly applied UNCLOS provisions relating to archipelagic baselines and historic bays, an anomaly compounded by China's rejection of the validity of UNCLOS in relation to its broader claim.[19]

Additionally, many of the land features in the South China Sea are submerged at high tide, and any claims to maritime zones based on such features—

even if structures have subsequently been built on them—are invalid in terms of UNCLOS. China has never attempted to distinguish between features as 'islands' or 'rocks', the latter of which cannot claim a continental shelf or EEZ under UNCLOS definitions and provisions.[20] Finally, there is no basis under UNCLOS or contemporary international law to claim a vast ocean space, such as encompassed by China's nine-dashed line claim.[21]

Vietnam's contradictory claims create the greatest overlap with China's claims and, since the two countries have twice fought battles over the disputed islands, theirs is a significant rivalry.[22] In 1947, both the colonial power, France, and the predecessor of the Vietnamese government, the Viet Minh, protested the veracity of the 1947 Republic of China's claim of sovereignty over the South China Sea islands.[23] After the Vietnam War, the government of a unified Vietnam claimed sovereignty over the entire Paracel and Spratly Island groups on an historical basis different to that argued by China.[24]

Vietnam argues that its own dynasties administered the Paracel Islands from the early 17th century.[25] Numerous Vietnamese geographical and resource survey records show ongoing official Vietnamese interaction with the Spratly Islands, supporting Vietnam's contention that it has exercised continuous sovereignty over several centuries.[26] Also, in the 1920s, the colonial power France stationed troops on both sets of islands, effectively on behalf of Vietnam.

Vietnam dismisses China's historical claims as relying on unofficial sources and including vague or incomplete references to names and locations that in combination do not demonstrate continuous and effective control over the Paracel and Spratly Islands.[27] Yuwa Wei provides some support for this view, admitting 'an era of relaxation in control of these offshore territories occurred between the sixteenth century and middle of the nineteenth century'.[28] However, the Chinese Government rejects the Vietnamese position, and argues that Vietnam previously acknowledged Chinese sovereignty over the areas through official public statements in 1956 and 1958.[29]

The Philippines' claim to sovereignty of the Spratly Islands only began in 1956, based on what was originally a private claim of discovery. Its position was strengthened by the passage of domestic laws defining the country's archipelagic baseline in line with the provisions of UNCLOS. Primarily, The Philippines claims those features that exist within its 200 nautical mile EEZ and continental shelf.[30]

Malaysia claims features in the southern Spratly Islands, based on the continental shelf off Sabah and Sarawak in East Malaysia. Brunei claims just two submerged Spratly Islands' features, a reef and a bank, based on extending its EEZ into the southern portion of the South China Sea.[31] However, some have

argued that the respective claims of Malaysia and Brunei, which are based on extending their continental shelf beyond the standard EEZ, are not justifiable within the provisions of UNCLOS.[32]

Dispute over resources

At its most basic level, the dispute in the South China Sea is about competition for resources. The primary focus is on energy resources, with surveys in 1969 and the 1970s indicating considerable reserves of oil and natural gas in the area. The oil shocks of 1973-74, coinciding with UNCLOS-related agreements that sanctioned the concept of a 200 nautical mile EEZ, resulted in increased awareness by regional states of the economic benefits potentially deriving from maritime sovereignty within the South China Sea.[33]

Modern demand for energy resources has further increased, and will continue to rise in future. China is already the world's largest oil importer, with its consumption forecast to double by 2030.[34] A 2012 Chinese assessment of South China Sea energy resources estimated reserves at 125 billion barrels of oil and 500 trillion cubic feet of natural gas.[35] The oil reserves would equate to 80 per cent of Saudi Arabia's oil reserves, and hence are a significant economic lure for China.[36] Vietnam, Malaysia and Brunei all have substantial investment in offshore oil exploration and production to meet their own needs. With Asian domestic oil production forecast to plateau or decline in future, new energy sources are of great importance to the continued economic wellbeing of regional states.[37]

A central Chinese concern, deriving from their assertion of sovereignty over most of the area, is that other nations are not entitled to the resources and are also diminishing them at such a rapid rate they could be exhausted within 20 years.[38] This has prompted aggressive action in the disputed areas by Chinese maritime authorities. For example, in 2011, a Chinese marine surveillance ship cut cables on two Vietnamese oil exploration ships in claimed Vietnamese waters.[39] In May 2014, China set up an oil rig southwest of the Paracel islands, within the standard Vietnamese EEZ. This caused a tense confrontation between Chinese and Vietnamese maritime forces, monitored by naval forces from each country, with the use of water cannons and ramming tactics. This type of behaviour evokes considerable criticism and suspicion of long-term Chinese intent by Southeast Asian countries, and encourages them to seek US support.[40]

Another focus of resource competition is fish. Both China and Vietnam consider the South China Sea their traditional fishing ground. It is one of the richest in the world, with fish caught in the South China Sea accounting for around

ten per cent of the annual global catch.[41] Similarly, Filipino fishermen ply their trade in the waters to the west of The Philippines' islands of Luzon and Palawan, out to their 200 mile EEZ limit, increasingly coming into dispute with Chinese fishermen and maritime authorities, particularly near Scarborough Shoal and Reed Bank.[42]

Increasing catch rates from the whole area have seen overfishing and a decline in available fish stocks, in line with UN warnings that global fishing numbers are in jeopardy.[43] It has become increasingly difficult for Chinese fishermen to obtain sufficient catch close to the mainland, so fishing grounds farther offshore have become more important.[44] In turn, Chinese authorities are becoming more aggressive towards what they consider illegal fishing of their resources. They cite statistics of illegal fishing (in their view) by Vietnamese fishermen in the Paracels as increasing from 21 cases in 2001 to more than 900 in 2007; they also highlight hundreds of examples of 'foreign countries "attacking, robbing, detaining and killing" Chinese fishermen'.[45]

In response, China has imposed unilateral fishing bans in the South China Sea, choosing months corresponding to the main Vietnamese fishing season. In enforcing the ban, Chinese maritime authority vessels have harassed Vietnamese fishing vessels by driving them off, detaining crews, seizing catches and sinking a fishing boat.[46] The problem of illegal fishing is not just between China and other nations; however, the scale of effort and severity of enforcement by Chinese maritime authorities is significantly greater than any other nation's effort.[47]

Strategic mistrust between China and the US

Tensions flowing from the regional disputes cause first- and second-order levels of friction, exacerbating mistrust between China and the US over each other's policies towards the South China Sea. China's land reclamation program in the disputed 'nine-dashed line' area adds to tensions beyond sovereignty disputes between neighbouring countries. In creating over 800 hectares of artificial islands in just over a year, with plans to build military installations on those features, and repeatedly challenging military patrol aircraft from the US and The Philippines intruding into self-described military security zones, China has substantially challenged its neighbours, the US and international rules.[48]

Mark Thompson notes expectations that China will install air-defence radars, then air defence missiles and later probably fighter aircraft on some artificial islands.[49] At the first-order level, US military assessments identify China's tactics as the use of 'low-intensity coercion to advance its maritime jurisdiction over disputed areas … [using] a progression of small, incremental steps to increase

its effective control over disputed territories and avoid escalation to military conflict'.[50] In return, China rebukes the US over its 'biased reports' and attempts to drive a wedge between China and Southeast Asian nations.[51]

The second-order level friction stems from subsequent US policy on the issue of freedom of navigation, which in turn brings about allegations by China of US containment of China's rising power. The SLOCs through the South China Sea are the second busiest in the world, carrying raw materials and manufactured goods to and from the Asian economic powerhouses of China, Japan, Taiwan and South Korea, which in turn underpin global economic prosperity.[52] More than half of the global merchant fleet uses the SLOC, carrying one-third of global oil by sea and half the global natural gas; so any conflict would disrupt global trade, forcing ships to be rerouted at significant additional cost and time.[53]

Concern over the possibility of Chinese domination, or instigation of conflict, in the South China Sea led to then-US Secretary of State Hillary Clinton's 2010 declaration of the 'national interest [of the US] in freedom of navigation, open access to Asia's maritime commons, and respect for international law in the South China Sea'.[54] Additionally, President Obama instituted a policy of the US 'rebalancing' to the Pacific, explained by Clinton as a 'strategic turn to the region that fits logically into our overall global effort to secure and sustain America's global leadership'.[55]

However, China regards the US rebalance as a strategy to contain China's rise in the world. It therefore resents the US presence, and resents what it sees as attempts by Southeast Asian countries to bring the US into the disputes.[56] China considers that its EEZ holds the same status as a territorial sea, and objects to foreign military vessels and aircraft conducting transits or surveillance missions. This is at odds with the interpretation of UNCLOS by most signatory countries and the US which, although not a signatory, accords with most elements as customary international practice.[57]

This difference in view has caused a number of near-miss incidents between Chinese and US vessels and aircraft in recent years, which creates its own risk of escalation into an unintended armed clash in the South China Sea.[58] However, since it would be between two major powers, the impact would be much more disruptive to regional and global economies than if between Asian countries.

Part 2: Support for legal resolution

Formal legal resolution of both sovereignty claims and maritime zones would be the ideal outcome but is unlikely to occur in the near term without additional pressure or inducement on several countries to willingly pursue this course of action. This part of the paper will review the impediments to legal resolution, and consider what policies Australia could pursue to resolve them. The two separate, though interlinked legal issues that underpin the South China Sea disputes relate to the sovereignty of land features, and the determination and delimitation of associated maritime zones.

Sovereignty

The pre-eminent legal issue regarding the sovereignty of the hundreds of islands, atolls, reefs, rocks and shoals is not one that can be easily solved. UNCLOS is not the mechanism to address this, with no provisions pertaining to resolution of sovereignty disputes.[59] The most likely available recourse would be to seek an International Court of Justice ruling (outside of UNCLOS), with each side being provided the opportunity to present their case of historical administration or opposing evidence. However, this would require the consent of all the countries involved, which is extremely unlikely to occur.

While many countries are wary of submitting disputes for third party determination, China in particular rejects this as a method.[60] For example, China protested Vietnamese and Malaysian submissions to the UN Commission on the Limits of the Continental Shelf on the grounds that it was illegal in view of China's claim to the majority of the South China Sea. As the Commission was unable to rule on matters without the agreement of all affected parties, the issue remains unheard and unresolved.[61] Nevertheless, the fault does not lie with China alone, as most of the competing countries use international law selectively to support their own position and attack rival claims.[62] China has repeatedly called for bilateral negotiations to resolve matters, which some would argue enables China to pursue a strategy of 'treat[ing] each case differently, and defeat[ing] each one separately'.[63]

An Australian role in dispute resolution would primarily be to continue advocating the use of international law for peaceful resolution. This is essentially the current Australian Government policy, so the only new aspect would be more direct and proactive discussion with claimant countries, particularly China, to submit their sovereignty claims to the International Court of Justice. While China would likely resent such 'interference' from a non-claimant country, continual engagement in advocating acceptance of the norms of international law may eventually lead to an acceptance of such norms. However, it would be

important for such discussions to be held behind closed doors during formal discussions, and not argued through the media, which would be immediately and soundly rejected.

Delimitation of maritime boundaries

UNCLOS provides guidelines for determining maritime zones associated with land features, specifying that in the case of overlapping EEZs and continental shelves, each nation's boundary should be delimited by agreement between the nations on an equitable basis.[64] It is notable that the placement of China's dashes in its nine-dashed line is generally closer to the coastline of the mainland country than it is to the nearest Chinese-claimed island. Additionally, several of the dashes are closer to opposing countries' coastlines in the 2009 version of the map than the 1947 map.[65]

It seems probable, therefore, that China's claims would not be upheld in any arbitration, which China likely knows.[66] China has a history of inconsistent standards in dealing with similar maritime disputes with its neighbours. For example, China rejected a 50-50 delimitation with Japan in the East China Sea in favour of a continental shelf approach, which would increase its claimed area by 30,000 square kilometres but accepted a 50-50 approach in its dispute with Russia and Vietnam (in the Gulf of Tonkin).[67]

Australia should have legal experts carefully examine previous such agreements, and seek to determine if any similar principles or motivation could be brought to bear in the current disputes. It should also seek to engage China on the ambiguities in its 'nine-dashed line' claim, encouraging it to formally lodge its claim for arbitration. Australia's role should be limited to an advocacy role supporting peaceful resolution using international law. Bilateral discussions with China also need to point out the seeming inconsistencies in China's position, regardless of the likely backlash that any such discussion would generate.

Dispute resolution

UNCLOS also provides dispute-resolution mechanisms for delimitation disagreements. If no resolution is able to be achieved within the Convention's guidelines, an independent judicial ruling can be obtained through one of four options, namely two standing tribunals, the International Tribunal for the Law of the Sea and the International Court of Justice, or two arbitral tribunals constituted under either Annex VII or Annex VIII of UNCLOS.[68]

In considering the disproportionate effect of China's nine-dashed line on neighbouring countries' maritime zones, it is worth noting that in recent cases where such tribunals have adjudicated, they placed more weight on

the principle of equitable outcome than a strict adherence to a particular method.[69] In 2013, The Philippines filed a claim for resolution under UNCLOS's Annex VII tribunal against China's claims in the South China Sea, with its submission contending that the Chinese 'nine-dashed line' claim far exceeds the entitlements for coastal countries under UNCLOS provisions.

Flowing from this, The Philippines claims that China's occupation of certain maritime features is illegal and that China's activities interfere with its rights in its own EEZ, as well illegally exploiting resources in The Philippines' EEZ.[70] China formally rejects the arbitration on several grounds. First, China contends that UNCLOS has no relevance in the determination of underlying sovereignty of land features. Second, China contends that The Philippines' claim contains serious errors and falsehoods. Third, China had previously declared its rejection of arbitration as a method of maritime delimitation. Additionally, China contends that The Philippines' resort to arbitration breaches the 2002 agreement between China and ASEAN—of which The Philippines is a member—to resolve disputes through friendly consultations.[71]

However, China's rejection does not stop the case from proceeding. Mark Rosen notes that notwithstanding China's objections, The Philippines' approach is 'clever pleading … [that could] resolve the status of a number of ambiguous and troubling features of the South China Sea and the status of the Nine-Dash Line (sic) claim'.[72] In late October 2015, the arbitral court announced its first decision, finding it had the appropriate jurisdiction to hear the case; it also held that The Philippines was within its rights to file its case and that China's argument that its agreement with ASEAN precluded such legal action was invalid.[73] Predictably, China immediately rejected the findings of the court and reiterated its stance of 'neither accepting nor participating in the international arbitration'.[74]

Australia's reaction to, and support for, rulings in The Philippines' case will be important for consistent advocacy of legal resolution. Australia will need to accept and impartially support all legal determinations from the court. Following the court's initial ruling, Australia should reiterate its call for the disputants to accept the court's judgment. Moreover, even though such Australian policy would likely encounter Chinese hostility, it needs to be reiterated and clearly explained to Chinese officials.

One of the sensitivities is that an 'Asian approach should not make people lose face'.[75] This gets to the heart of the difficulty in setting an appropriate Australian policy response, given China's entrenched opposition to legal resolution, in deciding what approach would be likely to gain traction with, and not alienate, China. Similarly, Australia would need to be in close dialogue

with The Philippines and US to support balanced and complementary policies across the three nations.

It is also quite possible that future rulings might contain a mixture of favourable, unfavourable and 'no jurisdiction' findings. This would provide the most challenging environment for policy creation, as each nation would likely accept findings favourable to it and reject unfavourable findings, with any 'no jurisdiction' finding simply perpetuating the current ambiguity. As well, Leszek Buszynski and Chris Roberts suggest that China 'may not challenge the corpus of existing law, but may call for a special exception for the South China Sea'.[76]

Irrespective of the outcome, Australia should continue to engage diplomatically on this issue with all relevant countries. A number of countries have agreed to delimit boundaries around the region—Indonesia with Malaysia and Vietnam, Vietnam with Thailand in the Gulf of Thailand and with China in the Gulf of Tonkin—so further encouragement towards bilateral resolution would remain a reasonable baseline strategy.[77]

Classification of features

Another element of the disputes that could be subject to legal process is the classification of features as islands, rocks, low-tide elevations or submerged features. Comprehensive classification of all features would provide a sound basis for application of UNCLOS provisions regarding entitled maritime zones. Under Article 121 of UNCLOS, a feature classified as a rock does not attract a territorial sea or EEZ. Similarly, a feature that is classified as a low-tide elevation—land that is surrounded by water but submerged at high tide—cannot have a territorial sea or EEZ of its own.

In recent arbitration cases, even features accepted as islands have only been awarded a 12 nautical mile territorial sea but no EEZ, to avoid distortion of natural continental boundaries and to comply with the principle of equity.[78] Therefore, a formal survey and classification of all features within the South China Sea would provide the capacity for a court to make determinations of appropriate maritime zones, if future arbitration is sought.[79]

Even without resort to legal action, a reduction in the current level of ambiguity could cause countries to consider more reasonable courses of action. It is likely that China, and possibly other nations, would object to such an endeavour if they believed the outcome might be disadvantageous to their own claims. However, previous official statements on this issue indicate that Vietnam, Malaysia and The Philippines all consider the disputed islands incapable of sustaining habitation, so they might be convinced to support such an action.[80] A joint approach by two or more of these claimant countries to an

UNCLOS tribunal—even if other nations objected—in order to achieve formal categorisation (without specifically seeking delimitation) throughout the whole of the South China Sea would be a positive step.

Australian advocacy and support for such an approach would be a valuable policy contribution. The approach could commence on a bilateral basis to individual countries, to quietly seek initial backing, although seeking broader support through ASEAN and the ASEAN Regional Forum should be the longer-term goal. It would need to be accepted that Chinese opposition is likely, and ongoing dialogue with China regarding acceptance of current international law mechanisms would be required.

Overall, an Australian role in any legal resolution is extremely limited due to Australia's lack of direct involvement, and would largely be limited to an advocacy role. However, adding a strong voice to the rest of the international community would be important in persuading countries to clarify ambiguous ssues and follow international law and normal standards of behaviour.

Summary of recommendations for Australian policy in support of legal resolution:

- continue to publicly and privately advocate for peaceful resolution using international law;
- support the initial international tribunal ruling on the jurisdiction of the court and legitimacy of the case of The Philippines in relation to China's 'nine-dashed line' claim, as well as continuing to support future rulings;
- advocate that countries clarify their claims regarding the South China Sea and seek judicial resolution of sovereignty claims in the South China Sea;
- encourage countries to continue to seek bilateral delimitation of maritime boundaries and, where unable to resolve matters, to seek UNCLOS arbitration of delimitation; and
- advocate for a comprehensive catalogue of land features in the South China Sea, based on an UNCLOS tribunal ruling on their classification under Article 121(3).

Part 3: Support for confidence-building measures

Given that there seems little likelihood of legal resolution of the disputes in the short- to medium-term, the development of confidence-building measures has been, and will remain, a focus of efforts to reduce tension in the South China Sea. Such measures consist of both direct and indirect activities aimed at building communication, transparency and confidence between nations.[81] In the South China Sea, such confidence-building measures need to extend beyond military entities to other national organisations, including coast guard and maritime authorities, which typically are the major participants in asserting and defending maritime claims.

The position of the US is the other major factor, given the military incidents between its vessels and aircraft and those of China over several years, which led to Hillary Clinton's 2010 statement regarding the US' interest in the peace and stability of the region. Of significant note is the differing view between China and Western nations on the role of confidence-building measures. China believes that strategic trust is required before maritime diplomacy can advance, while Western nations tend to consider that confidence-building measures are useful where there is no trust.[82]

Australia's role, therefore, would need to be carefully managed in developing and advocating confidence-building measures, given it has no direct stake in the disputed region, by acting primarily as a broker for other nations in working towards bilateral and multilateral measures. At the most basic level, Australia could encourage routine engagement and cooperation between the military and other authorities of regional states, both through multilateral forums and its own bilateral endeavours. While it is impossible to force nations to commit to activities such as goodwill ship and aircraft visits and international exercises, encouragement to do so could assist in generating an understanding of operational approaches and predictability of reaction, and would allow military personnel to see other nations' forces in a more personal perspective.[83]

As an example, in 2012 the US invited China to participate for the first time at its RIMPAC exercise in Hawaii. Given that this was at the height of Sino-Japanese tension over disputed maritime territory, it was a way of building confidence between the participant navies, which included China, the US and Japan.[84] Australia could help by setting a good example with its own exercise schedule. It has done so in a small way to date, with a minor Australia-US-China trilateral exercise held in September 2015 in northern Australia, and a multilateral maritime exercise between China, Malaysia, US and Australia in late 2015 in the Strait of Malacca.[85] More such multinational engagement would be advantageous in furthering inter-military goodwill and understanding.

Environmental and resource management organisations

There is also a range of other existing confidence-building programs, and organisations providing regional interaction, that should continue to be supported and, if possible, expanded for greater benefit. One such regional approach, operating within the UN Environmental Program is the East Asian Seas Regional Seas Program.[86] Beginning in 1977, it was expanded in 1994 to include all of the South China Sea disputant states, except for Taiwan and Brunei, as well as Australia. Similarly, the Partnership in Environmental Management for the Seas of East Asia is a forum which includes the South China Sea as a subregion, with similar state membership, other than Taiwan and Brunei.[87]

These are forums in which Australia has direct access to China and other relevant states, and where discussion of maritime matters is a basic premise. However, the criticism of these programs is that they tend to have a single-sector focus, are not well supported, and do not discuss controversial topics.[88] China would undoubtedly object to broadening discussion towards the legality of its 'nine-dashed line' stance—and that would not be the goal. Rather, it would be to undertake broad multilateral engagement and cooperation in managing other aspects of the marine environment and coastal areas such that good working relationships between maritime authorities become the norm.

Code of conduct

The development of a code of conduct in the South China Sea is a long-desired goal of the ASEAN nations bordering the South China Sea, supported by indirectly-affected nations including the US and Australia. The push for such an agreement began in 1992, in response to a provocative Chinese law asserting sovereignty over the South China Sea, when ASEAN adopted a Declaration on the South China Sea, urging nations to seek solutions through peaceful means, and to agree areas of cooperation without compromising sovereignty claims. When asked to agree to the declaration, China refused. Subsequently, when The Philippines discovered China's occupation of Mischief Reef within the Filipino-claimed EEZ in 1995, ASEAN took up mediation without success.[89]

However, during the 1996 ASEAN Regional Forum, China agreed with the ASEAN nations to seek peaceful solutions within international law. Between 1995 and 2002, meetings between ASEAN and China assisted in developing a Declaration on the Conduct of Parties in the South China Sea, which was adopted by the ASEAN countries and China in 2002. The declaration is a non-binding agreement by claimant countries to maintain the *status quo* in

the region, and reiterates a commitment to the principles espoused in existing international agreements. It resolves that countries 'would avoid undertaking activities that had the potential to complicate or escalate disputes and affect the peace and stability in the South China Sea'.[90]

Further progress on cooperative measures occurred in 2003 with agreement on an ASEAN-China Joint Declaration on a Strategic Partnership for Peace and Prosperity, followed by China becoming one of the first non-ASEAN nations to join the Treaty of Amity and Cooperation in Southeast Asia. This unprecedented level of harmony likely assisted the resolution of a three-year agreement in 2005 for joint maritime exploration in areas of the South China Sea by the national oil corporations of China, Vietnam and The Philippines.[91]

However, the 2002 declaration was meant to be a stepping stone to a more stringent, binding code of conduct in the South China Sea, which has never been achieved. ASEAN nations' self-interest and differing national views on China's behaviour and intentions hampered efforts in the early 2010s to achieve a united, strong ASEAN position.[92] China essentially ignores the provisions of the declaration by its actions in conducting military activities and fisheries enforcement against vessels of other nations in South China Sea waters.[93] However, the Chinese government accuses Vietnam and The Philippines of repeatedly violating the declaration's self-restraint clause by taking provocative unilateral actions, with those two nations making the same counter-accusation in return.[94]

Realistically, as Tommy Koh has pointed out, 'none of the six claimant nations in the South China Sea have adhered to the declaration on the code of conduct'.[95] Therefore, despite vague agreement by China at the ASEAN summit in 2011 to the introduction of a Declaration on the Conduct of the Parties, no substantial progress has yet occurred.[96] Although ASEAN member states agreed in mid-2012 on a set of proposed elements as the basis for a code of conduct, China reversed its acquiescence in July 2012 when the Chinese Foreign Ministry announced that talks could only begin 'when conditions are ripe'.[97] Furthermore, Ian Storey suggests that ASEAN's proposed mechanisms for dispute resolution for violations and interpretations of the code are likely unworkable or inappropriate.[98]

Additionally, China considers that the code of conduct will only apply to waters outside of the disputed areas, which it considers are Chinese territorial waters.[99] This would entirely negate the point of a code of conduct, so countries including Australia should press China to accept a wider application. The long timeframe required to progress from initial proposal to the eventual Declaration on the Conduct of the Parties suggests that progress towards a

code of conduct is likely to take significant time, and therefore continued advocacy is worthwhile.

The difficulty for Australia is similar to that for the US—there is resentment by some countries at outside involvement that is regarded as interference. Moreover, it is not just China that regards the topic as none of the business of external parties. Indonesia is also cautious about external involvement, particularly wanting the US to allow ASEAN room to do its work, while providing influence in support.[100] As well, China remains reticent with regard to ASEAN having any role in managing the disputes, stating that 'China's consistent stance is that the South China Sea issue is not an issue between China and ASEAN'.[101]

Notwithstanding such objections, Australia needs to continue to constructively engage with China, ASEAN and individual countries through various methods and forums to promote a code of conduct, providing influence and support, and particularly promoting discussion of options in areas of disagreement. In particular, it would be worthwhile to engage with those ASEAN countries not actively involved in the South China Sea disputes, which see little benefit for them in potentially angering China by pursuing dialogue on a controversial issue. Self-interest driving intransigence or disinterest creates ASEAN discord, which undermines attempts to persuade China to come to the negotiating table. However, Buszynski and Roberts point out that given previous Chinese failure to accede to the provisions of the Declaration on the Conduct of the Parties, a code of conduct may just be a chimera that fails to regulate behaviour once finally achieved.[102]

Maritime agreements to prevent escalation of incidents

Of value at a lower level than a code of conduct would be agreements that set rules and guidelines for the behaviour of ships and aircraft when encountering each other. The model for such agreements could be the Cold War-era Incidents at Sea Agreement. Such an agreement would provide agreed behaviour to increase predictability and thus reduce the risk of collisions, as well as lessening the risk of accidental weapons release.

The agreement between the US and the Soviet Union provided for provision of a short warning period prior to military activity on the high seas, and the agreement for use of caution when operating near ships and aircraft of the other party.[103] Ideally, such an agreement would be expanded to include naval, coast guard and maritime authority forces, and would include all South China Sea nations as well as those of nations external to the dispute but operating in the area, such as US, Australia and Japan. It would also include

the establishment of hotlines between naval and coast guard commands from the applicable countries.[104]

A similar approach comes from the Western Pacific Naval Symposium's Code for Unalerted Encounters at Sea, which was agreed in 2014 by over 20 nations, including the US, Australia and all countries involved in the South China Sea disputes except Taiwan. This non-binding document provides guidance on tactical manoeuvring and communications at sea involving both vessels and aircraft, with a view to avoiding collisions and near-collisions.[105] Australia has been actively involved, with the draft originally promulgated by the Australian Chief of Navy in 1999.[106]

Similar to a code of conduct, and given its voluntary status, China may choose not to follow a code for unalerted encounters within the disputed territory it regards as Chinese waters. However, such an agreement would provide some hope of regulating behaviour. Its application is currently limited to navies but should be extended to coast guard and other maritime authorities.[107] An Australian role could be to develop this approach further—extending its coverage to other authorities, developing protocols for aircraft, and expanding the range of behaviour that is regulated—to provide optimal assurance agains incidents in the disputed areas.

Summary of recommendations for Australian policy relating to confidence-building measures:

- participate in and encourage Southeast Asian countries to undertake bilateral and multilateral exercises between disputing countries to enhance goodwill;
- continue and refine the use of regional organisations, including the UN Environmental Program's East Asian Seas and the Partnership in Environmental Management for the Seas of East Asia, for broad confidence-building engagement with major South China Sea maritime entities;
- continue to engage constructively with China and ASEAN through multiple mechanisms to promote adoption of a code of conduct, and in areas of disagreement promote the discussion of options;
- engage with ASEAN countries not actively involved in the dispute to promote ASEAN solidarity on the need for a code of conduct; and
- continue to develop a Code for Unalerted Encounters-type methodology, including by extending its applicability to coast guard and other maritime authorities, as well as developing protocols for aircraft to achieve optimal guidance in preventing and de-escalating maritime incidents.

Part 4: Shared resources through joint development

An approach of setting aside the issue of sovereignty to allow joint development within the disputed areas has the potential to reduce tension and enable mutual benefit for the participating nations. However, there have been previous attempts at this in the South China Sea, which have failed as national self-interest has remained an overriding factor. At the core of a viable proposal would be for claimant nations to set aside but not renounce their territorial and maritime claims to enable resources from the area to be shared for mutual benefit.[108]

The previous failures occurred primarily because China demanded other claimants recognise its sovereignty over disputed areas, which other nations refused to do, and include China as a partner in every project. As the other nations see no merit in China's sovereignty claims, they largely consider a joint partnership with China as unnecessarily impinging on their national resources.[109] Joint development or shared resource options could exist for both hydrocarbons and fish stocks but would likely require different approaches to each.

Fishing resources

Fisheries management in the South China Sea should be of vital interest to all the claimant countries. Fish export quantities from the area have risen to exceed the calculated sustainable level, decreasing remaining stocks—assessed as halving between 1960 and 2000—and threatening sustainability.[110] Fishing boats are becoming more numerous, more powerful and fishing further away from shore, with increased catch sizes. China implements unilateral bans that it also enforces on other nations' fishermen where it can. However, overfishing of the area remains a concern.

Clashes between rival nations' fishermen and maritime enforcement authorities are one of the basic reasons for tension in the area.[111] There are obligations on countries and existing agreements or organisations to work together on fisheries management, however, these are not working due to lack of widespread commitment towards a common good. For example, among the claimant states only Indonesia is a party to the 1995 Agreement on Straddling Fish Stocks and Highly Migratory Fish Stocks, with China and The Philippines not yet ratifying it.

The 2004 Convention for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean does have China, Vietnam, The Philippines and Taiwan as participants but disagreements

over boundaries limits its effectiveness. A regional plan to combat illegal fishing has broader agreement but crucially lacks China's involvement.[112] As fish are migratory across invisible sovereign borders, it is clearly in the best interests of all countries to regulate cooperatively to prevent overfishing of the entire area.

Australia is party to one of the aforementioned agreements but some members of ASEAN are within all major agreements. Australia should become more proactive through multilateral forums, such as the ASEAN Regional Forum and the East Asia Summit, in championing the cause of transnational agreements on fisheries protection. As a priority, Australia should influence countries whose fishermen operate in the South China Sea to agree and ratify the various agreements, and to synchronise activities that better manage fishing resources.

Hydrocarbon resources

Attempts at joint development of hydrocarbon resources have a similarly-chequered history. Indonesian diplomat Hasjim Djalal was at the forefront of previous efforts to initiate joint development of hydrocarbons in the South China Sea from the late 1980s.[113] Djalal saw the requirement for a solution that did not involve outsiders, and that informal mechanisms were the best approach to developing potentially acceptable courses of action. He coordinated a series of workshops on South China Sea issues over a quarter of a century, and achieved some gains in opening the subject up for discussion. However, none of his efforts has achieved a concrete outcome.

Despite ostensible support by China—with Premier Li Peng broaching joint development in 1990—in practice China objects to many proposals, such as in 1998 opposing 'an Indonesian suggestion to study hydrocarbons, a Thai plan to study fish stocks and even a plan to create a regional database on geoscience'.[114] Recently Djalal noted that while China seemed 'willing to cooperate on technical, scientific and environmental issues … it's less enthusiastic about developing cooperation on resource distribution issues'.[115] This highlights some of the difficulties for Australia in developing realistic policy that would progress joint development.

Moreover, China is not the only obstruction, with other nations demonstrating reluctance to relinquish their perceived sovereign rights.[116] The most recent attempt at joint development in the disputed area, beginning in 2005, was the trilateral Joint Marine Seismic Undertaking between the state oil companies of China, Vietnam and The Philippines. Its aim was pre-exploration oil surveys in the Spratly Islands. The venture began as a bilateral China-Philippines activity, and expanded following Vietnamese protests that the proposed exploration site impinged on its claimed territory. A basic stipulation of the three-year

agreement was that it did not undermine any government position held by each nation.

The core problem that caused the agreement to fail was that 80 per cent of the survey area was within The Philippines claim zone. While the incumbent government supported the agreement, from the Filipino people's perspective the agreement not only weakened their nation's claim to the area but also breached the constitutional requirement for 60 per cent of any joint venture to be apportioned to the Philippines. The Philippines Government allowed the agreement to expire in 2008 without achieving any tangible benefits, with Filipinos perceiving the enterprise as having compromised their national integrity and security.[117]

Nevertheless, there have been successful agreements pertaining to the joint development of seabed energy resources. These include the 1979/1990 Malaysia-Thailand Agreement, the 1992 Malaysia-Viet Nam Arrangement and the 2009 Brunei-Malaysia Arrangement over shared resources. The benefit of some of these agreements was 'the opportunity to sidestep seemingly intractable disputes over ocean space and proceed with the development or management of potentially valuable resources'.[118] However, history would suggest that joint development is more difficult to achieve where the overlapping area has inadequate legal grounds.[119]

In the South China Sea, where there are multiple claimants in some areas, joint resource development becomes highly problematic. China refuses to back down on its view of indisputable sovereignty within the 'nine-dashed line', and other countries vehemently refuse to compromise their own EEZ. As The Philippines did with the Joint Marine Seismic Undertaking, other countries perceive their resources being exploited by China. Conversely, China will not back down on its claims as it believes that other countries have stolen its resources for far too long.

The desire to maintain good relationships between states can be a rationale for entering cooperative agreements, such as the example of Vietnam seeking entry to ASEAN as a prompt for the 1992 Malaysia-Viet Nam Arrangement to be signed.[120] Currently, China has an economic initiative supported by President Xi Jinping, the 'One Belt One Road' plan, which could be jeopardised by disruptions in the South China Sea. Therefore, the time may be ripe for countries to extract moderation in Chinese behaviour that could advance the prospects of joint development.[121] It is difficult, though, to see a specific role for Australia in this case, other than general encouragement of all countries to achieve a cooperative outcome.

Cooperative maritime regime

A different proposal regarding sharing of resources is that of a cooperative maritime regime, as championed by Mark Valencia. This envisages progress from consultation to harmonisation of national policies, and requires the creation of a development or management authority that would control exploration and joint development activities, manage a common fund for joint hydrocarbon development, and distribute the profits achieved.[122] It is suggested that, at least initially, a smaller area of joint collaboration would allow for trust-building—such as limiting it to just the Spratly Islands precinct.[123] Indeed, the process would be easier where only two countries are in dispute, which is possible in some areas of the South China Sea.[124]

The critical factor remains, though, the atmosphere of political trust that would be required to enable such a ground-breaking commitment. Given the inability of Hasjim Djalal to gain traction on joint development after many years, it is unlikely that Australian advocacy of such an approach would be successful in the short term. Nevertheless, Australia could discuss joint development with the claimant countries through the various forums, such as the ASEAN Regional Forum and the East Asian Summit, seeking to determine the barriers to agreement and working to overcome those as a long-term approach to stabilisation of the disputes.

Recommendations related to Australian policy on shared resources and joint management:

- proactively influence wider ratification of agreements and membership of organisations related to fisheries management, and seek to better synchronise efforts towards sustainability of fish resources; and
- encourage nations to seek joint development of hydrocarbon resources through setting aside sovereignty claims temporarily, and discussing barriers to joint development through multilateral forums such as the ASEAN Regional Forum and the East Asian Summit.

Part 5: Policy alignment with the US

The US posits that the health of the global economy is built on the Asian economy, which requires unencumbered maritime trading routes. Hence its concern at Chinese intentions in the disputed areas, particularly any potential impediment to freedom of navigation, which is a large factor in its South China Sea policies. In turn, a fundamental driver of China's resentment at such policies is its experience during the 'century of humiliation', between 1840 and 1945, when external powers violated its sovereignty by controlling large swathes of China.

China's sense of vulnerability, particularly in the maritime domain, derives from that loss of sovereignty, which came about largely due to superior Western naval technology.[125] The 'century of humiliation' has become a key element of the Chinese Communist Party's narrative as China's ruler, its preoccupation with territorial integrity and sovereignty, and its umbrage at the behaviour of Western powers towards it, particularly in relation to the South China Sea.[126] Australia, like the US and other major nations that trade into East Asia, has a vested interest in freedom of navigation and the stability of the region.[127] This collides with the Chinese Communist Party's narrative, and provides a fundamental foreign policy dilemma for Australia.

Current Australian policy

Australia's policy to date has largely been simply to urge all nations to abide by international rules and norms in the South China Sea, and not to irritate China. However, there are differing views of this policy. Some commentators have been critical of what they see as a soft, inoffensive approach, which on one hand loudly proclaims non-interference in the disputes to avoid offending China, while on the other keeps ASEAN countries on side by supporting a code of conduct.[128] Others are critical of reports that Australia might change policy and synchronise its freedom of navigation policy with the US by flying its own maritime patrol aircraft near Chinese artificial islands.

Sam Bateman believes that such operations would serve only to provoke the Chinese unnecessarily and make the situation worse.[129] Benjamin Herscovitch believes that becoming deeply embroiled in the disputes will poorly serve both Australia's national interests and those of its Southeast Asian friends. He argues that China is unlikely to harm itself economically by blocking merchant shipping through the South China Sea.[130] Critics of the US freedom of navigation policy point to exaggeration of the threat to civilian ships being used to disguise US concern over a perceived threat to its military access to the region.[131]

This support for non-confrontational policy is generally underpinned by a view that China will eclipse the US, both economically and militarily, as the prime regional power in the not-too-distant future. Hugh White holds such a view of the 'great power transition' but further argues that 'Australia should launch a diplomatic campaign to persuade China and America to work together to build a "Concert of Asia"'.[132] While valid opinions, they are open to debate. For example, White argues that China's actions are not illegal, and that it has made no effort to press or enforce its claims.[133]

As previously discussed, it is clear that China's 'nine-dashed line' area does not accord with modern international law, and there other aspects of its claims that exceed UNCLOS conventions. Furthermore, China has used strong language and mildly aggressive action to enforce its claims. It is arguable that the existing moderate policy of '[i]nternational criticism has done nothing to temper Chinese behaviour'.[134] Alan Dupont points out that '[a]lthough not illegal, China's land reclamation has been carried out with scant regard for international norms, regional sensitivities and the competing claims of other … states'.[135] Accordingly, the consequence of inaction now may be long-term damage to regional stability and international law and norms.

US policy

The preceding discussion also identifies that the strategic disagreement between China and the US is at a higher level than just concerning reefs, reclaimed land and resources. While regional countries may see 'the US 7th Fleet [as] the only guarantor of security' in the region, China sees the US pursuing an aggressive policy of encirclement and containment—reflective of the 'century of humiliation'.[136] Some Chinese commentators have warned that a confrontational approach from the US will simply harden China's assertive behaviour.[137] Accordingly, while the US and Australia want to prevent the Chinese from militarising the South China Sea, confrontational actions may increase China's determination to do so.

However, a previous General Secretary of the Chinese Communist Party, Jiang Zemin, believed that the desired Chinese policy towards external countries should be to 'struggle without breaking'.[138] China's recent behaviour, particularly its island creation efforts, has pushed the limits of acceptable behaviour short of provoking military action, before backing off to diplomatically smooth over the issues created. Over time, China believes that the 'attendant diplomatic pain will ease as the balance of power continues to shift in China's favour … gradually turning more hard-line … [and that] other countries will get used to the change and accommodate it'.[139]

If so, it may be that the US military presence is the only force that acts as a handbrake on the suspected Chinese long-term strategic goal of regional power dominance. However, this approach risks turning the South China Sea into a source of great power competition.[140] Notwithstanding, John Garnaut points out that in the East China Sea, China similarly deployed a mixture of military and diplomatic pressure to challenge Japan's position on the Senkaku/Diaoyu Islands but has achieved little to date except a remilitarised Japan and a strengthened US-Japan alliance.[141] Therefore, perhaps a tough stance in the South China Sea might similarly cause China to moderate its behaviour. In this case, Australia needs to consider the issues of short-term tension versus long-term stability in considering a policy of whether it accommodates the Chinese approach or aligns more closely with US policy.

A third option?

In pondering Australia's options, it is worth exploring whether there is a viable third course of action, somewhere between being mute on the disputes and standing in lockstep with the US. Euan Graham recommends finding a middle course of action that allows Australia to 'demonstrate an independently defined Australian concern to uphold the basic principle of access to the commons, but it does not have to parrot the US approach'.[142]

In regards the broader strategic struggle for power in the region, Scott Dewar does not agree that a radical change of approach in the Asian region, such as suggested by Hugh White, is required—and, in fact, would poorly serve Australia's long-term interests.[143] He believes that China would feel emboldened and, far from accepting a 'concert of powers', could increase regional tension. Instead, he recommends avoiding making choices that do not need to be made, while continuing to support the US alliance. One approach he suggests is using existing ties with Malaysia, Singapore and Japan to develop a shared approach to regional issues.

Australia is part of the Five Power Defence Arrangements (FPDA), which includes both Malaysia and Singapore. Both these countries have direct links to the South China Sea, and Malaysia has overlapping claims—but avoids dispute—with China. However, it is difficult to see how the FPDA could be used to directly influence the maritime disputes, as this would bring in more external countries, which China and the ASEAN nations dislike. Also, it would be better not to invoke a formal treaty that could be too confrontational to China.

Similarly, Japan has its own maritime disputes with China and, while Australia certainly has aligned interests with Japan, it is difficult to identify practical collaborative measures that would not inflame the situation further. White notes

that China believes the best way to weaken US power in Asia is to undermine regional nations' confidence in it, leading to much of China's confrontational approach to the US.[144] Perhaps the only middle ground would be for Australia publicly and privately to support US actions in support of international laws but not conduct freedom of navigation patrols itself, as that would remove any claim to an independent view.

Therefore, there is no clear option for Australia in relation to alignment with or divergence from US policy that has a clearly-assessed likelihood of reducing tension and supporting regional stability in both the short and long term. The US conduct of patrols near occupied islands in accordance with UNCLOS provisions will continue to inflame tensions with China in the short term. But it just may dampen China's longer-term strategic aims of regional domination as it seeks stability to execute its 'One Belt, One Road' strategy.

Were the US to abandon such patrols, there would likely be no restraint on Chinese behaviour. So it seems prudent that Australia should support the US policy, both publicly and privately. If Australia was to conduct similar patrols—either independently of or in concert with the US—it would provide a clear message to China on Australia's position regarding the application of international law. However, not participating directly with the US would provide a more nuanced position—in effect saying that rather than simply supporting an ally, Australia supports the principle of international norms and laws. If other nations, such as Japan and Singapore, were to similarly conduct such operations and clearly advocate the need for compliance with international laws, there would be a stronger message sent to China. Broader international solidarity is impotant, and Australia can play its role.

Summary of recommendations regarding alignment of Australian policy with US policy regarding the South China Sea:

- clearly support US policy on freedom of navigation in accordance with international law in the South China Sea; and
- conduct freedom of navigation activities independent of the US.

Conclusion

This paper has reviewed the highly-complex situation and motivations behind the South China Sea maritime disputes, and considered several measures that Australia could consider supporting in order to assist in the resolution of the disputes. While there is no doubt that Australia's national interests are directly linked to the South China Sea, due to the amount of maritime trade passing through that SLOC, Australia is not a direct participant in the disputes.

Accordingly, it is difficult for Australia to have a strong influence on working towards a resolution. First, China rejects interference from those countries that are not directly involved, and eschews multilateral approaches in favour of direct bilateral discussions with claimant countries. Since China is central to the disputes, its attitude makes it extremely difficult to gain any leverage towards any alternatives to its view. Second, the other claimant countries are mostly ASEAN nations, which have their own approach—the 'ASEAN way', which favours dialogue and consensus—again rendering external brokerage difficult. Finally, Australia's situation is precarious due to its traditional but reducing economic links and ongoing military alliance with the US in contrast with a robust and burgeoning trading relationship with China.

A clear legal resolution to the disputes is extremely unlikely, not least because of China's rejection of legal avenues as a mechanism to solve its disputes. The 'century of humiliation' at the hands of Western powers has left China deeply distrusting of the West and its institutions, such as international law, the International Court of Justice and UNCLOS. China resents that its own longstanding historical claims are ignored. ASEAN countries distrust China's firm resolve that disputes can only be discussed bilaterally, believing this a ploy to divide and conquer them one by one. Notwithstanding, Australia needs to continue to encourage all countries to seek legal resolution through any of the mechanisms available.

If Australia could persuade ASEAN nations to seek resolution of their overlapping claims with each other, it would create precedent and place some pressure on China to resolve the outstanding disputes it had with other states. The creation of an official UNCLOS tribunal-endorsed catalogue of South China Sea land features would also assist in being able to clearly discuss with China points of argument in relation to its view on sovereign territory. Australia also needs to support the UNCLOS tribunal verdict on The Philippines' case, irrespective of the outcome, in order to support the argument for disputes to be resolved by recourse to international law.

Australia also needs to actively support and promote the development and use of confidence-building measures involving all the claimant nations. An ASEAN-developed code of conduct faces many impediments because China is reluctant to agree and would resent the perception of doing so under external pressure. However, Australia should continue to encourage all countries to strive for a code of conduct, notwithstanding that it may not be fully effective, given ASEAN's experience with the Declaration on the Conduct of the Parties.

Encouragement to all nations for lower level confidence-building measures, such as exercises and regional organisations and agreements on basic matters, would also provide some ongoing demonstration of goodwill. The adoption of a Code for Unalerted Encounters in 2014 was a positive step, and Australia should use its experience and leadership in this area to work towards additional behavioural protocols to further enhance this aspect of confidence-building measures.

The prospect of joint development involving China appears to be unlikely. China's approach in the past has left ASEAN countries distrustful of such agreements as being to China's advantage. Nevertheless, Australia should continue to offer encouragement for the many regional agreements and management organisations to improve their practices and build confidence in day-to-day dealings, with Australian diplomats needing to actively seek points of agreement or shared goals and benefits, and act as an honest broker.

In order to do so, Australia needs to retain a degree of independence rather than closely following US policy, although there appears to be tension likely in some regard no matter what policy the US undertakes. However, Australia does need to strongly support any action that accords with international law and disagree with those that infringe international law. Australia also needs to strongly support US policy on freedom of navigation in line with international law. However, it has been argued that Australia would be best placed to conduct similar actions independently to ensure it can assert its policy independence.

The South China Sea is a region of considerable importance to Australia's national interests and, despite lacking a geographical stake in the disputes, Australia's future wellbeing is clearly interlinked to resolving the disputes or at least reducing tensions in the region. Australian policy at the least must include proactive and honest engagement with all claimant nations, even where that is resented, in multiple bilateral and multilateral forums in order to continually seek avenues that might lead to eventual resolution.

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Australia and Japan security ties: An accelerating partnership

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Abstract

This paper examines the accelerating security ties between Australia and Japan, particularly over the past decade. It contends that for Australia, the impetus to strengthen security ties with Japan is largely driven by concern to shape an acceptable rules-based order. It argues that changes to Japan's security posture have been driven by the rise of China, and that the changing balance of power in the Asia-Pacific region, brought about by China's rise, is assessed by both Japan and Australia as a strategic challenge.

The paper addresses the concerns that closer security relations with Japan are incompatible with a productive relationship between Australia and China, arguing that such concerns are exaggerated or indeed unfounded. It concludes that with convergent interests and an impressive record of working together, it is in Australia's strong interest to continue to strengthen its security relationship with Japan over the coming decade.

Introduction

This paper will contend that accelerating security ties between Australia and Japan since the signing of the Joint Declaration on Security Cooperation in 2007 have occurred in the context of broader changes within Japan to 'normalise' its security settings. It will also argue that changes to Japan's security posture have been driven by the rise of China, and that the changing balance of power brought about by China's rise is assessed by both Japan and Australia as a strategic challenge.

It further contends that Australian and Japanese interests converge around the importance of advancing a rules-based order. The paper provides a critique of the proposition that strengthening security ties between Australia and Japan are incompatible with a productive relationship with China. It concludes that it is in Australia's strong interest to continue to strengthen its security relationship with Japan over the coming decade.

A new era in security ties

When Japan's Prime Minister Abe delivered a speech to both houses of Australia's Parliament in July 2014, it marked a significant moment in the Australia-Japan relationship. In his speech, Abe charted the journey of the relationship from wartime enemies to burgeoning trade partners, and finally to the development of a broad and mature partnership, now described as a 'special strategic partnership'.[1]

Abe also used the opportunity to outline his commitment to Japan adopting a new approach to its security, identifying strengthened cooperation with Australia as a means of implementing this vision, asserting that:

> So far as national security goes, Japan has been self-absorbed for a long time. Now, Japan has built a determination. As a nation that longs for permanent peace in the world, and as a country whose economy is among the biggest, Japan is now determined to do more to enhance peace in the region, and peace in the world.... [I]t is to put that determination into concrete action that Japan has chosen to strengthen its ties with Australia.[2]

It was fitting that Abe—a long-time supporter of strengthened security ties between Australia and Japan—was the one to announce the enhanced partnership. Seven years earlier, during his first term as Prime Minister, Abe co-signed the Joint Declaration on Security Cooperation with then Prime Minister John Howard.[3] That declaration represented a significant step in security cooperation between the two countries and was the first time since World War 2 that Japan had concluded a diplomatic arrangement on permanent security cooperation with any nation other than the US.[4]

Prior to its signing, ADF and Japan Self Defense Force (JSDF) personnel had already cooperated in Cambodia, East Timor and Iraq.[5] The real significance of the declaration, therefore, lay in the framework it provided for future security cooperation, including in law enforcement, border security, counter-terrorism, disarmament and counter-proliferation, maritime and aviation security, peace operations and humanitarian relief operations.[6]

An important feature of the declaration is that it provides clear commitment to regular exchanges on security issues at ministerial level. This has given rise to regular joint Foreign and Defence Ministers' talks (the so-called 2+2) and a steady elevation in the level of the so-called Trilateral Strategic Dialogue, which includes the US. The setting of aspirations at the senior political level has been a key reason for the success of the declaration in driving engagement forward.

Regular ministerial meetings have given rise to a series of treaty-level agreements, including on cooperation in defence science and technology, information sharing and logistics support.[7] More recently, Australia and Japan have agreed on a 'Pacific Strategy' to advance cooperation on approaches to development, diplomacy and defence in order to support economic prosperity and stability for Pacific island countries.[8]

Broader changes to Japan's security policies

The series of advances in Australia's security engagement with Japan over the past decade have taken place in the context of a broad re-examination within Japan of the legal basis for its security settings, specifically Article 9 of the Constitution which renounces war.[9] The Constitution was developed in the immediate post-World War 2 period and places unique constraints on Japan's security policies and, in particular, on its ability to participate in collective self-defence. Over time, with encouragement from a number of partners, including Australia, Japan has progressively sought to relax these constraints and thereby 'normalise' its security posture.[10]

This process hastened under Japanese Prime Minister Koizumi who, during his prime ministership from 2001 to 2006, deployed the JSDF in support of coalition missions to Iraq and the Indian Ocean. This was despite the conventional interpretation of Japan's Constitution holding that the JSDF could not engage in these kinds of collective self-defence activities. Since taking office, Abe has added additional impetus to efforts to normalise Japan's security settings.

Within months of becoming Prime Minister in 2006, Abe described the need for Japan to make fundamental changes to the legal basis of its security policy, saying this needed to be reconstructed in order for Japan 'to make greater contributions to the peace and stability of the world'.[11] Abe was not

able to achieve this objective during his abbreviated first term as Prime Minister (2006-07) but continued to pursue it after returning to power in 2012. However, facing strong opposition from coalition partners and among the general public, Abe chose to pursue a change in the interpretation of the existing Constitution rather than seeking a formal change.[12]

In September 2015, he successfully achieved this through the adoption by Japan's Parliament of a reinterpretation of Article 9, which now permits Japan to exercise collective self-defence in some circumstances.[13] The SDF is now authorised to use force to defend a country with which it has a close relationship in the event it comes under attack and that attack threatens Japan. With such a change, the JSDF will also be more readily able to provide logistical support to forces engaged in overseas missions protecting Japan's security.

In addition to Abe's steadfast efforts as Prime Minister to increase the scope for Japan to engage in collective self-defence, he has also introduced a number of complementary changes, including the establishment of a National Security Council, and the adoption of a *National Security Strategy* (both in December 2013).[14] These have had the effect of elevating consideration of security issues to the highest levels within the government. This was also his intention in elevating the status of the National Defense Agency to a full ministry during his first term as Prime Minister.[15] Importantly, Abe has further demonstrated his commitment for Japan to play a larger role in international security issues by increasing the budget allocation for defence.[16]

In sum, the changes amount to a significant transformation of Japan's security policies in the past decade. Japan is now more able to conduct operations outside of its territory with partners including Australia.[17] Although transformational, the changes have built on the foundation provided by the existing Constitution and, in that sense, the Japanese Government has rapidly evolved its security approach rather than revolutionising it.[18]

Importantly, Abe's efforts to change Japan's security posture have generated considerable controversy and strong opposition in Japan, as well as within the region. Moreover, despite his overall success in achieving the changes, the challenges he experienced have served to highlight the real constraints to Japan playing a larger role in international security. The public continues to attach significant importance to Article 9 and this attachment means changes to security settings can only be brought about gradually—and are hard fought. In the light of these constraints, it would not be accurate to describe the changes brought about by Abe as representing a return by Japan to militarism.

Drivers for changes

Under Prime Minister Abe, the Japanese Government has clearly identified that changes in Japan's security environment are demanding a different approach. In its first *National Security Strategy*, released in December 2013, Japan's security environment is described as 'ever more severe'.[19] In its assessment of the global security environment and challenges, the *National Security Strategy* lists a 'shift in the balance of power' and highlights emerging countries, including China and India, as driving this change.[20] The strategy also refers to the 'changing' relative influence of the US, which can be read as an implicit reference to its declining relative influence.[21]

The strategy is frank in its assessment of China, highlighting its rapidly-increasing military capabilities and insufficient transparency in its military expenditure. It also raises concerns about Chinese actions that are 'incompatible with the existing order of international law', referencing the East China Sea and South China Sea, as well as incursions into Japanese waters.[22] The *National Security Strategy* also refers to China's unilateral announcement of an air defence identification zone in the East China Sea in November 2013. More broadly, China's recent assertive behaviour with respect to territorial issues has added to a growing sense of vulnerability about Japan's place in the world, which was brought into sharp relief when the size of its economy was eclipsed by China in 2010.[23]

The drivers identified by Japan in its *National Security Strategy* are strikingly similar to two of those identified in Australia's *2016 Defence White Paper*.[24] The latter describes 'the roles of the US and China and the relationship between them', and 'challenges to the stability of the rules-based global order' as major drivers of Australia's security environment for the next two decades.[25] Like Japan's *National Security Strategy*, Australia's *Defence White Paper* also specifically highlights 'China's 2013 unilateral declaration of an air defence identification zone in the East China Sea' and asserts that this action has resulted in increased tensions.[26]

As reflected in these key strategic documents, both Australia and Japan make similar assessments of a shift in the balance of power in the region, and outline an approach that includes strengthening security ties with the other. Informed by very similar assessments of the regional security environment, both Australia and Japan also strongly emphasise the importance of strengthening the rules-based global order.

The case for strengthened cooperation

Australia and Japan have much in common. Both have bilateral alliance relationships with the US, both are liberal democratic nations in the Asia-Pacific region, and the two countries are major trade and investment partners. Both countries also share an appreciation that the presence of US forces in the region has supported stability and provided a foundation for dynamic economic growth, with both attaching strong importance to ensuring this continues.[27]

For Australia, Japan's suitability as a partner is underpinned by this convergence of interests, which has provided the basis to strengthen the security relationship over the past decade. Both countries view these efforts as complementary to their respective alliance relationships with the US, which the US has encouraged.[28] Further, Australia and Japan have worked together to shape the regional architecture in the Asia-Pacific region, including during the creation of APEC and the East Asian Summit.[29]

In doing so, Australia and Japan have helped create multilateral avenues for international engagement that also serve to support a rules-based approach. The re-emergence of China as an international power means that this kind of coalition building in support of a rules-based approach is of increasing importance to Australia and Japan. Both countries seek to enmesh China within a regional order that is acceptable, rather than have China's rise dictate the nature of that order. This will remain a challenge for policy-makers in Australia and Japan for the foreseeable future.

The global nature of contemporary security issues means that the formation of effective international partnerships is essential. Both Australia and Japan lack sufficient weight to unilaterally advance security interests and this will increasingly be the case as relative power dynamics continue to change. Australia recognises that as the world's third largest economy, with a highly-capable government, and possessed of considerable hard and soft power, Japan can add considerable weight to efforts to shape the region.

In addition, Australia and Japan have established a track record of effective cooperation, including in humanitarian and disaster relief operations, which has benefited stability in the region. Despite the rapid increase in the relative power of others, Australia and Japan remain highly-capable countries within Asia. As such, close cooperation and enhanced security engagement together can increase mutual effectiveness in responding to common challenges—and is highly desirable.

There have also been economic benefits for Australia arising from its closer security relationship with Japan. During the same July 2014 visit to Australia in

which Abe announced strengthened security ties with Australia, he signed with then Prime Minister Tony Abbott the 'Japan-Australia Economic Partnership Agreement'.[30] Abe's signature closed a neat circle because in his first term as Prime Minister he had agreed to the commencement of negotiations in 2007.

Negotiations took the better part of a decade and Abe's determination to forge stronger ties with Australia played a decisive role in the conclusion of the agreement. In progressing it, Abe had to overcome considerable opposition from interest groups—particularly the strong agricultural lobby—but had pressed on regardless. That the agreement was reached in the face of opposition provides a measure of the priority the Japanese Government accords to cultivating a stronger partnership with Australia.

Indeed, the joint statement between the two Prime Ministers on the entry into force of the agreement makes a clear link with security issues, with the media release noting that 'the Japan-Australia Economic Partnership Agreement lays the foundations for the next phase of bilateral economic relations, and will strengthen "the special strategic partnership" between Japan and Australia'.[31]

The risks of enhanced security ties

Critics of efforts to strengthen Australia's security relationship with Japan have tended to express concern that these efforts may draw Australia into rivalry between Tokyo and Beijing, with potential for miscalculations and possible conflict. In so doing, some critics have tended to overstate the nature of the cooperation between Australia and Japan, including by describing it as a 'de-facto strategic alliance'.[32]

This description creates a misleading impression that the nature of Australia's relationship with Japan could compel Australian decision-makers to commit Australian forces to an escalating incident in the East China Sea. This is not accurate. Australian policy-makers continue to have clear discretion to decide how to respond to any such incident. The possibility that enhanced Australian security ties with Japan may also be used to urge restraint and de-escalation during times of heightened tension has been largely overlooked in this debate.

Some commentators suggest that Australia's relations with key states in the Asia-Pacific region have become a 'zero-sum game'.[33] Implicit is the proposition that advances in the security relationship with the US—and by extension Japan—come at the expense of Australia's relationship with China. This is not supported by the evidence. During the same period in which Australia has strengthened its security engagement with Japan, it has also undertaken regular engagement on defence and security issues with China, including by establishing a strategic dialogue. In 2015, Australia and China

also participated in practical cooperative activities and personnel training, including the first-ever trilateral exercise involving Australia, China and the US, and through port visit and naval exercises.[34]

Australia's efforts to strengthen security ties with Japan have also had no discernible impact on the broader Australia-China bilateral relationship. The entering into force of a bilateral Free Trade Agreement between Australia and China in December 2015 provides a compelling demonstration that the two countries continue to maintain a productive relationship despite the advances in the Australia-Japan security relationship over the same period.[35] If China is unduly concerned by Australia's approach to Japan, it has not become tangible.

Nevertheless, it is important to recognise that while Australian and Japanese security interests are similar, they are not identical. Japan's concern about China's rise is coloured by historical rivalry and intensified by its geographic proximity and disputed territories, and this is driving broader changes to its security posture. For Australia, strengthened security relations with Japan provide an opportunity to advance a rules-based regional order. It is, therefore, important for Australian decision-makers to preserve flexibility in responding to security incidents involving Chinese and Japanese forces. The nature of Australia's strategic partnership with Japan provides for this and mitigates the risks.

Conclusion

The elements that have given rise to strengthened bilateral cooperation on security matters between Australia and Japan since the signing of the Joint Declaration on Security Cooperation in 2007 are likely to gain further strength during the coming decade. For Japan, this relates to its concern over the rise of China, and the imperative for it to develop a broader range of partners beyond its alliance relationship with the US. For Australia, the impetus to strengthen security ties with Japan is largely driven by concern to shape an acceptable rules-based order.

As a like-minded partner with economic power and significant weight, Australia's strengthened cooperation with Japan can help advance these efforts. Concerns that closer security relations with Japan would automatically damage Australia's relationship with China are not valid. While Australian policy-makers need to retain discretion to determine an appropriate response in the event of a security incident involving Japanese and Chinese forces, the current strategic partnership provides for this.

With convergent interests, an impressive record of working together, including on security and humanitarian operations, and in light of Japan's sophisticated capacities and economic heft, this paper would argue that it is strongly in Australia's interests to continue to pursue strengthened security cooperation with Japan over the coming decade.

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Brexit and Anglo-Australian defence policy: Back to the future?

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Abstract

This paper analyses the politics and policy of the defence relationship between Australia and the UK in the context of Britain's recent decision to leave the EU. It focuses on the political systems, interaction of political leaders, and narratives of Australia, the UK and nations of the Indo-Pacific region that relate to the defence and security relationship between the UK and Australia.

The paper argues that Brexit is not an opportunity to reverse history, and that the concept of an 'Anglosphere' has been consigned to the past and cannot be resurrected. Rather, the challenge will be to exploit the changes Brexit will bring in ways that are beneficial to the Anglo-Australian relationship, which potentially include a free-trade deal and enhanced support to the Five Power Defence Arrangements, as well as buttressing mutual interests in a range of other bilateral and multilateral issues.

Introduction

On 23 June 2016, the population of the UK took part in the largest exercise of democracy in the country's history.[1] In an epochal decision, the UK voted to leave the European Union (EU). The unexpected result will be the catalyst for fundamental change in the UK's economic and foreign policy, the exact details of which have yet to become apparent. While ostensibly a decision relating to Europe, such a seismic shift in the UK's geo-political position will reverberate globally.

Britain's decision to leave the EU has elicited a stream of commentary describing the decision primarily in the vocabulary of catastrophe.[2] But the decision could be beneficial to the Anglo-Australian relationship. It may pre-empt a British free-trade deal with Australia—currently impossible to negotiate independently of the EU[3]—the benefits of which would be considerable for Australian and British exporters alike. Furthermore, Brexit could restore for Australia an independent peer, sharing many of the same values and systems, including parliamentary democracy and classical liberal values, as well as buttressing Australia's interests in a range of bilateral and multilateral issues, which would include defence and trade.[4]

This paper will analyse the politics and policy of the defence relationship between Australia and the UK under this rapidly-changing international context. It will assess the efficacy of the bilateral relationship at the political level of defence and security in the context of two key recently-published policies, the UK's 2015 *National Security Strategy and Strategic Defence and Security Review* and Australia's *2016 Defence White Paper*.[5] It will focus on the political systems, interaction of political leaders, and narratives of Australia, the UK and nations of the Indo-Pacific region that relate to the defence and security relationship between the UK and Australia.

Both countries see economics and commerce as vital for security and central to the defence relationship. The paper will therefore explore key economic trends and prospects in the context of the Indo-Pacific region as defined in Australia's *2016 Defence White Paper*.[6] Space precludes detailed analysis of many broader issues of security (such as terrorism, trans-national crime, cyber and climate change), as well as important scientific and defence industrial links. It will also be assumed that the recent referendum decision will result in the formal departure of the UK from the EU at some stage in the near future.

The first part will analyse the current bilateral defence relationship. Thereafter, the value of the relationship from the alternate perspectives of Australia and the UK will be examined in the context of each country's recently-published

national security and defence policy papers. It will seek to apportion respective values on the current relationship. The paper will then contextualise the described relationships in the shifting geostrategic context of the Indo-Pacific region. The final parts will examine prospects for the contemporary bilateral relationship within the framework of Britain's decision to exit the EU, and assess where the relationship is heading.

Part 1: The Anglo-Australian relationship

According to the *2016 Defence White Paper*:

> The relationship between Australia and the United Kingdom is based on deep historical and cultural ties, which have been reinforced over time, most recently in Afghanistan and Iraq.[7]

The bilateral relationship between the UK and Australia has been historically significant. On occasion, it has also been highly vexed. The bond has developed around a unique framework of defence and security, trade and investment and a multitude of complex social and cultural connections.[8] As the post-World War 2 links between the UK and Australia have declined, so the UK's relationship with the EU has strengthened.

The defence relationship

The defence relationship between the UK and Australia is hugely complex. It is articulated through a treaty and an intricate amalgam of formal and informal bonds, including agreements, arrangements (including the central 'Five-Eyes' treaty and the Five Power Defence Arrangements [FPDA]), organisations, memoranda of understanding, operations, training, exchanges, traditions and inter-connected national and private defence industry.

Until 2013, there was no overarching strategic framework for defence and security relations between Australia and the UK. In January that year, Philip Hammond and Stephen Smith, Secretary of State for Defence in the UK and Minister for Defence in Australia respectively, signed a bilateral treaty.[9] While absent of any formal commitment, this treaty was a tangible output from the Australia-UK Ministerial Consultations (AUKMIN), the annual touchstone of Australian and UK foreign and defence policy. Instead of binding the two nations to mutual obligation, the treaty sought to promote cooperation in defence-related matters, the exchange of information, closer engagement on technology, value for money in defence and security, and consultation on threats to international peace and security.

The announcement of the treaty met a mixed response, exemplified by opposing views from within the Australian Strategic Policy Institute (ASPI).

Andrew Davies and Benjamin Schreer highlighted that, unlike the Australia-New Zealand-United States (ANZUS) Security Treaty, there was 'no mention of any responsibility to act together to respond to an armed attack on the other's territory or armed forces'.[10] Davies and Schreer saw the Australia-UK treaty as an 'exercise in industry economies of scale' and that 'defence cooperation with the UK can only indirectly support Australia's strategy to focus on the region'.

Conversely Peter Jennings, ASPI's executive director, highlighted the value of the personal engagement of ministers from both countries that had endured since AUKMIN's inception in 2009, the enduring bilateral intelligence and operational partnership, and that the US, UK, Australia, Canada and New Zealand remain 'the most effective partnership in the world for their willingness to commit to real military operations'.[11] Jennings went on to state that this 'has value beyond many bilateral defence associations that operate under impressive-looking treaties but where practical cooperation is limited'.

Whichever view reveals itself to be more accurate will only be established as the bonds of the treaty are tested over time. What can be said with some certainty is that it is beneficial for both countries to have a capstone treaty in place.

The Multilateral UKUSA Agreement, widely known as the 'Five Eyes' treaty or agreement, is a jewel in the intelligence crown of both the UK and Australia. The full value of this treaty is impossible to judge given the restrictions of security. However, documents leaked by Edward Snowden in 2013 give a clue to its value, with Privacy International explaining the treaty as follows:

> Under the agreement, interception, collection, acquisition, analysis, and decryption is conducted by each of the State parties in their respective parts of the globe, and all intelligence information is shared by default. The agreement is wide in scope and establishes jointly-run operations centres where operatives from multiple intelligence agencies of the Five Eyes States work alongside each other. Further, tasks are divided between SIGINT [signals intelligence] agencies, ensuring that the Five Eyes alliance is far more than a set of principles of collaboration. The level of cooperation under the agreement is so complete that the national product is often indistinguishable.[12]

Political leadership

Since 23 June 2016, the UK has seen a new Prime Minister (Theresa May) elected by the ruling Conservative Party, while Malcolm Turnbull has been re-elected as Australia's Prime Minister. Under these leaders, political changes have been instigated that will result in a changed defence and trade context. While both the Secretary of State for Defence in the UK (Michael Fallon) and Australia's Defence Minister (Marise Payne) remain unchanged, both countries have made important changes to their ruling front benches.

In July, Malcolm Turnbull split Marise Payne's portfolio and appointed Christopher Pyne into the inaugural post of Defence Industry Minister. In the UK, Theresa May appointed the former Secretary of State for Defence (and pro-Brexit supporter) Liam Fox into a new front-bench portfolio as Minister for International Trade. As complex bilateral trade and defence negotiations unfold in the next few years, these two new ministers will bring added capacity and focus to bilateral trade. As such, they can only be viewed as beneficial additions to the bilateral relationship.

Overseeing the UK's role in that relationship—in London and at AUKMIN—will be Boris Johnson, the new British Foreign Secretary. Johnson is a well-known advocate of closer bilateral ties with Australia and, as the 'honorary Australian of the year' in 2014, enjoys considerable popularity in Australia.[13] Regardless of how bilateral foreign policy develops in the next few years, it will inevitably attract media interest with Johnson at the UK's helm.

Part 2: How does the relationship matter to Australia?

Trade

One of the most vital aspects of Australia's relationship with the UK lies in mutually-beneficial trade. Until June 2016, the future of that trade relationship lay primarily in the context of the EU. The EU is one of Australia's primary trading partners.[14] In 2014, EU foreign direct investment into Australia was worth A$169.6 billion, with reciprocal foreign direct investment into EU countries worth A$83.5 billion.[15] In the same year, Australian bilateral merchandise and services trade was worth A$83.9 billion, with the EU being Australia's largest services export market.

Hence, the EU is vital to Australia's economic well-being. In November 2015, some six months before the UK's referendum result was known, it was announced at the G20 summit in Ankara that Australia would commence negotiations in 2017 with the EU for a free-trade agreement.[16] The ambition was to ensure that Australia's EU-related trade and investment reached its full potential, that barriers to trade in goods were removed, service linkages and ties were expanded, and regulatory cooperation was increased.[17]

Australia's ambition makes eminent economic sense. However, the EU's reputation for securing free-trade agreements is mixed. The EU-American Transatlantic Trade and Investment Partnership has been floundering since its proposal in 1990.[18] Likewise, Canada has been unsuccessfully attempting to secure the Comprehensive Economic and Trade Agreement with the EU for the

last ten years. Ratification for such agreements is needed from all 28 members of the European Union Council and thereafter from the European Parliament.

Additionally, as with the Canadian agreement, ratification may also be needed from a host of other parliaments, both national and provincial. Thus an intercontinental deal, such as the Canadian proposal that has been a decade in formulation, will have to be agreed by 36 parliaments, and could be defeated by the local parliament of the Belgian province of Flanders.[19] Indeed, EU-Australia negotiations have already stalled in the face of Italian demands that Australia lift anti-dumping duties on canned tomatoes.[20] The chances of a rapid free-trade agreement between Australia and the EU appear very slim, and bilateral barriers to trade with EU countries look set to remain for the foreseeable future.

Furthermore, when the Australian and EU trade figures are deconstructed, it becomes clear that the UK is of predominant importance in Australia's European trade relationship. In 2014, 48 per cent of Australia's exports in services to the EU were via the UK, 51 per cent of the A$169.6 billion of foreign direct investment into Australia was from the UK, and 66 per cent of Australian foreign direct investment into the EU was to the UK.[21] The UK is Australia's eighth largest export market and, in 2014, 37.4 per cent of all of Australia's exports to the EU went to the UK, with 'no other EU country featur[ing] in Australia's top 15 export markets'.[22]

These results reinforce the findings of Australia's International Business Survey 2015 in which the UK listed in the top five markets for Australian businesses as a 'key target market for the next two years,' behind the US, China and Indonesia, and just ahead of India'.[23] Thus, by any measure, Australia's economic relationship with the UK is important. In the near future, it seems likely that Australia will be negotiating free-trade agreements with the UK and the EU.

Defence

Australia's *2016 Defence White Paper* contains the most contemporary definition of its strategic defence interests.[24] The paper describes three core interests: a secure resilient Australia, with secure northern approaches and proximate sea lines of communication; a secure nearer region, encompassing maritime Southeast Asia and the South Pacific, and a stable Indo-Pacific region; and a rules-based global order. None was given priority. The *2016 Defence White Paper* also articulated the strategic objectives of Australian defence as:

- To deter, deny and defeat attacks on or threats to Australia and its national interests and northern approaches;

- To make effective military contributions to support the security of maritime Southeast Asia and to support the governments of Papua New Guinea, Timor-Leste and of Pacific Island countries to build and strengthen their security; and
- To contribute military capabilities to coalition operations that support Australia's interests in a rules-based global order.

Thus the Malcolm Turnbull government has broadly followed the strategic interests for Australian defence postulated in the *2013 Defence White Paper* and, less the reference to rules-based global order, has constrained Australia's defence ambition to the geographical vicinity of Australia and its region.[25]

This desire to focus defence policy on Australia and its region is exemplified in a paucity of reference to the UK. Mention of the UK occurs within only four paragraphs of the 188-page *2016 Defence White Paper*, hardly an unequivocal endorsement of the 'significant relationship' that the Australian Government describes being 'underpinned by our shared heritage, common values, closely aligned strategic outlook and interests' and the shared 'distinguished record of active service and cooperation in conflict zones around the world'.[26] Defence links between Australia and the UK, even without substantial reference, are clearly strong.

In the hard-nosed assessment of Australia's *2016 Defence White Paper*, the majority of references to the UK are set in the context of the FPDA. As the White Paper notes, the FPDA 'is the longest standing regional security mechanism for Australia' and 'the only multilateral security agreement focused on practical cooperation of its kind in the Southeast Asian region'. It asserts that the FPDA is:

> [A]n enduring and important feature of Australia's efforts to advance its interests by working with partners to promote security in Southeast Asia ... [and that] participation in the FPDA increases habits of cooperation and interoperability between its members and makes a practical contribution to regional security resilience.

It further contends that, through the FPDA, Australia will seek to promote military interoperability through complex, high-end combined exercises that have the 'greatest benefit for Australia and the FPDA's other members'.

There has been some criticism of the FPDA in recent years, and its importance in the changing global and political and defence scenarios has been questioned.[27] However, the predominant analysis contained in the spate of articles written over the FPDA's recent 40th anniversary overwhelmingly praises the value of the loose consultative agreements that complement the multitude of defence arrangements each member nation has with other forces outside the ambit of the FPDA.

The adaptable nature of these arrangements has seen growth ranging from air exercises to large-scale maritime and land exercises, involvement in a number of humanitarian and disaster relief operations (including Timor-Leste), and cooperation in Afghanistan. For Australia, the FPDA is a valuable, effective and worthwhile contemporary alliance—and the UK is an integral part of it. From the evidence of the *2016 Defence White Paper*, this is a key link to the UK.

Broader assistance

As well as adding value in the Five-Eyes and FPDA alliances, the Australian Government ascribes implicit importance to the assistance that the UK could provide in global issues that are deeply important for Australian defence and foreign policy, asserting in the *2016 Defence White Paper* that:

> We cooperate closely as members of the FPDA and the Five-Eyes intelligence community. The United Kingdom has global military reach and the capacity to help respond to global security challenges.

Given the Australian Government's strategic interests—Australia within its region and the rules-based global order—it is wholly coherent that the *2016 Defence White Paper* ties the defence relationship with the UK into the 'global' priority. The White Paper expands into some detail as to the mechanics of the future relationship and suggests three specific areas where continued defence alliance is likely, contending that:

> We share common interests in supporting and defending a stable rules-based global order and our approaches to global security issues are closely aligned.… Australia and the United Kingdom will continue to work together to address common threats to a peaceful, prosperous and rules-based global order, including terrorism, the instability in the Middle East and violent extremism.

The last reference to the UK notes the value of AUKMIN and 'cooperation on intelligence, science and technology and high-end defence capabilities'.

Thus the *2016 Defence White Paper* contains no surprises in its reference to the UK. It also contains little to indicate any planned invigoration of the defence relationship. In one of eight 'strategic observations' about the *2016 Defence White Paper*, Crispin Rovere from the Lowy Institute postulates that a White Paper under Tony Abbott's government would have been far more fulsome in its coverage of the UK.[28] Written prior to the Brexit decision, his conclusion is blunt but fair, saying that:

> As it is, the Defence White Paper offers little more than a polite nod to Australia's historical ties with the UK, and presents a factual account of ongoing security and intelligence linkages in a couple paragraphs. The same is true for Canada. In other words, the Defence White Paper gives attention to the UK commensurate with its influence in our strategic affairs: marginal.

Part 3: How does the relationship matter to the UK?

Approximately six months before Australia published its *2016 Defence White Paper*, David Cameron's government had released the UK's *National Security Strategy and Strategic Defence and Security Review*.[29] In doing so, the UK has now formalised the production of a defence-related review in conjunction with a 'whole-of-government' national security strategy, aiming to produce the two policy documents in tandem at the beginning of each five-year government cycle. The combined policy is agreed at the UK's National Security Council and signed off by the Prime Minister, rather than the Secretary of State for Defence.[30]

Incorporating all facets of national security in the policy delivers a much broader range of threats than Australia's *2016 Defence White Paper*, with the economic dangers consistently paramount. Indeed, the very sub-title of the UK document—'A Secure and Prosperous United Kingdom'—signposts the breadth of the policy, with the opening line of the Prime Minister's introduction making clear the imperative that:

> Our national security depends on our economic security, and vice versa. So the first step in our National Security Strategy is to ensure our economy is, and remains, strong.

The policy also highlights the significant economic opportunities that exist for the UK, which include Asia and the Pacific region.[31] The economic prerogative is further reflected within its three national security objectives, namely:

- To protect our people—at home, in our Overseas Territories and abroad, and to protect our territory, economic security, infrastructure and way of life;
- To project our global influence—reducing the likelihood of threats materialising and affecting the UK, our interests, and those of our allies and partners; and
- To promote our prosperity—seizing opportunities, working innovatively and supporting UK industry.

The policy document also makes it makes clear that international partnering and defence engagement is a growing priority for the UK, asserting that:

> We are making our defence policy and plans international by design. Our Armed Forces have always operated internationally, deterring major threats, responding to crises and conflicts, and exercising and building defence capabilities together with our allies and partners. We will place more emphasis on being able to operate alongside our allies.

> Through defence engagement, our Armed Forces help build our understanding and increase our influence in regions that matter to us…. This contributes to our cross-government work overseas to build cooperation to tackle key challenges such as instability, terrorism and extremism, serious and organised crime, and threats to maritime security. Defence engagement also enables faster responses to crises, and promotes our prosperity through support to defence exports.

In its *2016 Defence White Paper*, Australia announced a similarly-increased emphasis on defence engagement. For the UK, defence engagement would become a funded, core Ministry of Defence task for the first time, meaning that the Armed Forces will formally prioritise defence engagement—'providing a defence contribution to UK influence'—alongside other core tasks.[32] The UK also announced it would open a Defence Attaché and Loan Service Centre in its Defence Academy, establish an Armed Forces defence engagement career stream and establish British Defence staffs in the Middle East, Africa and, most importantly for Australia, in the Asia Pacific. Finally, in a move that again foreshadowed Australian policy, the UK pledged to increase the training offered to international partners.

The policy document also committed the UK to 'invest in alliances', specifically naming Australia, New Zealand and Japan. It goes on to state that the UK's 'strong bilateral defence and security relationship with Australia reflects a modern partnership which addresses issues of common concern'. The Five-Eyes and FPDA are singled out, as are common interests in the Asia-Pacific region, the 2013 Defence and Security Cooperation Treaty, and AUKMIN.

Recent shared operational history with Australia is drawn out, including the two Malaysian airline incidents, the Ebola crisis in Sierra Leone, disaster relief in Vanuatu and counter-ISIL operations in Iraq. In the same way that Australia highlights the rules-based global order in its *2016 Defence White Paper* (56 times), the UK focuses on plans to work with allies to 'address global challenges and strengthen the rules-based international order'. 'Rules-based international order' is cited 30 times. Rules-based order, whether international or global, is vital to both countries.

The UK policy document also highlights two further areas where the UK's security and prosperity is underpinned by cooperation with Australia; the Five Eyes Law Enforcement Group, aimed at reducing the international threat and impact of organised crime, and the Consular Colloque, which allows the same five countries to support each other in protecting their respective nationals overseas.[33] It goes on to state that cooperation will be 'strengthened' in these areas.

The analysis demonstrates huge areas of policy commonality between the UK and Australia's recent overarching security policy. History and finance coalesce

to make the UK's perspective more global, although—probably for economic reasons—it eschews directly challenging China. Both nations see the great value of the Five-Eyes and FPDA alliances and both see value in increased defence engagement and the maintenance of rules-based global order.

Part 4: How does the relationship matter to the Indo-Pacific region?

To some observers, the UK's relationship with Australia could appear a historical throwback of little obvious consequence to the geo-political balance in the Indo-Pacific region. It can be seen that the bilateral relationship between the UK and Australia retains importance to both parties and that both parties value the FPDA. That does not address the question of the value of the bilateral relationship—either together or in its constituent parts—to the region. This part will study the FPDA in that context.

There was considerable analysis of the FPDA following its 40th anniversary in 2013. The consensual view was that the Arrangements had proved a flexible and enduring source of stability in the region, with Gavin Keating asserting in 2006 that:

> Over the years many pundits have predicted the demise of the FPDA, as they perceived it as becoming less relevant to the security situation at the time. Not only have they been proven wrong but the FPDA has been transformed. For thirty years the FPDA has progressively evolved to form a key element of relations between the five members.[34]

It was in reference to the FPDA that the UK gave its clearest signal in its *National Security Strategy and Strategic Defence and Security Review* that it will upscale activity in the Indo-Pacific region, contending that 'the Five Power Defence Arrangements … are an important part of our commitment to peace and security in the region'. Furthermore, it made an unambiguous commitment to increase the UK's contribution, asserting that 'in particular through exercises, including with our new aircraft carriers, and joint training ... [the UK will] continue to invest in our strong bilateral defence relationships'.

The FPDA provides the UK with political and economic links with its former colonies, a formal security agreement with Australia (the only one in existence until the Treaty was signed in 2013), bonding the UK with the region, and providing an opportunity to display its military equipment to encourage defence sales.[35]

Currently, the UK has little military presence in the Indo-Pacific region. But the recent capability enhancements confirmed in the policy document are not irrelevant in the context of the Indo-Pacific region, with the maritime capabilities

being particularly important. Philip Radford notes that 'it has been 40 years since a UK defence review meant much to Australia and the Asia-Pacific, but the *National Security Strategy and Strategic Defence and Security Review*… signals a sea change'.[36]

The review not only committed the UK to increasing its contribution to the FPDA but also made an explicit promise to use the new Queen Elizabeth-class aircraft carriers in forthcoming FPDA exercises. Both the *Queen Elizabeth* and *Prince of Wales* are colossal compared to their Invincible-class predecessors. Weighing 70,600 tonnes, they are 50 per cent larger than HMS *Ark Royal*, the largest warship previously operated by the Royal Navy. The decommissioning of the *Ark Royal* effectively ended independent Royal Navy operations in the Indo-Pacific region. However, when the new carriers are commissioned in 2018 and 2020 respectively, such operations will recommence.

For many years, the aircraft carrier project balanced on a knife-edge and the future of the second carrier was for years in serious doubt. The announcement at the NATO conference in Wales in 2014, confirming the build, was reinforced in the *National Security Strategy and Strategic Defence and Security Review* by the announcement that the UK's F-35B fleet would be increased from 12 per carrier to a national total of 138, allowing each carrier to operate up to 36 of the fifth-generation aircraft.[37]

Thus a future FPDA operation or exercise that incorporates a UK aircraft carrier could see a number of F-35B Lightning squadrons being deployed, rather that the ten Sea Harriers that could have previously been launched from an Invincible-class carrier. The UK now also has the ability to protect these high-value targets with a new fleet of Vanguard attack submarines, destroyers (equipped with state-of-the-art Sampson radars) and nine new P8A Poseidon maritime patrol aircraft.

The new maritime capability gives the UK and its allies—for the first time since 1979—a viable independent, strike-carrier capability at the cutting edge of global maritime technology. The two aircraft carriers under construction are a globally rare and substantial modern capability.[38] If deployed to the Indo-Pacific region, they would be able to influence or dominate significant areas of the vast maritime and littoral environment.

The UK's maritime capability will be a noteworthy component in the global distribution of maritime power and a considerable addition to potential FPDA and Australian bilateral capabilities. For nations such as Australia and Singapore, that have invested heavily in developing coherent amphibious capabilities, the availability of organic air power increases the complexity and scale of the exercises that the FPDA will be able to execute. Consequentially,

there arises greater future scope for the FPDA to continue to increase its role as a regional security actor.

As the recapitalisation of the Royal Australian Navy (RAN) gathers pace, and in parallel Australia and Japan's new F-35 Lightning fighters also take to the air, American military capability in the region will be reinforced by a growing number of allies armed with fifth-generation equipment.[39]

It is not only in the maritime and air domains that recent changes will alter the ratio of forces available in the Indo-Pacific region. The *National Security Strategy and Strategic Defence and Security Review* saw the expeditionary capability of the British Army doubled to 50,000 personnel, two rapid-strike brigades designated, and the Special Forces budget also doubled. This new force structure is designed to achieve (then) Prime Minister Cameron's introductory ambition of 'global reach and global influence' and, as such, could become relevant to Australia and its near region for defence diplomacy, training, exercises and operations into the future.

The corollary is also obvious: the UK's defence spending is no longer dominated by European security. The British government is reacting with economic realism that is woven through the national security strategy. But even if the UK wished to re-engage in the Indo-Pacific region, there are other geostrategic issues closer to home that may inhibit such a move. President Putin's militaristic posturing on the eastern fringes of Europe has already pre-empted NATO force restructuring and led to an increase in British forces in the Baltics.[40]

In parallel, there is currently an upsurge of IS-inspired violence across continental Europe. The UK's security leadership judges such jihadist terrorism will impact on the UK in the near future.[41] It is only the scale and ferocity of any such future terrorist violence that will determine the resource bill. However, the French-style deployment of troops into high-risk areas is already being contemplated.[42] And a security shock in the UK could rapidly change the direction of new defence policy.

The re-emergence of the expeditionary capability presaged in the UK policy document, together with related equipment acquisition announcements, should provoke some forward thinking in Australia, FPDA countries and across the broader Indo-Pacific region. In a fast-changing regional context, the assumptions that underpin the 'China rising' narrative may not survive the vast macro-economic tensions that already challenge the rapidly-growing Chinese economy. For Australia and its regional allies, the return of expeditionary UK doctrines—backed by interest, not sentiment—offers opportunities. For the UK, it is clear that the Indo-Pacific is key to future prosperity and, if 'prosperity is key to national security', defence activity in the region will undoubtedly increase.

The Australian Department of Defence currently has two overseas offices responsible for export support, one in Washington and one in London. The Capability Acquisition and Sustainment Group London Office is a focal point for acquisition and sustainment activity in the UK and Europe, and provides related support to Defence and other Australian government agencies.[43] As the largest procurement agency in the Commonwealth, the Department of Defence is responsible for some of Australia's most complex procurement activities. Defence engages with industry to deliver value-for-money procurement outcomes in order to support departmental and ADF capability.[44] If Australia and the UK could rapidly develop a free-trade agreement, the opportunities for bilateral defence trade would increase proportionally.

The UK's decision to leave the EU will have a significant impact on the European defence market. Currently, the EU is attempting to reduce the duplication of defence programs and research, increase competition levels and foster innovation through attempts to apply single-market rules to the European defence industry. With the UK's departure from the EU, Europe will lose the main proponent of applying free-market logic to defence procurement, and open the door to a more protectionist outlook.

The UK has historically balanced defence procurement decisions between European and American options on the basis of performance and price. Other European countries have a more protectionist perspective. Published contracts show that France awards 97 per cent of its contracts to domestic firms.[45] Despite current high levels of Anglo-French defence cooperation, firms such as BAE systems may in the future find themselves facing higher trade barriers as they attempt to secure contracts with European countries. This will entice defence companies based in the UK to increase their efforts to seek markets outside Europe, suggesting the Indo-Pacific and Australia could well benefit.

South China Sea issues

With China's regional aspirations rising in parallel with its military capability, what is the UK's defence role in the region, and how does that link to Australia? The *National Security Strategy and Strategic Defence and Security Review* omitted any direct reference to the growing territorial disputes in the South China Sea, making only one oblique reference in noting that:

> The rules-based international order also relies on enforcement of standards and laws covering a wide range of activities and behaviours, from the Geneva Conventions to the UN Convention on the Law of the Sea.

The document highlights the 'significant economic opportunities for the UK' that exist in the Asia-Pacific region and, in another indirect reference to the challenges of future security in the South China Sea, offers to deliver

'considerable influence on the future integrity and credibility of the rules-based international order' in the region. This is the prelude to the document's only foray into the key strategic defence issue of the Indo-Pacific region, namely South China Sea sovereignty.

The UK's relationship with China was badly damaged in 2012 when then Prime Minister Cameron met with the Dalai Lama in London. This led to a significant breakdown in Sino-British relations, and rapprochement only occurred with Cameron's visit to China in December 2013. The British Government will have realised that overt criticism of China's South China Sea policy in the *National Security Strategy and Strategic Defence and Security Review* would have served little strategic value, and risk further Chinese recrimination. However, the document did make clear that it would support regional partners, including Australia, in trying to solve the complex issue, asserting that:

We will continue to work with like-minded partners in the region, including Japan, Australia, New Zealand and others to defend and protect our global shared interests, uphold the rules-based international order and to strengthen cooperation on settling international and regional disputes.

In the Indo-Pacific, the UK is walking the policy tightrope between avoiding and antagonising China, supporting regional allies and growing military expeditionary capability.

Trade

Even given the UK's decision to leave the EU, trade with European countries remains vital for the UK's economic security. In 2014, over 44 per cent of the UK's exports of goods and services went to EU countries, and the UK imported 53 per cent of its goods and services from Europe.[46] But it is trade with developing countries outside the EU that demonstrates the most advantageous economic path for the UK's future.

Despite the value of trade between EU countries and the UK rising consistently in recent decades, it is being outstripped by the parallel rise in trade with developing countries. Between 1999 and 2013, UK exports to non-EU countries expanded at almost twice the speed of exports to EU countries. Many of these growing markets are in the Indo-Pacific region.[47] Perhaps as important, the UK's trade with EU countries is in chronic and deteriorating deficit, as trade outside the EU is in healthy surplus. Figure 1 shows the trend in exports of UK goods and services to European and non-European markets:

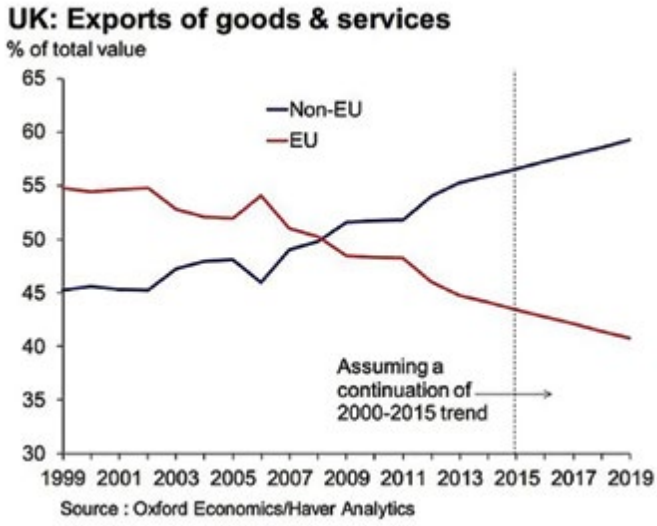

Figure 1: The trend in UK exports of goods and services

The City of London is also benefiting financially from an increasing global perspective as it vies with New York for the global lead in financial and professional services. The focus is switching to the Asian markets. London's lead in joining the Asian Infrastructure Investment Bank (contrary to US Government wishes) allowed the UK's Chancellor of the Exchequer to announce that 'the City of London would become the base for the first clearing house for the [Chinese] Yuan outside Asia'.[48]

The UK has a clear economic interest in the Indo-Pacific and Asian regions and is seizing every opportunity to improve its financial position. This policy is emphasised throughout the *National Security Strategy and Strategic Defence and Security Review*, reiterating that 'a secure and prosperous UK' is a global issue.

Within Asia, Japan secures notable mention, with the policy stating that the UK will considerably strengthen its defence, political and diplomatic cooperation with its 'closest security partner in Asia'. This incorporates deepening defence engagement with Japan through the development of joint counter-piracy operations and participating in joint deployments both globally and worldwide. Simultaneously, the policy highlights the opportunities for expanding both trade and investment with Japan. Aside from Japan, both Australia and New Zealand are highlighted as countries that the UK will 'seek to strengthen co-operation on settling international and regional disputes'.

The *National Security Strategy and Strategic Defence and Security Review* also commits to 'developing new capabilities' with Australia. This could well be a reference to the forthcoming British tender for the RAN's replacement of the ANZAC class of frigate, given the burgeoning capability that the combination of Artisan Radar and Sea Ceptor missiles is bringing to the UK's new Type 26 Global Combat Ship.[49] As the UK's wish to increase security engagement with Asia is repeated throughout the review, the defence capabilities being developed consistently add weight to the prose.

Part 5: The future

The Strategic Defence and Security Review – time for an encore?

In the build-up to the UK's referendum, the 'pro-Remain' Chancellor George Osborne had threatened a two per cent cut to defence spending if Brexit occurred. It was only in April 2016 that the defence budget had been raised for the first time in six years. If the threatened cut were now implemented, it would be a significant challenge for the UK to retain defence spending above the NATO target of two per cent of GDP, which was the target that Prime Minister Cameron had committed to. Furthermore, both he and Osborne had also 'ring-fenced' the defence budget from the severe austerity measures that were being forced upon a raft of government departments.

With Cameron and Osborne now out of office, the future of defence spending is far from certain. The Royal United Services Institute's Deputy Director General, Malcolm Chalmers, has suggested that in the event of Brexit the government would need to scrap last year's *National Security Strategy and Strategic Defence and Security Review* and conduct a new one.[50] Chalmers opined that when this was done 'it would probably resemble the cuts-heavy 2010 document, which is reviled in the military as having done nearly irreparable harm'. Others have asserted that any such move could 'cast a shadow over an imminent political debate on the renewal of nuclear submarines'.[51] It would also render much of the analysis in this paper redundant.

It is not yet clear whether Chalmers' advice will eventually be followed, although it appears less likely than in the days following the referendum. Any reduction in defence spending in the short term would most likely be premised on an enduring and significant downturn in the UK's economy, a scenario widely forecast by those who opposed the UK's departure from the EU, including the British Treasury, which contended that:

> Two years after leaving the EU, output would be 3.6% lower and the pound 12% weaker than if Britain remained in. The widely respected Institute for Fiscal Studies has argued that 'there is an overwhelming consensus ... that (leaving) would reduce national income in both the short and long runs', suggesting the net effect on public finances would be £20-40 billion.[52]

In the near aftermath of the Brexit decision, no such down-turn has occurred. London and international markets plummeted initially but have recovered well. Both the FTSE 100 and FTSE 250 are close to their highest value in a year and both have made up the losses they suffered. Furthermore, in July the House of Commons voted by an overwhelming majority of 355 to replace the UK's Trident-armed nuclear submarines. For the moment, it is judged that defence planners can maintain the pre-Brexit assumptions on future UK defence spending. But they will always be conscious that global financial markets are notoriously fickle, and that the full ramifications of the UK's departure from the EU have still to play out.

Return to Commonwealth?

In a 1992 House of Representatives debate, Australia's then Prime Minister Paul Keating reminded his more pro-British political opponents that Britain 'walked out on you and joined the Common Market'.[53] *De facto* the UK has now walked out of the EU. Does this create an opportunity for Australia and the other 52 nations of the Commonwealth, 17 of which lie within the Indo-Pacific region?[54]

Prior to the referendum, most Commonwealth leaders advocated that the UK should remain in the EU, an apparent paradox given the view of Commonwealth countries in 1973 when they opposed the UK's entry into the EU (then titled the European Economic Community). From the outset of the negotiations in 1963, the UK's membership of the European Economic Community was regarded as a threat to Australian export markets, Commonwealth cooperation and even bilateral political ties.[55]

This reversal of view in 2016 is indicative of the fundamental changes in global trade conditions that have occurred in the intervening 43 years. The EU and the Commonwealth have grown into fundamentally different structures—the EU is a political construct based around supranational ambitions and intergovernmental cooperation; the Commonwealth is primarily organic and derives its benefits from close connectivity at numerous non-governmental levels. Within the Commonwealth, burgeoning business and professional links are propagated and reinforced by a common working language, legal procedures, accounting and commercial practices, and cultural links.

The Commonwealth has never aspired to be an old-style trading bloc but instead draws its strength from networking driven from within its constituent

countries, a format that has proved successful in the digital network age where rapid data exchange is a requisite for success. Conversely, the EU hierarchy has focused on top-down centralisation, scale and integration. The result has been that Commonwealth trade and investment flows now account for 15 per cent of all world exports and are growing considerably faster than overall world trends.

In 1972, the UK's exports to Commonwealth countries were 50 per cent of its total exports.[56] Over the subsequent decades, that fell to 12 per cent. But that trend has now reversed and economic opportunity has moved from Europe to the growing global markets, including Asia and the Indo-Pacific.[57]

Following the Brexit referendum, a number of Commonwealth countries, including Australia, India and New Zealand in the Indo-Pacific region, have expressed interest in trade talks. According to media reports in the UK, 27 countries are now 'queuing up to complete trade deals'.[58] Once Article 50 of the Lisbon treaty has been triggered and the UK has negotiated its exit from the EU, it will be free to secure such bilateral trade deals. In a move that shows both mutual bonds of alliance and a strong desire to achieve rapid economic benefit, Australia and New Zealand have already offered trade negotiators to assist. Economic sharks are circling, hungry to secure trade agreements.

Annmarie Elijah, Associate Director of the Australian National University's Centre for European Studies, debunks 'the oft-peddled notion that the UK could leave the EU and return to a golden era of trade cooperation with Commonwealth countries'.[59] Her thesis is based on the difficulties of re-negotiating the UK-Australia Trade Agreement, which was suspended when the UK acceded in January 1973, and the time needed to secure such a deal.

In an article written prior to the referendum, Elijah also concluded that a British exit would be 'at best a distraction' to Australia's relationship with the EU, and 'at worst a serious impediment'.[60] With the European project under strain in a number of areas (including the Euro-crisis, sluggish economic growth and mass immigration), her fear was that a British exit could trigger a contagion of departing European countries, leaving Europe terminally fractured and presenting a challenging new paradigm for Australian trade relationships with the EU.

These are two compelling points but entirely separate and as yet impossible to prove. In the new dawn of a post-Brexit Europe, it is possible the EU could survive in perpetuity and that free-trade agreements could be negotiated at pace. In the race for economic advantage, many governments across the globe will be competing to secure both. Australia and other Commonwealth countries should take advantage of their current links and make the most of their head start.

The odd couple and the 'Anglosphere'

If Commonwealth connections could be advantageous, does it follow that a reinvigoration of the conceptual category of the Anglosphere could be equally beneficial? A number of supporters of the UK's departure from the EU propose a reinvigoration of this abstract concept—a union of countries that share common language, history, law, democratic institutions and values.

Australia and the UK are two island nations, each historically ill-at-ease in their respective regions. The UK is sandwiched geographically between the continental powers of Europe and the hegemony of the US. It is precariously linked by shared history—cyclical enmity and alliances—across the channel to continental Europe and a special relationship across the Atlantic to the US. In parallel, it has been argued that Australia, a country still predominately Caucasian, with a pre-eminent Western culture but ensconced at the southern tip of East Asia, has struggled to establish itself as an authentic and effective member of an emerging region.[61] Twenty years ago, Samuel Huntington described it thus:

> For Australia, despite [its] economic connections, the Australian Asian ploy appears unlikely to meet any of the requirements for success for a civilisation shift by a torn country.[62]

This is unsurprising. Although the scope and definition of regions is inherently artificial, some are more natural or likely than others. The nations that make up the ASEAN+3 forum, for example, reflect a number of common East Asian patterns of development and historical experiences.[63] While these are still diverse, they display many more commonalities than the expansive Asia-Pacific or Indo-Pacific regions.[64]

Australia's 'outsider' status may be a consequence of brute geography but it is compounded by a number of political, strategic and historical factors that have made close ties with Indo-Pacific neighbours more challenging—indeed, generations of policymakers have tended to identify with, and align themselves to, extra-regional forces such as the UK. In these circumstances, Australia's ties with Asia have often assumed a slightly awkward and instrumental quality.[65]

As Australia's so-called 'Asian century' unfolds, it remains counterintuitive that the UK is, by some margin, the leading country of birth for Australian's born overseas, with an estimated 1.3 million Australians born in the UK.[66] Conversely, data from the same census indicates that around 100,000 Australian-born citizens live in the UK. Given the vast distance between the two countries, people-to-people relationships remain remarkably close. Gladiatorial sporting challenges—predominately netball, rugby and cricket—ensure that respective national interest, and insult, rarely wanes.

When then Prime Minister Tony Abbott called for Australia's foreign policy to contain 'more Jakarta, less Geneva', he was not only announcing a change in Australia's priorities but, in parallel, commenting on European political values.[67] While these views did not directly refer to the context of the UK leaving the EU, they reflected a form of broader cultural politics that exists in Eurosceptics throughout the UK. Ben Wellings, for example, believes that 'in Australia, these arguments were driven by a rehabilitation of the British Empire as having been a force for good in the world, as a counter to the delegitimising versions of history brought up by the memory of settler-Indigenous relations'.[68]

In spite of the distance to Europe and Prime Minister Turnbull's view that the UK should have remained within the EU, Euroscepticism has been a regular facet of political debate in Australia. Successive right-wing governments in Canberra have viewed the EU as code for protectionism, bureaucracy, secularism and environmentalism, all with negative connotations.

Others, such as Georgina Downer, believe that as Australia 'has inherited and developed the very best of Britain—the English language, British institutions, and the values of Western civilisation, including the rule of law, personal liberty and representative government, as well as the common law', and that bilateral ties between the 'odd couple' should be strengthened.[69] But is there a broader, multilateral opportunity that now exists to rejuvenate the Anglosphere?

The concept of the Anglosphere never found explicit currency in John Howard's narrative during his nine years as Prime Minister; he carefully avoided placing 'Australia into a particular sphere, Anglo or otherwise'.[70] However, his endeavour to reshape Australia drew on an Anglospherist perspective and his project to reshape Australia was centered on two tenets of Anglospherism: the rejection of multiculturalism and the alignment to countries with shared values in Australia's external relations.

According to Stefano Gulmanelli, these two Anglospherist precepts found actual implementation in Howard's re-framing of Australian multiculturalism and re-conceptualisation of Australia's engagement with Asia and that, under his stewardship, the right wing of Australian politics rehabilitated the memory of Britain as a force for global good in a way similar to Anglosphere enthusiasts among British Eurosceptics.[71]

The supporters of the Anglosphere are no longer predominant in Australia. For those wanting closer ties with the UK, the overthrow of Abbott as prime minister in 2015 was bad news. Abbott was a known Anglophile and became subject to public derision when he resurrected the award of knighthoods and immediately awarded one to the Duke of Edinburgh.[72] This political *faux pas* demonstrated that there is little capital to be gained from championing some

ties with the UK. Although Prime Minister Turnbull is more emollient than his predecessor, his history as chairman of the Australian Republican Movement during the Australian republican referendum in 1999 gives some clue to his views.

Notwithstanding the close cultural ties that survive between the two nations, the links that existed when Britain first applied to join the European Economic Community in 1963 have faded. At that time, Australia's dependence on the UK market for mineral, dairy and meat exports was crucial. It has now changed and, as asserted by Philomena Murray *et al*:

> Australians often perceive the EU as a monolithic, negative and obstructionist bloc, unleashing regulations and protectionism upon the world. Yet Australia's engagement with the EU is well ahead of Australian public opinion about Europe. These changes spring not only from changes in Australia, but from Europe's expanding role in trade and politics.[73]

Geostrategically, the key regional challenge is based on geography and lies in the context of China. Any Anglosphere would exclude key countries vital in the growing challenge for global supremacy being waged between the US and China. Less importantly, the benefit that Australia and New Zealand could bring to the security challenge of Russia is small. As demonstrated in the *2016 Defence White Paper*, Australia perceives that its economic and defence future is tied intractably to the Indo-Pacific region. And for many Australians, particularly those of a left-leaning persuasion, the memories of Gallipoli and Singapore are persistent reminders of a 'mother-country' that has had only marginal influence since 1942.

Economically, Australia's future is highly dependent on the Trans Pacific Partnership (currently struggling to gain policy traction within the US election cycle) and the Regional Comprehensive Economic Partnership between ASEAN and Australia, China, India, Japan, South Korea and New Zealand. While there may be enough capacity in Canberra's Department of Foreign Affairs and Trade to negotiate a future free-trade agreement with the UK, any multilateral Anglosphere-based deal looks highly unlikely.

If Tony Abbott had still been Australia's Prime Minister and Stephen Harper was still at the helm in Canada, the concept may have had the political impetus to reach the point of an American veto. With new administrations in both countries, it seems almost inconceivable that the concept will even be raised.[74] The notion of a multilateral rebirth of a white, Western, ex-colonial alliance to create a new collaborative force for security and prosperity is an outdated and inconceivable dream by those—on both sides of the globe—who hark back to the past. There is little, if any, geostrategic, economic or political motivation to rekindle the Anglosphere concept by any of the Five-Eyes countries, perhaps less a few dewy-eyed right-wing politicians on both sides of the globe.

The UK in the region

The UK's ability to thrive outside the EU—and its ability to succeed in the forthcoming exit and trade negotiations with the remaining 27 EU states—is likely to dominate the British government's agenda for the next few years. In the short-term, the UK's ability to seize global opportunities could be stymied by a lack of central capacity.

As Britain enacts Article 50 of the Lisbon Treaty, it will commence up to two years of intense negotiations to secure the most advantageous conditions to exit the EU. In parallel, it will be seeking to negotiate free-trade agreements with global partners, starting with the most potentially lucrative (likely to be America, China and India). The UK may not have the central policy resources to simultaneously focus on negotiations with Australia and other nations in the Indo-Pacific region.

Thereafter, however, the UK's departure from the EU should allow central government to reduce the focus on Europe and be better able to balance its interests globally. This will include increasing activity in the burgeoning economic markets in Asia and the Indo-Pacific regions and improving (or re-establishing) defence links with Commonwealth allies. Following the establishment of free-trade agreements, closer economic ties are likely to follow, and bilateral links, including defence, could improve.

Bilateral trade agreements between nations are much simpler to ratify. Australia's recent negotiations with Korea, Japan and China demonstrate that they can be an efficient route to deliver benefit for Australian exporters, as well as lowering tariff barriers. If the UK and Australia were to enter such negotiations, given the extensive history of Anglo-Australian trade, a deal could be rapidly agreed.

The risk of the UK fracturing and Scottish and Northern Irish secession will likewise consume the UK government's policy priorities. With a politically-resurgent Scottish Nationalist Party and the majority of the Scottish voters electing to remain in the EU, Nicola Sturgeon (First Minister of Scotland and leader of the Scottish National Party) appears determined to secure a second referendum on Scottish independence.

If that were to succeed, a series of defence-related questions would arise, the most pressing of which would be the base location of the nuclear Trident missile-armed Vanguard submarines and their successors. Currently based in Her Majesty's Naval Base Clyde in Faslane on Scotland's west coast, the Scottish Nationalist Party has made it clear that in their first term they would require the nuclear deterrent to be moved.

The fracturing of the EU strengthens Russia's revanchist agenda and President Putin will do all in his power to exploit the fissures in European solidarity. Russia, emboldened by success in Crimea, is likely to be a major geo-political focus for NATO in the next few years. There appears no end in sight to the war in eastern Ukraine, and the standoff along the Baltic border attracts growing military posturing. Therefore, even if the UK had aspirations to expand its defence connectivity globally, the Russian flank will remain a key threat that must be countered. This might well divert attention from links to the southern hemisphere.

It is too early to assess the impact of Brexit on the UK economy. Some signs are positive; financial markets have bounced back from their post-Brexit lows, uncertainty has been quelled as the ruling Conservative Party has rapidly elected a new leader, and many of the doomsday economic forecasts predicted in the run-up to Brexit have failed to materialise. Contrary to previous assessments, the IMF and Bank of England now forecast that the UK's economy is unlikely to go into recession.[75] Other signs are more ominous; sterling is at its lowest value for 30 years.

Early indications are that Prime Minister Theresa May will pursue a more interventionist economic policy than David Cameron and that she will attempt to inhabit a wide swathe of the political spectrum, taking in components of the centre-left as well as her Conservative Party's traditional centre-right territory. If she succeeds, her grip on power will be difficult for the Labour Party—currently in the throes of a destructive internecine war over the leadership of Jeremy Corbyn—to loosen.[76] Political and economic stability in the UK will be vital if it is to effectively develop its relationships with Australia and the countries of the Indo-Pacific; there are myriad complexities.

Conclusion

It has been only a short time since the results of the UK's EU referendum sent shock waves around global political and economic circles. As Prime Minister May cogitates over the optimal time to invoke Article 50 and commence the formal process of separation from the EU, economists and politicians across the world watch and wait.

The UK must read the economic fallout and continually measure the requirement to re-evaluate its recent policy decisions to reinvest in the Indo-Pacific, support the FPDA and prepare for a resurgent China. Russia and terrorism will prove episodic distraction, and further unforeseen 'events' could easily override recently-published policy.[77]

As the dust of recent political contests in Canberra and London settles, the search for prosperity retains political primacy. In parallel, both governments are reinvesting militarily and pondering their roles in the growing US-China standoff over the South China Sea.

Opportunities exist; almost a quarter of the world's population live in the Indo-Pacific region as members of the thriving Commonwealth.[78] If inclined, Australia has the capability, capacity and credibility to fight its way to a mutually-beneficial free-trade agreement with the UK ahead of the vast majority of its competitors. But Brexit is not an opportunity to reverse history; the Anglosphere—an alliance more romantic than practical—has been consigned to the past and cannot be resurrected.[79]

The challenge for the ruling elite of Australia, Indo-Pacific countries and the UK is now to exploit the changes Brexit will bring and avoid the temptation for destructive recrimination and reversal. In the words of Henry Kissinger, the most experienced of politicians and an acclaimed master of *realpolitik*, 'the coin of the realm for statesmen is not anguish or recrimination; it should be to transform setback into opportunity'.[80]

Notes

1 72.2 per cent of those eligible to vote took part, the highest number of people ever to have voted in a UK election or referendum.

2 Henry Kissinger, 'Out of Brexit, opportunity', *Wall Street Journal*, 28 June 2016, p. 1.

3 Under the terms of the Treaty of Rome, signed in 1951 by the then member states (excluding the UK) and endorsed in subsequent treaties (that included the UK), nations within the EU are precluded from entering trade agreements independent of the Union.

4 Georgina Downer, 'In defence of the British nation state: the Australian case for Brexit', *Institute of Public Affairs* [website], June 2016, available at <http://ipa.org.au/publications/2519/in-defence-of-the-british-nation-state-the-australian-case-for-brexit> accessed 29 August 2016.

5 HM Government, *National Security Strategy and Strategic Defence and Security Review 2015: a secure and prosperous United Kingdom*, UK Government: London, November 2015, available at <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/478936/52309_Cm_9161_NSS_SD_Review_PRINT_only.pdf> accessed 29 August 2016; and Australian Department of Defence, *2016 Defence White Paper*, Commonwealth of Australia: Canberra, February 2016, available at <http://www.defence.gov.au/whitepaper/Docs/2016-Defence-White-Paper.pdf> accessed 29 August 2016.

6 The Indo-Pacific is defined as 'the arc extending from India through Southeast Asia to Northeast Asia, including the sea lines of communication on which the region depends': Australian Department of Defence, *2016 Defence White Paper*.

7 Australian Department of Defence, *2016 Defence White Paper*, p. 139.

8 Annmarie Elijah, 'Australia and the United Kingdom', *Round Table*, Vol. 95, Issue 387, October 2006, p. 667, abstract available at <http://www.tandfonline.com/doi/abs/10.1080/00358530601046778> accessed 29 August 2016.

9 Foreign and Commonwealth Office, 'Treaty between the Government of the United Kingdom and Northern Ireland and the Government of Australia for Defence and Security Cooperation', UK Government: London, 2013, available at <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/225444/8603.pdf> accessed 29 August 2016.

10 The ANZUS treaty is a collective security agreement, signed in 1951, that binds Australia and New Zealand and separately, Australia and the US, to cooperate on military matters in the Pacific Ocean region: Andrew Davies, Benjamin Schreer and Peter Jennings, 'Australia-UK defence arrangements', *The Strategist* [website], 22 January 2013, p. 1, available at <http://www.aspistrategist.org.au/australia-uk-defence-arrangements/> accessed 29 August 2016.

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Time for a whole-of-government China strategy to build trust between Australia and China

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Abstract

This paper examines how Australia might build trust and cooperation with China while strengthening its ties with Japan. It identifies the particular challenge for Australia, as a middle power, of preserving its significant economic interests with Northeast Asia, as well as its strategic interests in a stable and peaceful region. It argues that Australia's policy settings on China, in particular, need to strike the right balance between ambition as a middle power and realism about the influence it can bring to bear.

The paper addresses whether Australia's strengthening ties with Japan make it more difficult to build trust with China and proposes policy options for Australia to deal with China's growing economic, political and military power in the Indo-Pacific region in a way that builds trust in the relationship. It concludes that the risks to Australia's relations with China from Australia strengthening its relations with Japan are minimal and manageable but that Japan-China tensions increase the challenges for Australia.

Introduction

Ernest Hemingway said that 'the best way to learn whether a person is trustworthy is to trust him'.[1] It is a quote about relations between people but its meaning can apply to relations between states. The idea of enhancing trust between countries is an oft-used concept in international relations. Most countries want to build trust with other countries and formal government statements attest to the importance of enhancing trust for peace and stability.

But what do countries mean by building trust and do they share a common understanding of the elements of trust? How does a middle power like Australia build trust with a rising global power like China in a way that preserves its significant economic interests as well as its strategic interests in a stable and peaceful region?

The rise of China over the past three decades is changing power balances in the Indo-Pacific region and causing countries to question the components required for continuing peace and stability.[2] Trust was the central theme of China's President Xi Jinping's visit to the US in September 2015, perhaps in recognition of a perceived trust deficit in US-China relations. During that visit, President Xi underlined the need for a better understanding of 'strategic intentions' and 'more understanding and trust, less estrangement and suspicion in order to forestall misunderstanding and miscalculation'.[3] While President Obama did not use the word trust, he spoke about 'significant progress in enhancing understanding … and laying the foundation for continued cooperation'.[4]

Australia and China describe trust as an important component in their growing relations. In the context of the Second World War, Prime Minister Turnbull in August 2015 described the relationship between Australia and China as one of allies 'in an epic struggle for the survival of our own nations'.[5] In his speech to the Australian Parliament in 2014, President Xi spoke of the need to 'increase dialogue and exchanges and deepen political trust' through increasing mutual understanding and being 'sincere and trustworthy partners'.[6] It is relatively straightforward for two countries to agree on the importance trust plays in their relations but it is more complex to articulate what countries mean by trust and the expectations that flow from the obligations created by political trust.

Trust exists on multiple levels. There is trust between governments, between business communities, between peoples and between individual political leaders. A poll undertaken by the Lowy Institute in 2015 suggests contradictory results on Australia's views about China, reflecting the schism in Australia's relations with China across all sectors.[7] At the government level, there is a Comprehensive Strategic Partnership, annual leaders' meetings and a plethora of official dialogues. At the same time, China's transformation challenges how

Australia thinks about its national security and defence, with the Government recognising that the US-China relationship is the most powerful determinant and organising principle of Australia's strategic environment.[8]

The business community is confident about the prospects for growth from the China-Australia Free Trade Agreement, with the CEO of the Australian Chamber of Commerce and Industry describing the agreement as 'a jaw-dropping opportunity for Australia to build on its $140 billion annual trade with China, its largest trading partner'.[9] At the same time, there is caution about levels of foreign investment in sensitive sectors like telecommunications, and some populist concern about the impact of foreign investment in the real estate sector on housing prices.[10]

This paper will consider how Australia might build trust and cooperation with China while strengthening its ties with Japan. It will propose policies about how Australia could deal with the rise of China and its growing economic, political and military power in the Indo-Pacific region in a way that builds trust in the bilateral relationship. It will argue that the risks to Australia's relations with China from Australia strengthening its relations with Japan are minimal and manageable but that Japan-China tensions increase the challenges for Australia in managing both relationships.

The first part of the paper will define the problem for Australia of building a more robust, trusting relationship with China when the cultures, values and political systems of the two countries are so different. The paper will outline the changing strategic environment in the Indo-Pacific and the implications for Australia of China's rise. It will then consider whether Australia's strengthening ties with Japan make it more difficult to build trust with China and, if so, how to mitigate this risk. It will also consider the status of the Australia-China relationship and constraints to building cooperation and trust. The second part of the paper will propose policy initiatives under the auspices of a whole-of-government strategy on China to build political trust.

However, a laundry list approach to building cooperation with China will not work if the core ingredient of trust is absent. A whole-of-government strategy must be grounded in Australia's interests that are not always the same as the interests of the US and Japan. In September 2015, a former Australian Ambassador to Washington wrote that:

> [O]ver the years we Australians have lost the capacity to make up our own minds on our security (even though we have been robust on trade issues). In an era of growing geopolitical complexity, remember that in the final analysis Australian interests may not be the same as those of America.[11]

The paper also argues that China respects strength so a critical part of building trust and cooperation with China is to focus on the strength of Australia's

economy and the quality of its diplomacy as a middle power. The paper rejects the idea, articulated by former Prime Minister John Howard, that Australia could play a role as a bridge between the US and China.[12] As articulated by Peter Varghese, Secretary of the Department of Foreign Affairs and Trade, 'Australia has only a limited capacity to influence the relationships the major powers have with one another…. [and] we should be cautious of any suggestion that we can be a mediator or bridge between great powers'.[13]

Australia's policy settings on China need to strike the right balance between ambition as a middle power working with other similar-sized and smaller countries in the Indo-Pacific, and realism about the influence it can bring to bear on US-China relations. With clever, well-judged and well-timed diplomacy, Australia can leverage its relations with China, the US and Japan to question approaches and help clarify misunderstandings.

However, there is only so much that Australia can do to build trust with China. The levels of trust between China and Western nations, particularly US-allies like Australia, will be governed by levels of trust between China and the US, and there are hard limits to Australia's capacity to shift these parameters. The policy initiatives proposed in this paper seek to make sense within the context of an uncertain strategic environment in the Indo-Pacific and hedge against a range of possible futures.

Part 1: Changing strategic environment and implications for Australia's relations with China

The rise of China in the Indo-Pacific

There is no doubt that China is re-emerging as a significant global and regional power. It is the world's largest economy in purchasing power parity terms, with GDP at just over US$18 trillion in 2014, compared with the US with a GDP of US$17.4 trillion in 2014.[14] Malcolm Cook argues that:

> [China's] disproportionately huge population size, when combined with China's disproportionately rapid, sustained, and ongoing economic growth rates now, means that only the size of the US economy is comparable to that of China. In a decade, China's economy will likely have no peer on this foundational measure of national power in the inter-state system.[15]

This statement assumes that China's economy will continue to grow, whereas it is slowing as China transitions to more sustainable growth from an export-driven economy to growth generated by domestic consumption.[16] This transition will be challenging. However, given the size of China's economy, even if its growth slows to rates more often associated with developed-economy growth, it would still represent significant wealth and a powerful force in the global economy.

China's double-digit growth over several years has also enabled it to increase military spending from US$10 billion in 1997 to US$145 billion in 2015.[17]

Nevertheless, it is important not to overstate China's economic power. On a per capita basis, it is still a relatively poor country and has significant internal challenges to overcome if it is to reach Xi Jinping's 'Chinese dream' of becoming a moderately well-off society by 2021 and a fully-developed nation by 2049.[18] Varghese has contended that 'the strategic behaviour of a large rich country and a large poor country is not the same.... [and] to assume it is can lead to serious policy errors'.[19] For Australia, that means developing a deep understanding of China's governance structures and the priorities that drive its leadership—and not making assumptions that how rising powers have behaved historically will necessarily apply to China.

No certainty about how China will use its power

The statistics about China's growing national power speak for themselves but there is no common understanding among regional countries about how China will use its growing power. In his recent speech in Washington, President Xi said that China would 'keep to the path of peaceful development' and that 'China will never seek hegemony or engage in expansion', citing cuts to the size of China's military as a demonstration of its commitment to peaceful development.[20] China's recent forays in international anti-piracy operations in the Gulf of Aden and evacuations of citizens and foreign nationals from Yemen show a side of China that prioritises the use of soft power, and strategic wins that build China's international reputation.[21]

At the same time as it commits to peaceful development and helps to police global norms internationally, China asserts its sovereign right to build structures on disputed features it claims in the South China Sea, raising the concerns of regional states about the gap between China's words and deeds.[22] For example, at the August 2015 ASEAN Foreign Ministers' meeting, the communiqué 'took note of the serious concerns expressed by some Ministers on the land reclamations in the South China Sea, which have eroded trust and confidence, increased tensions and may undermine peace, security and stability in the South China Sea'.[23] China's rise has many positives but lack of trust translates to scepticism about China's promise of peaceful development.

Accommodating China's rise

China's rise has increased the complexity of the Indo-Pacific strategic environment and the challenges for Australia in balancing its security alliance with the US with its growing relationship with China. Japan and Australia are

committed US allies and support the US' rebalance policy to the Asia-Pacific. Both countries see a continuing role for the US in the Indo-Pacific as critical for regional peace and stability.[24] Both countries will also need to find ways to make greater space to accommodate China's views in regional architecture and bilateral dialogues.

Given the distrust and difficulties in the Japan-China relationship in recent years, Australia may find accommodating China less difficult than Japan. However, Australia's growing security relationship with Japan and the trilateral security cooperation between Australia, Japan and the US may create expectations that Australia will lean more towards supporting the US and Japan.

Japan and Australia have expressed concerns about actions by China that they see as increasing tensions. For example, shortly after becoming Prime Minister, Malcolm Turnbull expressed concern about China's reclamation activities in the South China Sea, saying that China's actions 'had the consequence of exactly the reverse of what China would seek to achieve', contending also that smaller countries in the region like Vietnam were drawn closer to the US because of China's position.[25]

In August 2015, Japan's Prime Minister Shinzo Abe spoke positively of the prospects for Japan and China to improve relations, asserting that both countries shared 'great responsibility for the peace and prosperity of the region'; however, he also reiterated that Japan could not accept attempts to change the *status quo* 'whether in Ukraine, the South China Sea … [or] the East China Sea'.[26]

Diverse views on China's strategic ambitions

There are multiple views about China's strategic ambitions. These include the alarmist that posits that China has hegemonic ambitions, that it wants to create 'Asia for Asians' and exclude the US, that China will become more assertive in protecting its maritime claims in the East and South China Seas, and that war between the US and China is inevitable.[27] Contrarily, Feng Zhu and Peng Lu argue that:

> [O]ffensive realists view China as a revisionist power which is trying to or will inevitably seek to reconstruct the existing international order by challenging American hegemony, whereas their liberal institutionalism-oriented counterparts strongly hold that China is and will continue to be a status quo power content with the economic interests achieved through international cooperation within the existing institutional setting.[28]

Varghese argues that there is no certainty about how China's transition will end but that all nations 'have a stake in the success of that transition' and that 'no-one gains if China fails'.[29] He has also asserted that:

> China will ultimately define its own strategic settling point. It will not be forced into someone else's view of what it should do or become. Nor is it realistic to expect that the US and China can negotiate some grand bargain to share power in Asia. The process of adjusting to shifting power balances in a multipolar Asia will be incremental and organic.[30]

Bilahari Kausikan argues that the defining feature of post-Cold War strategy is ambiguity, arguing that 'for non-great power countries, the essence of post-Cold War strategy is to embrace ambiguity.... [and that] to be forced to choose is to have failed'.[31] He argues that for many countries in East Asia, China is becoming more important economically while the US will play a vital role in their security for the near future, further asserting that countries can position themselves to avoid having to make 'invidious choices'.[32] For Australia, this means accepting that there is no certainty about the role a re-emergent China will play in the Indo-Pacific region. Australia's policies, therefore, need to be sufficiently flexible and robust to protect Australia's interests in a range of different eventualities.

Policy implications for Australia

This paper argues that Australia's policy settings on China must anticipate and facilitate China's desire to play a greater role in shaping regional and global governance. President Xi describes China as a 'participant, builder and contributor' to the existing international system, asserting that:

> [Many] countries, especially developing countries, want to see a more just and equitable international system, but it doesn't mean they want to unravel the entire system or start all over again. Rather, what they want is to reform and improve the system.[33]

President Xi cites China's 'Belt and Road', the Silk Road Fund and the establishment of the Asian Infrastructure Investment Bank as examples of open, inclusive Chinese initiatives to develop all countries, contending that such initiatives are not about seeking political influence.[34] Varghese notes that 'China has every right to seek greater strategic influence to match its economic weight', however:

> The extent to which this can be peacefully accommodated will turn ultimately on both the pattern of China's international behaviour and the extent to which the existing international and regional order intelligently finds more space for China.[35]

Australia has a solid record as an active participant in regional forums like APEC, the ASEAN Regional Forum and the East Asia Summit. There is scope for Australia

to work more closely with China in these and other forums, such as the G20 and the Asian Infrastructure Investment Bank, to strengthen China's role in open, inclusive, rules-based regional architecture. Former US Trade Representative and World Bank President Robert Zoellick claims that the US is not a *status quo* power and is comfortable with a dynamic system, implying there is a willingness for the US to work with China on modifying global arrangements.[36] Certainly, US (and Japanese) flexibility will be important to accommodating China's rise and will ease any policy contradictions for Australia.

One of the debates around the rise of China and the use of its national power centres on China's alleged challenge to the *status quo*. From the perspective of Australia, the US and Japan, security in the Indo-Pacific has been maintained through the post-World War 2 so-called 'hub and spokes' security arrangements with the US. This system was established when China was weak and focused on internal struggles. China has benefited from the peace dividend the US security role in the region has delivered, as it has been able to grow its economy without worrying about external threats. However, there is a legitimate question about what is meant by maintaining the *status quo* because it is a *status quo* that China was not part of creating but is expected to accept under a vastly different power differential than existed more than 60 years ago.

Strategic analysts have different views about China's challenge to the *status quo*. Nick Bisley sees the sustainability of the regional *status quo* over the medium to longer term as a key issue.[37] At the joint ministerial consultations in June 2014, Japanese and Australian defence and foreign ministers declared their opposition to the 'the use of force or coercion to unilaterally alter the *status quo* in the East China and the South China Sea'.[38] However, Hugh White thinks strategic rivalry will increase if countries resist accommodating China's ambitions, predicting that 'the strategic *status quo* in Asia will not last'.[39]

For Australia, the critical issue is not whether the regional *status quo* is sustainable in the context of China's rise but how any changes are made and the extent to which middle and smaller powers can influence the behaviour of major powers. Changes to the *status quo* are less problematic if they happen transparently, in accordance with rules and effective consultation. If countries do not trust China, and fear they will lose out in any regional power shift, then they will do what they can to strengthen their hand by working with like-minded countries.

Patient, long-term work to build relationships and trust with China is essential but this can only be effective if it is mutual. Efforts by Australia to build trust with China will be undermined by Chinese behaviour that can be perceived as escalating tensions, especially if China does not consult with regional partners about its actions. The reverse is also true. Australia and Japan need to consult

closely with China about actions or policies that China may see as threatening. For example, as part of its regular dialogue with China, Australia should explain why it supports Japan's security normalisation and why Japan making a stronger contribution to regional security is not a threat to stability. Open, frank and robust dialogue with China is essential.

This section of the paper has outlined how a lack of trust underlies strategic tensions in the Indo-Pacific. Countries are unsure about how China will use its growing power and the extent to which it will seek to reshape regional institutions and governance arrangements that Australia and partners think have served the region well since the end of the Second World War in promoting peace, stability and prosperity. According to Nick Bisley and Brendan Taylor, the principal challenge for Australia is maintaining freedom of policy manoeuvre by not over-committing too soon to a position that could unnecessarily result in paying a price with China.[40]

The complexity of the Indo-Pacific strategic environment in which competition and cooperation coexist means that the toolbox for governments needs to become more sophisticated and nimble, to manage effectively a combined policy of engagement and hedging. While some such as John Mearsheimer argue that security competition between the US and China is likely to end in war,[41] the more likely scenario is an accidental escalation of tensions—for example, due to an on-water incident in the South China or the East China Sea. The level of distrust of China by Japan and other countries also complicates the resolution of escalating tensions.

Opportunities for middle powers

The growth of China's regional and global interests provides opportunities for cooperation with China and for building trust over the longer term. Australia needs to understand better the policy options available to it in this more challenging security environment. While strategic differences between countries will endure, strengthening partnerships and understanding can reduce mistrust over strategic differences and find new ways to cooperate. Kausikan argues that:

> [U]nless Chinese concerns on the core issue [of preservation of Communist Party rule] can be assuaged by an explicit American acknowledgement that different political systems can have their own legitimacy, strategic trust will not be established. As this is not going to happen, the rest of us will just have to cope the best we can.[42]

Strategic mistrust between the US and China has important security implications for middle powers like Australia and for larger powers like Japan.[43] Australia's capacity for influence is limited but it is not nothing. Coping as best one can is a defeatist approach that does not give sufficient credit to creative middle-

power diplomacy. For example, Australia is active in the MITKA (Mexico, Indonesia, Turkey, South Korea and Australia) grouping of middle-power countries established in 2013 to 'serve as a cross-regional platform to increase mutual understanding, deepen bilateral ties, and find common grounds for cooperation'.[44] Moreover, because it includes the key regional countries Indonesia and South Korea, there is scope to use the forum to magnify the views of middle powers and influence the perspectives of major powers.

China values Australia's role as a middle power—and Australia needs to maintain and enhance this value. Bruce Gilley and Andrew O'Neill argue that China's rise creates new dilemmas for middle powers, 'since their original middle power *modus operandi* was predicated upon reinforcing American hegemonic world order, and this order is progressively dissolving'.[45] They argue that China sees Australia 'as an influential middle power … [that] by virtue of its proximity to China has retained its global significance'.[46] They cite that Australia has helped contribute to China's acceptance of the US presence in the region as well as indirectly influencing China's foreign policy by leading multilateral initiatives like the G20 and building Asian regional architecture.[47]

Alan Dupont and Michael Hintze contend that China sees Australia 'as an influential middle power, with an active foreign policy, whose alliance with the United States gives us greater regional clout than we would otherwise have'.[48] They propose that Australian governments should 'leverage these assets to advance our growing China interests while resisting any attempt by Beijing to decouple us from our alliance with the United States, or to dilute our commitment to democratic values and human rights'.[49]

Australia's longstanding reputation as a diplomatically-active middle power is a valuable asset in building trust and cooperation with China. The strategic future of the Indo-Pacific is complex and uncertain, and Australia's policy settings need to be robust and adaptable to a range of possible futures. The strengthening security partnership with Japan is one strategy to hedge against future uncertainty that creates both opportunities and management challenges for Australian policy.

Japan-Australia relations

Australia is strengthening its economic and political relationship with China at the same time as it is accelerating its security partnership with Japan. Thomas Wilkins contends that:

> [T]he rapid emergence and subsequent strengthening of the Australia-Japan strategic partnership … [is] one of the most significant recent developments in the regional security landscape, and especially within the context of the US hub-and-spoke alliance system.[50]

Australia and Japan have been deepening security ties for almost a decade since Prime Ministers Abe and Howard signed the Joint Declaration on Security Cooperation in 2007.[51] The declaration established regular '2+2' meetings of foreign and defence ministers. Defence and security cooperation has grown rapidly since, including agreeing an Information Sharing Agreement in 2012, an Acquisition and Cross-Servicing Agreement in 2013, and a Defence, Science and Technology Agreement in 2014.[52]

In 2014, Japan and Australia elevated their strategic partnership to a 'new special relationship', which is 'based on common values and interests including democracy, human rights, and the rule of law, open markets and free trade'.[53] Australia and Japan have since been working towards an agreement to facilitate the movement of military personnel for joint exercises.[54] Australia and Japan are also deepening trilateral security cooperation with the US through the Trilateral Strategic Dialogue.[55]

Australia has also welcomed Japan's security reforms which are aimed at enabling it to contribute more to international peace and stability, including by exercising the right to collective self-defence.[56] Prime Minister Turnbull confirmed the priority Australia attaches to enhanced security cooperation with Japan in a phone call with Prime Minister Abe in September 2015.[57]

This paper argues that Australia can pursue strengthening engagement with both Japan and China without making a choice between its economic interests with China and its security relations with Japan and the US. The idea of having to choose over-simplifies Australia's relationships that cover the full gamut of political, security and economic interests with both China and Japan. However, tensions between Japan and China do increase the challenges for Australia in managing both relationships.

In practical terms, Australia will need to take account of China and Japan's views in making decisions in Australia's national interests. Instances where Australia's policy choices may be constrained are likely to be fewer if Japan and China's relationship improves. China is less likely to be suspicious of Australia's strengthening security partnership with Japan if it is working directly with Japan to build trust. It is also important that China does not perceive the increased security cooperation between Australia and Japan as directed against it. Part of both countries' trust building with China over the next decade will need to include increasing Chinese involvement in military exercises and other confidence-building measures.

A sign of growing maturity in the Australia-China relationship is the pragmatic approach China takes to Australia's relations with Japan. There is no evidence that Australia's relationship with China has suffered because of strengthening

relations with Japan.[58] During the same period as Australia and Japan have intensified security relations, Australia and China have signed a Free Trade Agreement, upgraded relations to a Comprehensive Strategic Partnership, strengthened bilateral architecture with annual leaders' meetings and hosted reciprocal leaders' visits. China is also pragmatic about its differences with Australia on regional maritime security issues and expects Australia to align its position with its ally the US and close security partner Japan. It has made its views known to Australia but has not let the issue get in the way of bilateral cooperation.

In strengthening its security relations with Japan, Australia will need to be clear about its national interests and how they differ from Japan's interests. Australia and Japan have a longstanding partnership founded on shared interests and values. Australia accepts that today's Japan is a different country to pre-World War 2 Imperial Japan and that Japan has demonstrated for the past 70 years its commitment to democracy, peace, and a rules-based international system. There is a high level of trust between Australia and Japan, and Australia views Japan's current pacifist identity as irreversible. Australia does not see Japan as a threat to regional peace and security, whereas China is suspicious about the motives behind Japan's security reforms.

Where Australia and Japan may differ, however, is on how to build trust and engage with China given the unresolved historical issues between Japan and China. One unresolved question for Japan is whether it has ambitions to play a larger role in Indo-Pacific security comparable to its economic weight as the world's third largest economy, or whether it is on-track to become a middle power with China assuming a larger regional role. How Japan handles its own transition has critical implications for Indo-Pacific security.

This section of the paper has argued that Australia's strengthening security ties with Japan have minimal impact on Australia's relationship with China but are a factor to consider in exploring ways to build trust with China. Poor trust between Japan and China would complicate Australia's policy options and require clear-headed judgment about when Australia's and Japan's interests intersect and when they diverge.

China-Australia relations

The current Australian Government has a different narrative about its partnership with Japan than it has on its relations with China. Australia and Japan articulate their shared interests from the perspective of shared values including democracy and human rights. For China, the language narrative is about cooperation and the management of differences. The Australian Department of Foreign Affairs

and Trade's country brief on China notes a range of consultation mechanisms to 'advance cooperation and manage differences'.[59]

In November 2014, then Prime Minister Tony Abbott noted that 'Australia and China have different systems of government but have become a model of how two peoples and two countries can complement each other'.[60] Trust has become an important part of the bilateral narrative and it will be critical for Australia and China to build trust gradually through increased political and practical engagement. In September 2014, China's Foreign Minister Wang Yi said that China 'looks forward to deepening our political trust and carrying out strategic cooperation so that we can lay a solid foundation and provide more lasting driving force for the longer term and more stable growth of our relationship'.[61]

In considering how to advance cooperation and trust with China, there is a rich foundation on which to build. The 2014 Comprehensive Strategic Partnership builds on the more robust bilateral architecture agreed in 2013, which included annual leaders' meetings. There are also a range of ministerial-level meetings, including a Foreign and Strategic Dialogue and a Strategic Economic Dialogue.[62] These dialogues are important for ministers and leaders to know each other better and build trust. Linda Jakobson argues that building trust at senior levels of government requires years of effort and a strong foundation.[63] Australia and China are also strengthening the relationship through senior-level dialogue, education, reciprocal naval ship visits, and humanitarian assistance and disaster relief exercises.[64]

Moreover, the two militaries have expanded their operational cooperation and familiarisation through their joint search for Malaysian Airlines flight 370. The implementation of the China-Australia Free Trade Agreement also provides a new framework for advancing Australia's economic partnership with China. In addition, the Australian Government's New Colombo Plan provides a valuable pathway to increase the experience of Australian undergraduates in China.[65]

Constraints to enhancing Australia-China cooperation

The introduction to this paper noted that a 'laundry list' approach to building cooperation with China would not work if the core ingredient of trust was absent. This section of the paper will outline some of the constraints and risks to building trust and cooperation with China as context for the next section of the paper that will propose policy options. Understanding the constraints and, in particular, which of those Australia has the power to resolve will bring a practical focus to the policy options proposed.

The state of great-power relations between the US and China has the biggest impact on strategic trust in the Indo-Pacific region. Dupont and Hintze argue that the 'lack of trust is the core problem in the US-China relationship'.[66] If the US and China do not trust each other then, as a US ally, it is difficult for Australia to build trust with China. South Korea faces a similar dilemma to Australia where, like Australia, President Park Geun-hye has been pursuing good relations with both the US and China.[67]

Scott Snyder and See-won Byun have argued that South Korea has rejected 'many Chinese initiatives that created pressure on South Korea to choose between the US-ROK alliance and better relations with China'.[68] According to Varghese, Australia's security will depend on how other countries manage the complexity of their relationships in a more multipolar Asia, contending that the US-China relationship 'will be the single biggest determinant of strategic stability in Asia'.[69] Kausikan similarly posits that 'the chief risk in US-China relations is conflict by accident and not war by design'.[70]

There is little Australia (or any country other than the two parties) can do to change the trust equation between the US and China. At the margins, Australia can use its leverage with both to encourage cooperation, help explain misunderstandings, and strengthen regional security forums which reinforce global norms. This paper has argued that to date, Australia's strengthening relationship with Japan has not adversely impacted on cooperation with China, and that China is a pragmatic partner that understands the priority Australia attaches to the US alliance and its partnership with Japan. A key risk could emerge, however, if China perceives closer Australia-Japan cooperation or, indeed, closer trilateral cooperation with the US under the Trilateral Strategic Dialogue as directed against its interests or at containing China's rise.

Malcolm Cook makes the point that 'trilateral strategic cooperation between Australia, Japan, and the United States has become more institutionalized, active across a much wider spectrum, and more willing to collectively express concerns about regional security matters involving China'.[71] The Trilateral Strategic Dialogue partners need to be conscious of this risk and mitigate it, including by inviting China to participate in exercises and initiatives to build trust, and through transparency and balance in statements stemming from the dialogue.

Australia faces capacity and coordination constraints in building its relationship with China. The Lowy Institute in its 2011 report titled 'Diplomatic Disrepair' outlined the resource constraints of Australia's diplomatic service and argued that Australia was under-represented in regional China.[72] Part of the problem is that there is no publicly available whole-of-government strategy on China.

In October 2012, the Gillard Government released the *Australia in the Asian Century White Paper* that outlined a comprehensive strategy involving several pathways for strengthening Australia's national capabilities to shape Australia's future with Asia.[73] The Department of Foreign Affairs and Trade accordingly developed a country strategy on China, which also took account of community consultations.[74] However, there was no bipartisan approach to the White Paper and the incoming Abbott Government effectively shelved the paper. This lack of bipartisanship hinders efforts to build trust and cooperation. However, it is important not to overstate this as an obstacle, as China understands Australia's politics and the hyperbole of day-to-day political debate. Nevertheless, division between the major parties about the direction of Australia's relationship with China feeds into broader community perceptions about China.

At the very least, some of the debate makes Australia appear inward looking and ignorant of the opportunities of engaging with China. The recent political debate over the passage of the China-Australia Free Trade Agreement is a case in point, with the Opposition arguing that additional protections were required to protect Australian jobs and the Government accusing it of running a fear campaign against China.[75] While the debate was often about the domestic impact of free trade deals, for a period the focus was on China, prompting the Chinese Ambassador to caution publicly that the agreement represented a hard win after ten years of negotiations and that the opportunity should not be allowed to slip away.[76]

Another constraint to building trust and cooperation with China is the lack of understanding and awareness that many Australians have about China. There is much more work to be done to strengthen community connections and build enduring people-to-people ties. The country strategy for China developed in response to the *Australia in the Asian Century White Paper* highlighted the intangible but real obstacles of misinformation and negative perceptions.[77]

James Brown argues that part of the problem is that much of Australia's relationship with China is built on trade, so has a transactional quality.[78] He also contends that cultural interaction is largely elite and lacks the 'casual yet important people-to-people interactions forged through sport, movies and music', and that 'the comfortable familiarity of popular culture, so important in our other international relationships, is virtually non-existent in our relationship with China'.[79]

There is also the issue of the sheer scale and size of China and the importance and difficulty of being active in a range of regional centres in China, not just Beijing, Shanghai and Guangzhou. This requires a sophisticated and coordinated approach with the states and territories, and a bigger investment

in the Australian Government's presence in other Chinese cities, such as Chengdu, where Australia opened a Consulate in 2013.[80]

Australia is also constrained by the asymmetry of interest in the relationship. China looms very large on Australia's radar but Australia is competing for China's attention in a crowded space where many other countries are working to build their relations with China. As Australia's Ambassador to China said in a speech in June 2015, 'there is no shortage of governments around the globe which understand the value of deep and meaningful engagement with China'.[81]

Moreover, as China's economic model moves away from investment in large-scale infrastructure to domestic consumption, China may need Australia less than it has in the past decade, during which exports of Australia's iron ore helped fuel China's economic development. This paper has outlined the argument that China sees Australia as an influential middle power and that Australia has had some success in influencing China's foreign policy. However, in future, Australia will need to be more innovative in its diplomacy to maintain and enhance its influence over China.

There is also a definitional constraint. Does Australia know what it wants to achieve in its relationship with China and does China share that perspective? Kausikan does not think that the US or China really know what they want and this creates challenges for other countries in deciding how to position themselves *vis-à-vis* the US and China.[82] Perhaps the most sensitive and difficult constraint to building trust with China is the challenge of bridging differences in values, political systems and culture. Liberal democracy is a deeply-held part of Australia's identity as a nation, just as China's Communist Party is inherent to modern China. Bruce Gilley and Andrew O'Neil question the degree to which Australia trusts China, using the example of the arrest of Australian citizens in China to show the lack of confidence in the disparate views on human rights and the rule of law.[83]

Dupont and Hintze argue that a national China strategy should 'aim to maximise the benefits to both countries while ensuring that each understands the limits to a partnership which is founded on many shared interests but fewer shared values, even though the values gap between Australia and China is less profound than it was thirty years ago'.[84] Differences over values are unlikely to be resolved to either country's satisfaction and need to be managed as part of the relationship. Varghese asserts that values 'should define who we are, not what we insist others become' and that values are not there to be imposed on others.[85] The earlier-mentioned country strategy for China highlighted the recognition and respect of differences in the political systems and values of

Australia and China as strengths of the relationship, noting also the mechanisms which have been developed to help manage such differences, including the Australia-China Human Rights Dialogue.[86]

Part 2: Policy recommendations

Australia and China have focused more on developing the economic side of the relationship, with political links and people-to-people ties less developed, although there has been a lot of activity in the past couple of years to develop the bilateral architecture and establish new dialogues such as the Foreign and Strategic Dialogue and the Strategic Economic Dialogue. These new forums are still in their infancy, so there is obvious scope to shape them and deepen the quality of Australia's conversation with China.

This section of the paper will propose policy initiatives to build trust and cooperation with China, building on much of the work both countries have done in recent years. Under the framework of a whole-of-government China strategy, this paper will propose policy initiatives to build political trust. It will also consider policy resistance, key implementation actors and the resource implications of the suggested policies.

Policy recommendation 1: Whole-of-government China strategy

Australia's relationship with China would benefit from a bipartisan whole-of-government China strategy, developed in consultation with key stakeholders and across multiple agencies to provide effective guidance and support to the relationship. The objective of the strategy would be to build trust through adding depth and substance to the Australia-China Comprehensive Strategic Partnership, as well as strengthening community support for Australia's engagement with China.

The foundation for a whole-of-government strategy should be the Australia-China Comprehensive Strategic Partnership agreed in 2014. However, the content of the partnership is unclear and no publicly-available document outlines what it is. The Department of Foreign Affairs and Trade's country brief on China contains a single sentence on the partnership, saying that '[u]nder the Australia-China Comprehensive Strategic Partnership, the apex of this structure is the annual leaders' meeting between our Prime Minister and the Chinese Premier'.[87]

This contrasts with the Australia-Singapore Comprehensive Strategic Partnership that is outlined in a detailed joint declaration by the two Prime Ministers in June 2015.[88] The Department of Foreign Affairs and Trade's website also includes a detailed fact-sheet on what the Australia-Singapore Comprehensive Strategic

Partnership will mean in practical terms in relation to economics, foreign affairs, defence, security and people-to-people links.[89] A whole-of-government China strategy would need to have a similar level of practical detail.

Consultation with stakeholders

One of the purposes of developing a whole-of-government China strategy would be to build public understanding and support for Australia's relationship with China and to encourage young Australians to develop an interest in China that will translate into long-term people-to-people links through tourism, education, culture, trade and investment. Public consultation during the development phase of the strategy, as well as regular consultation during implementation, would obviously be important.

The public consultations held during the development of the *Australia in the Asian Century White Paper* are a useful model.[90] At the time, the Government established a website and a formal process for receiving public submissions. The White Paper team also held a series of public consultation forums in states and territories and travelled to the Asia-Pacific region for consultations with governments and other stakeholders, such as the business sector, academics, and media commentators. Public submissions were also made available on the web site.

The then Government's decision to develop comprehensive country strategies for key Asian countries, including China, was an outcome of the White Paper.[91] Critically, it was decided that country strategies were to be developed collaboratively with the Australian community to 'set the objectives and priorities for relationships across the whole community with each country'.[92] The strategies were also to be tabled in Parliament and regularly updated and evaluated.

The key point is that the strategies were much broader than the government-to-government relationship, and encouraged Australians to think broadly about engaging with China and other key Asian partners. The public consultations in state and territory capitals proved to be valuable outreach, with high levels of interest from the community.[93] This paper recommends a similar consultation process in developing a whole-of-government China strategy, with the added improvement of regular community consultations, at least annually, built into the process.

Resources

An annual community consultation process would incur modest financial costs, including domestic travel for officials, venue hire and catering. The Department of Foreign Affairs and Trade should be able to absorb the costs as part of its

operating budget. Some of the consultations could take place on-line and through innovative use of social media such as twitter forums. However, it would be essential to hold some face-to-face community forums, although consultations in every state and territory would likely not be necessary each year. Consultations could be timed to coincide with mid-term consultations by the Australian Ambassador and Consul-Generals based in Guangzhou, Shanghai, Chengdu and Hong Kong. They would usually hold consultations with key stakeholders in some state capitals, so broadening their consultations to include key officials from Canberra and a couple of public forums should work well.

It would be appropriate for the Department of Foreign Affairs and Trade to lead the community consultations, with representation from the Department of the Prime Minister and Cabinet, and other relevant agencies such as Austrade, Education, Industry, and Energy as appropriate.

Implementation actors

It would be essential for state and territory governments to be key partners in a whole-of-government China strategy and to be encouraged to develop their own China strategies, consistent with the national strategy but focused on their specific interests. There would need to be effective consultation between the Commonwealth and state and territory governments to facilitate cohesion in Australia's engagement with China rather than competition between jurisdictions.

The recommended coordination point would be through State Premier and Chief Minister Departments. It may be appropriate to include a periodic agenda item on meetings of the Council of Australian Governments in order to facilitate an appropriate level of coordination. The Victorian Government's strategy 'Engaging China – Strengthening Victoria' is a useful model.[94] It identifies five strategic priorities for engaging China that include developing research partnerships, and building links with Jiangsu Province and other cities with which Victoria has links. China literacy should also be a priority.[95]

The China country strategy would likely need to comprise two documents; one that is available publicly and a classified version that would deal frankly with sensitive issues and propose nuanced strategies for Australia to navigate the balance between its security alliance with the US and its objective to build trust and cooperation with China. It would seem appropriate for the Department of the Prime Minister and Cabinet to lead this process as it is the only department that can compel buy-in from other portfolios to ensure that the strategy would be truly whole-of-government, although the Department of Foreign Affairs and Trade would clearly need to provide substantial support to this process.

Another possible model for the China strategy would be the aid investment plans initiated by Foreign Minister Bishop, as part of the 'New Aid Paradigm' announced in June 2014. As part of that initiative, aid investment plans have been developed for each country and regional program, and include priorities for the aid program.[96] While these aid investment plans have a development cooperation focus, the concept could be broadened to focus on the totality of Australia's investment in and engagement with a particular country.

Policy resistance

For a whole-of-government China strategy to have maximum benefit, it would be essential to have bipartisan support, the lack of which was a key downfall of the *Australia in the Asian Century White Paper*. It would also be essential for the strategy to be adequately funded and resourced. One of the criticisms of the *Asian Century White Paper* was that it was largely unfunded, which undermined the credibility of its objectives.[97] It would be important to calibrate the development of the China strategy against the realities of financial constraints to ensure a document that neither raises unrealistic expectations nor under-promises. The communication strategy as the document is developed would be important in calibrating the message for the community and for China.

One argument against a national China strategy is that it would only make sense in a policy context if Australia also developed strategies for other key relationships. The geopolitical challenges for Australia's policy settings presented by the rise of China include broad foreign and security policy questions that potentially affect several of Australia's key relationships, including with the US, Japan and Southeast Asia. It would be important to embed a process to ensure consistency of approach across all key relationships.

Some might also argue that a China strategy could constrain Australia's policy flexibility by removing ambiguity. There is value in judging situations on a case-by-case basis and taking a more nuanced approach. Putting too much in writing could narrow Australia's policy options or increase the challenges in managing its relations with China, the US and Japan. For example, when Australia and the US release joint statements at the Australia-US Ministerial Consultations, or Japan, Australia and the US release joint Trilateral Strategic Dialogue statements, they represent a shared view on particular security issues.

The final wording of such statements is the outcome of negotiations over language. China monitors closely the language used, particularly on sensitive issues like tensions in the South China Sea, and is quick to criticise if it feels that the statements are not objective.[98] The reverse is also true. The US and Japan would likely play close attention to Australia's China strategy to ensure

consistency with Australia's alliance commitments. Hence, greater ambiguity may broaden Australia's policy options.

Nevertheless, a bipartisan whole-of-government China strategy would build trust with China because it would demonstrate that Australia takes China seriously across all aspects of the relationship, not just economics and trade. It would move Australia away from a transactional approach to relations with China to a partnership that is more real and enduring. It would provide real pathways to strengthen and develop new areas for engagement that would build understanding over time.

It would also provide a framework to synergise Australia's efforts and minimise contradictory messages and efforts across government and jurisdictions. The community outreach and engagement would encourage the development of stronger people-to-people links. Most importantly, an effective strategy would signal to China that Australia takes a long-term approach to its partnership with China, much as China approaches its relations with Australia.

Policy recommendation 2: Build political trust

This paper recommends that a whole-of-government China strategy includes measures for Australia to build political trust with China. The broad direction of Australia's efforts should be included in the publicly-available strategy, with more detail outlined in a classified version to give clear guidance to officials across government. As state and territory governments would be key partners in building political trust, especially with regional cities in China, it would be important to share the classified strategy with them with appropriate caveats.

Build on the 'Comprehensive Strategic Partnership' and annual leaders' meeting

A good place to start would be for Australia and China to work together to make better use of the Comprehensive Strategic Partnership and the annual leaders' meetings. The establishment of annual leaders' meetings recognises the importance of strong political foundations to the Australia-China relationship.[99] In June 2015, Australia's Ambassador to China, Frances Adamson, argued that Australia 'will need to bring all this new architecture fully to bear—as well as the strong rapport between our political leaders—if we are to engage and influence China as it evolves under President Xi'.[100]

When Australia secured an annual leaders' summit with China, it was one of a handful of countries to have this regular high-level dialogue with China.[101] The annual leaders' meeting is still a relatively new forum, and the quality and frankness of its discussions will take time to develop. However, Australia needs

to approach the annual leaders' discussions with the objective of speaking frankly and consistently to China about the geostrategic issues facing the Indo-Pacific, including the role of the US and the impact of China's behaviour in the South China Sea on trust and confidence in the region. Australia needs to be well prepared and speak from a perspective of understanding history and China's world-view.

The value of annual leaders' meetings is that leaders' decisions have the power to cut through bureaucratic resistance and give agencies the mandate to pursue particular joint initiatives. The deadline of an annual leaders' meeting means agencies need to engage consistently and proactively with their Chinese counterparts to achieve progress in implementing leaders' decisions. Annual leaders meetings do not just announce new areas of cooperation; they are also an accountability forum for previous commitments.

Where there are blockages in cooperation, leaders' meetings provide a deadline for sorting them out or a forum to work through the issues. This paper recommends that each future Australia-China annual leaders' meeting issues a joint communiqué that outlines agreements reached, as is the case with the Australia-Indonesia annual leaders' meeting.[102] To that end, the Department of Foreign Affairs and Trade could run an inter-agency process between meetings, say every quarter, to monitor progress and prepare for the next meeting.

Be trustworthy and open to Chinese initiatives

The best way to be trusted is to be trustworthy, as demonstrated to China by Australia in its response to the tragic downing of MH370. The leadership that Australia displayed in the search for MH370 with Malaysia, China and other Asian partners built trust in those key relationships that Australia can leverage to build cooperation in search-and-rescue and other areas.

Australia generally reacts quickly to a crisis like MH370 and is generous in its response. However, Australia could be more trustworthy by being more open to China's initiatives to build its international role. For example, Australia took some time to agree to join China's initiative for an Asian Infrastructure Investment Bank, ostensibly because of concerns about governance structures.[103] The background noise, however, focused on the proposal as a Chinese initiative to challenge Japanese- and US-backed institutions like the Asian Development Bank and the International Monetary Fund.[104] Bisley argues that the Asian Infrastructure Investment Bank initiative is one example of China 'actively seeking to change aspects of its international environment with which it does not feel comfortable in areas that are not especially contentious'.[105]

However, Australia's political instinct was to gather further information and hold off a decision until it knew what the US, Japan and other countries would do. Whatever words Australia used publicly, its delayed decision signalled suspicion of China's motives. To build trust with China, Australia needs to complement its rhetoric about supporting a greater institutional role for China with a more open and positive reaction to Chinese initiatives. There is nothing wrong with having concerns about the governance of the Asian Infrastructure Investment Bank. However, Australia arguably would have a better conversation with China if the initial Australian reaction had been more positive.

Asian Infrastructure Investment Bank and G20

Now that Australia has signed the Asian Infrastructure Investment Bank's Articles of Agreement in June 2015, there is an opportunity to be an active participant and help to play a bridging role between it and the Asian Development Bank, using Australia's active role and substantial investment in both organisations.[106] Australia is the sixth largest shareholder in the Asian Infrastructure Investment Bank with A$930 million committed over five years.[107] Australia is providing up to A$629.2 million to the Asian Development Bank replenishment from 2013 to 2016 and holds 5.8 per cent of total shares.[108]

Australia is also part of a troika with China and Turkey as the immediate past, current and next chairs of the G20. Infrastructure financing was a priority for Australia's G20 leadership in 2014, so there is a strong basis to work with China in practical ways to prepare for China's G20 year, bringing together the Asian Infrastructure Investment Bank as well as looking for ways to work with China on its Silk Road initiative.[109]

Resources

This paper recommends that in addition to the funds Australia has committed to the Asian Infrastructure Investment Bank, Australia also make early commitments of quality personnel. Under the Articles of Agreement, Australia is entitled to appoint a Governor and alternate Governor.[110] It should also signal its interest in and lobby for a seat on the separate Board of Directors and select an outstanding candidate for this purpose.[111] Australia should also make available expert staff to work at the Asian Infrastructure Investment Bank, ideally comparable to Australia's staffing levels at the Asian Development Bank, where Australia has 65 staff, comprising 6 per cent of the total international staff.[112]

Some of these staff should be secondments from relevant Australian Government departments, including Treasury, Department of Foreign Affairs and Trade, Finance, Infrastructure and Regional Development, the Reserve Bank and officials from state and territory governments. This paper recommends that the

Commonwealth allocates funding for an initial six secondments to the Asian Infrastructure Investment Bank for postings of three years, with a competitive selection process across government departments. China experience, as well as experience in international development banks and international finance, would be key skills for these positions. There may be resistance to the idea of competitive postings across government, as usually government departments 'own' certain postings, but it is worth trialling whether a multi-agency approach would attract a broader talent pool.

Build on the strategic and economic dialogue

Linked to Australia's interests in the Asian Infrastructure Investment Bank and the G20, the Australia-China Strategic Economic Dialogue is a key forum for building trust. It is also an especially important forum for Australia's Treasurer and Trade and Investment Minister to understand the implications of China's slowing economy on Australia's economic interests, and to better understand China's economic reform priorities.

The second Strategic Economic Dialogue in August 2015 agreed to the establishment of bilateral working groups to explore opportunities in northern Australia and the region, including the role of Australia's Northern Australia Infrastructure Facility and the Asian Infrastructure Investment Bank.[113] Both Australia and China want to strengthen cooperation under the Investment Cooperation Framework, signed in November 2014, to share information, promote investment in new sectors and identify investment roadblocks.[114]

This paper recommends that Australia builds on the Strategic Economic Dialogue by including additional components to add value. For example, when the dialogue is held in China, the Treasurer and Trade and Investment Minister could include a couple of regional business-focused visits within China as part of the itinerary and involve relevant state and territory governments and the business sector. A similar component could be incorporated for the visiting Chinese delegation when the dialogue is held in Australia. The resources required would be minimal and include modest additional travel expenses to regional cities in China and logistical work for the Embassy and Consulates.

Presence

Woody Allen's quote about 80 per cent of success being about showing up rings true in China.[115] Building political trust with China requires Australia to be present, visible and active over the long term. Sometimes, ministerial invitations will come at the last minute for forums that on their face may not seem particularly valuable for Australia's interests. This paper recommends that

Australia moves beyond a transactional approach to relations with China and starts viewing it through a longer-term prism focused more on relationships.

Resources

Resourcing is a challenge for Australia as ministers and officials are spread thinly and departments would struggle to service a big increase in ministerial travel. A whole-of-Australia approach is essential. For example, ministers could make more use of assistant ministers and parliamentary secretaries for more frequent engagement with their Chinese counterparts. Consistent with the proposed China strategy, state and territory ministers should also be encouraged to travel more to China. For example, Victoria's Premier has said that all Victorian ministers should travel to China before the next election.[116]

Invest in future leaders

Australia also needs to invest much more heavily in identifying and building relationships with future leaders in China. One way Australia does this currently is through the Department of Foreign Affairs and Trade's Special Visits Program that brings influential people to Australia for approximately a week-long program.[117] However, there is strong competition for Special Visits Program funding and it would be unusual to receive more than a couple of special visitors from China each year. Organising and hosting a Special Visits Program visitor is also resource intensive for the Department's geographic divisions, and the role is often delegated to junior officers and graduate recruits who, while they do a good job, do not have the gravitas of more senior officers.

This paper recommends that additional financial resources be allocated to the Special Visits Program and that a special unit be established within the Department's public diplomacy division to run visits in coordination with geographic divisions. Ideally, Australia should host a rolling program of visitors from all regions of China with a minimum of 30 visits each year. This would likely cost around A$600,000 per year not including staff costs, based on $20,000 per visit. It is likely that the Department of Foreign Affairs and Trade would need to bid for additional financial and staffing resources. However, it would be an investment worth funding to build political trust with China's future leaders.

Conclusion

Building trust and cooperation with China is essential to Australia's future prosperity and security. Trust between countries takes years to develop and can be undermined quickly by behaviour that is inconsistent with understandings between countries. Cooperation builds understanding between countries and that makes trust more likely but not guaranteed. Australia's expanding

cooperation with China in a raft of different areas, including development cooperation, Antarctic issues and climate change, helps to build institutional partnerships between agencies.[118] However, an expanding laundry list of cooperation with China will be hollow if the core issue of trust is absent.

To build trust, Australia and China need to identify common ground in their cooperation, policies and joint initiatives. In his book about trust in US-China relations, Michael Tai argues that empathy builds trust as it conveys respect and demonstrates through deeds an understanding of the other.[119] In Tai's view, US policymakers tend to see the world 'in adversarial zero-sum terms', showing little appreciation for empathy or putting themselves in China's shoes.[120] Policies that build Australian communities' understanding of and interest in China over time are likely to increase empathy and build trust.

This paper has considered the question of how a middle-power country like Australia can build trust with a rising power like China in a way that enhances its economic and strategic interests in a stable and peaceful Indo-Pacific region. In a speech to the Asia Society in April 2013, Varghese said that:

> [T]he biggest challenge faced in the Indo-Pacific region isn't the rise of any one power. Rather, it is the manner that major powers manage the complex blend of interdependence and competition that lie at the heart of their bilateral relationships. Ambiguous relationships of both competition and cooperation are the new norm.[121]

For Australia this means navigating the complex path between the enduring security alliance with the US, the growing security partnership with Japan, and the desire to build a more substantive relationship with China beyond economics.

This paper has argued that the risks to Australia's relations with China from Australia strengthening its relations with Japan are minimal and manageable but that Japan-China tensions increase the challenges for Australia in managing both relationships. Building a more robust, trusting relationship with China presents challenges because of differences between cultures, values and political systems. However, these differences are not as stark as they once were. China is a more open society than it was and the two countries have established a range of dialogues to help manage differences. A critical element of building trust with China is for Australia to recognise when its interests may diverge from the US and Japan. This will not be easy, and the US, Japan and China will have expectations about Australia's position and support.

The key policy initiative this paper recommends is that Australia develops a bipartisan whole-of-government China strategy. It recommends two models; a publicly-available country strategy along the lines of those developed from the *Australia in the Asian Century White Paper*, and one related to the current Government's aid investment plans but broadened beyond the aid

relationship. Consultation with the public and state and territory governments would be essential during both the development phase and implementation. The strategy would be most useful if it was bipartisan and adequately funded. States and territories should be encouraged to develop complementary strategies to support a whole-of-Australia approach to building trust and cooperation.

Australia and China have a solid foundation to their political relationship with the Comprehensive Strategic Partnership and annual leaders' discussions. The challenge is for both countries to make the best use of available forums to build trust and understanding. Australia and China need to speak frankly and consistently about Indo-Pacific geostrategic challenges in a conversation that goes beyond rhetoric and finds common ground. There will be areas of disagreement, including on maritime behaviour, but progress is more likely if countries are empathetic and understand the other's point of view.

Australia needs to be more open to China's initiatives to play a greater role on the global stage. The instinct should be to lean in and be positive and not be too cautious and wait for others to show their hand first. The paper suggests a range of practical ways that Australia could do this with respect to the Asian Infrastructure Investment Bank and through building more value into Australia's ministerial dialogues with China. Australia needs to move away from a transactional approach to relations and invest more in developing long-term relationships with emerging leaders.

For a long time Australia has seen China as a market. Australia can learn from China's long-term, relationship-focused approach. Australia needs to be more visible, present and engaged. None of this will be easy if China's behaviour contradicts its edict of peaceful development and raises uncertainty and tensions in the region. This is an enduring risk. The empathy, understanding and cooperation developed will at the very least help Australia and China to navigate future difficulties.

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Cold fleet: The Southern Ocean, Antarctica and the ADF

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Abstract

This paper examines Australia's involvement and responsibilities in Antarctica and the Southern Ocean, in the context that both have increasingly become areas of interest to Australia as a result of a number of environmental and socio-political drivers, notably climate change, resource exploitation and growing tensions over sovereignty claims.

The paper addresses several approaches for dealing with these issues, particularly identifying areas where the ADF (Australian Defence Force) has the capability and potential assets to contribute significantly to Australia's national interests. It concludes that in the not-too-distant future, it may prudent for the ADF to head south, where its development of 'cold fleet' (and perhaps 'cold feet') capabilities could contribute significantly to Australia's longer-term security.

Introduction

Antarctica and the Southern Ocean have increasingly become areas of interest to Australia as a result of a number of environmental and socio-political drivers, notably climate change, resource exploitation and growing tensions over sovereignty claims.[1]

This article will examine Australian involvement and responsibilities within Antarctica and the Southern Ocean to determine effective approaches for dealing with these issues, particularly in a resource-constrained environment. It concludes by making a number of recommendations as to what the ADF could do to assist in addressing these issues.

Antarctica and the Southern Ocean

Australia has a longstanding involvement in Antarctica and the Southern Ocean. Over the years, numerous scientific expeditions have been launched from Australia, and Hobart is an internationally-recognised 'gateway' to the Antarctic region.[2] In addition to early British expeditions, notable Australian explorers have included Douglas Mawson, Edgeworth David and Griffith Taylor. These and other pioneers established a scientific tradition of exploration and scientific leadership, establishing Australia as a 'world leader in many areas of Antarctic sciences, contributing substantially to its influence in international discussion'.[3]

This tradition has solidified Australia's claim to 42 per cent of the Antarctic landmass, known as the Australian Antarctic Territory. It is the single largest claim on the continent, notable for having no contested territorial boundary overlaps (notwithstanding that the US and Russia refuse to recognise Australia's claim).[4] The Antarctic Treaty System, the key legislative framework used since 1959 to regulate interactions between parties in Antarctica, remains the cornerstone for international involvement within Antarctica today.[5]

The Southern Ocean, which borders the Australian Antarctic Territory and several Australian-flagged islands, is a key commercial and strategic region for continued Australian economic success and security. Although the Southern Ocean contains the world's largest untapped commercial fishing stocks, its Southern Patagonian toothfish population was heavily over-fished in the early 1990s, generating considerable media reporting in Australia and calls for better protection of resources within the Australian exclusive economic zones (EEZ) surrounding Macquarie Island and Heard and McDonald Islands (see Figure 1 overleaf).[6]

Such overfishing contributed to the development of two key conservation agreements: the Convention for the Conservation of Antarctic Marine Living Resources (CCAMLR), which governs living marine resources; and the Protocol

on Environmental Protection to the Antarctic Treaty (1991), also known as the Madrid Protocol, which prohibits commercial mineral extraction in Antarctica.[7] CCAMLR, with its Hobart-based secretariat, is cited as one of the most effective examples of maritime conservation, whereby 'harvesting is carried out in a sustainable manner … tak[ing] account of the effects of fishing on other components of the ecosystem'.[8]

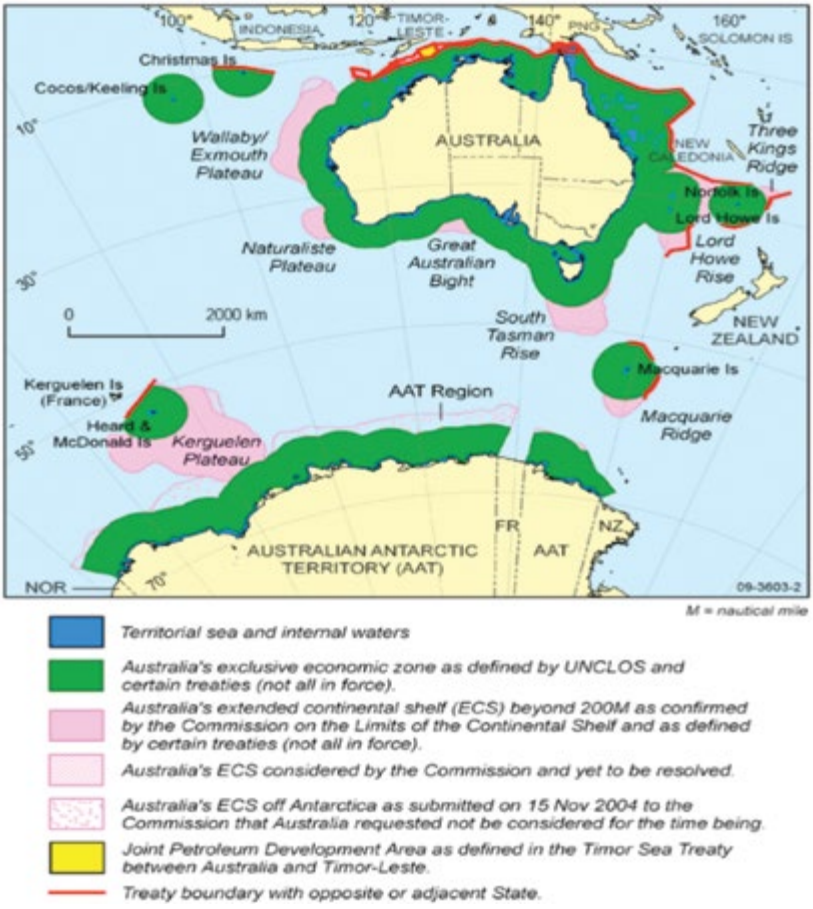

Figure 1: Australian territory and claims in Antarctica and the Southern Ocean[9]

Government agencies

Australia's principal authority on matters concerning Antarctica is the Australian Antarctic Division, within the Department of Environment. It is responsible for funding research and the logistics required to support operations. The Division's 2015-16 budget was $118.4 million, substantially less than its 2014 budget of $157 million.[10] However, the Government announced in October 2015 that the existing research vessel *Aurora Australis* would be replaced at an estimated cost of $500 million, to provide a substantially-enhanced capability in both logistic and scientific support.[11]

The Department of Defence is primarily involved in Antarctica and the Southern Ocean through the assets contributed individually or as part of combined operations by each of the three Services in support of Australia's national activities. These include science, emergency response, enforcement, and logistics support. Within the Southern Ocean, the ADF is involved in surveillance of Heard and McDonald Islands, and fisheries enforcement in consultation with other government agencies.[12] The Australian Government also has search-and-rescue responsibilities within this region, and ADF assets have been called on in the past, notwithstanding that the ADF lacks dedicated vessels for operating in the region's conditions.

Within Antarctica, ADF involvement has been more limited because of the demilitarised nature of the Antarctic Treaty System and the privatisation of logistic support to the Australian Antarctic Division. In previous years, the RAN contributed hydrographic survey teams, and Army on occasions deployed geospatial teams in support of Australian Antarctic Division activities. In 2015, the RAAF deployed a C-17 heavy-lift aircraft to Wilkins aerodrome in Antarctica as part of a proof-of-concept logistic support for Australian personnel. That commitment will continue in 2016, as Operation SOUTHERN DISCOVERY, involving up to six flights.[13]

Other than these examples, the ADF's presence in the Antarctic and Southern Ocean is generally minimal, beyond its hydrographic and search-and-rescue obligations.

The Antarctic Treaty System and challenges

The Antarctic Treaty System is the 'framework for the governance of the land and water south of 60 degrees south latitude'.[14] Its 53 signatories comprise seven claimant states and 46 others (some of which either do not recognise the claims of others or have not stated their positions). However, all have agreed to suspend existing claims and any associated disputes, instead committing to use the continent for expressly scientific purposes.

Provision exists for the Treaty to be reviewed in 2048. In the meantime, decision making is restricted to the 'consultative parties' (totalling 29), being the original 12 signatories and 17 others directly engaged in scientific research (as opposed to the remaining 24 states, which are simply signatories). Importantly, scientific contributions in combination with an active presence generate political capital within the Antarctic Treaty System, with a lapse in either perceived as a loss of commitment, particularly to territorial claims.[15]

Both the US and Russia (as the former Soviet Union) were original signatories to the Treaty, although neither were claimant states as such. However, both maintain an unspecified 'basis of claim' to territory, effectively rejecting the claims of others, and both maintain several year-round stations in Antarctica.[16] Several other states have been steadily increasing their presence in Antarctica, including China and India.[17]

The media has also reported several occurrences of 'flag waving' in recent years, including by the UK in naming a new portion of Antarctica after Queen Elizabeth II, and a sign outside a Chinese research station with the words 'Welcome to China' among the more benign.[18] Collectively, such developments have led some to speculate that emerging parties may eclipse Australia's influence and reputation, and even—given recent cuts to the Australian Antarctic Division's budget—potentially force Australia to cede territory.[19]

Beyond these perceived assertions of authority, reported research by Russia and China (and others) into the feasibility of mining in Antarctica has also raised concerns.[20] There have also been reports of Antarctic research stations conducting scientific research into developments with dual-use military purposes, including in relation to offensive weapon systems. For example, the establishment of a Chinese research base (Kunlun Station) on Argus Dome, the highest icecap in the South Pole at over 4000 metres, is ideally situated for satellite communication, and could have a role in signals interception or the control or detection of ballistic missiles.[21]

While some of these reports are little more than speculation, the potential dual-use of infrastructure within Antarctica undoubtedly raises some concerns within Australian defence circles as to what has otherwise been regarded as a secure southern approach. Such concerns highlight the need for greater levels of transparency regarding the 'scientific research' being undertaken by consultative partners to the Antarctic Treaty System. Otherwise, there will be increased potential for misunderstanding and miscalculation, as is already a feature of other contested regions of the world.

Environmental change

In 2014, the Intergovernmental Panel on Climate Change reported that:

> Warming of the climate system is unequivocal and, since the 1950s, many of the observed changes are unprecedented over decades to millennia. The atmosphere and ocean have warmed, the amounts of snow and ice have diminished, and the sea level has risen.[22]

This trend, corroborated for the past 30-50 years across numerous stations in Antarctica, has exacerbated concerns over the future of the continent's terrestrial and aquatic wildlife.[23] The rising temperature extremes accompanying this change, resulting in seas reportedly warming by as much as 1-2 degrees Celsius over the past 100 years, have already been evidenced globally through increased ocean acidification (where the Southern Ocean is particularly vulnerable).[24] It is also expected that climate change impacts within Antarctica and the Southern Ocean, particularly in relation to melting ice, will be substantially greater in the future, with continuing adverse effects.

For example, recent studies have modelled altered fish migration patterns within the Southern Ocean under various climate change scenarios, which may result in certain populations 'becoming locally extinct, if they are unable to adapt to warmer ocean temperatures'.[25] Second-order impacts may also result in food web disruptions throughout the ecosystem, compounding the issue further.[26] Perhaps the most pertinent example relates to krill, which underpins a large proportion of food webs, where it has been noted that 'a large-scale and long-term projection for the Southern Ocean shows that, within a century, important krill recruitment habitats could be seriously affected'.[27]

Any such single example is expected to be sufficient to cause significant damage to the environment; in concert, multiple impacts could be catastrophic. Such likely outcomes reaffirm the need for greater scientific inquiry in the region to better appreciate both the drivers and impacts of climate change. Given that scientific research provides both an essential contribution to knowledge and the accrual of political capital within the Antarctic Treaty System, it would seem a worthwhile investment to support the Australian Antarctic Division and Australia's scientific endeavours in Antarctica.

In addition, there is obvious benefit in protecting Australia's environmental and economic interests in the Southern Ocean, which already show indications of decreases in commercial fishing stocks. Moreover, it is widely acknowledged that Antarctica plays a dominant role in Australia's own climate, where Antarctic processes sustain the climates experienced in Australia. Indeed, some have argued that the dangers posed by climate change should be framed as a security issue for Australia, reinforcing the need for scientific research and timely actions to mitigate its implications.[28]

Illegal fishing

Between 1995 and 2009, it is estimated that some 150 fishing vessels operated illegally in the Southern Ocean, contrary to the provisions of the UN Convention on the Law of the Sea, which prohibit the unauthorised exploitation of marine resources within a country's EEZ.[29] As noted in the 2014 *20 Year Australian Antarctic Strategic Plan*:

> The lack of regular patrols in the region means that those fishers are able to continue to deplete fish stocks in the Convention Area of the Commission for the Conservation of Antarctic Marine Living Resources without sanction.[30]

In a number of instances, the vessels were operating in Australia's conservation zones, yet Australia lacked the resources to respond (or at times did not know that the vessels were present or operating illegally), with Sam Bateman noting in February 2015 that:

> We've had a number of incidents already this year where Australia actually couldn't do anything, despite the fact we had the primary obligation to respond.[31]

In January 2015, for example, three vessels were detected by Australian patrol aircraft illegally fishing within Australia's EEZ. However, because Australia lacked the ability to respond, it requested that New Zealand offshore patrol vessels, which were in the area, intercept the vessels under the provisions of CCAMLR, which authorises the boarding and inspection of suspect vessels by signatory members where the aggrieved party is unable to respond.

Such collaborative efforts, particularly between Australia, New Zealand, UK and France, are not uncommon in the Southern Ocean. For example, Australia signed an agreement with France in 2003 in which both nations agreed to provide security within the adjoining EEZs of Heard and McDonald Islands, and the Kerguelen Islands.[32] Agreements for even closer cooperation between the two countries were reached in 2011 and 2015, with extended patrols being conducted by the Australian Border Force vessel *Ocean Shield* that year.[33] Similarly, in December 2015, the UK icebreaker HMS *Protector* deployed from Hobart to the Southern Ocean in support of the UK and its partners' territories.[34]

There have also been broader examples of international cooperation to combat illegal fishing activities, most notably when the fishing vessel *Thunder*, illegally fishing for toothfish in the Southern Ocean, was pursued by the conservation group Sea Shepherd for 110 days, with *Thunder*—and its Chilean captain and largely Indonesian crew—being denied entry to a number of ports as the pursuit went from the Southern Ocean to the Indian Ocean and then the Atlantic.[35]

The Government's response

In 2013, the Australian Government commissioned a report to examine Australian commitments in the Southern Ocean and Antarctica over the next 20 years. Its findings, released in 2014 as the *20 Year Australian Antarctic Strategic Plan*, recommended several areas of investment, including a strengthened whole-of-government approach, a replacement icebreaker and the development of inter-continental air transport.[36]

Several recommendations gave scope for deeper involvement between government agencies, which potentially could include the ADF. As noted earlier, the ADF does not have dedicated assets capable of operating year-round in the Southern Ocean and Antarctic waters. Bateman, for example, has argued for the acquisition of offshore patrol vessels similar to those of New Zealand, which are capable of operating in the remote Southern Ocean.[37] Anthony Bergin has similarly questioned whether Australia's current patrol boat replacement program, which focuses on border protection within Australia's northern approaches, should be reviewed to include the requirement to operate in the Southern Ocean, given the increasing need to police the southern fisheries.[38]

However, others have argued that the current reactive policy is appropriate for the Southern Ocean, based primarily on intelligence, surveillance and reconnaissance assets, rather than acquiring and deploying a pre-emptive surface patrol capability.[39] While that argument seems reasonable, it nevertheless would seem useful for the ADF to have the capability to react rapidly to illegal fishing incursions, as well as search-and-rescue commitments, rather than depending on the support of partners or by deploying RAN or Australian Border Force ships that are ill-suited to the conditions.

Moreover, while the Antarctic Treaty System expressly prohibits military activities within Antarctica, provision exists for the use of logistic units in support of scientific endeavour. Such arrangements are already in place with both New Zealand and the US, each with capabilities similar to Australia's. Unlike Antarctica, the Southern Ocean has no such military restrictions and there would seem to be significant scope for further ADF involvement, particularly given the increasing interest in the region and incidents such as the intercept of illegal fishing vessels in January 2015 and the MH370 recovery effort, which have illustrated the difficulties for Australian vessels operating in these waters.[40]

It is also necessary to consider the increasing frequency of tourism operations in the Southern Ocean, with an estimated 40,000 tourists visiting Antarctica in 2015 alone. Given Australia's search-and-rescue mandate in a large proportion of the Southern Ocean and Antarctica, it may also be in the Government's

interest to invest in a capability which can respond to these emergencies, considering recent examples where Australia was unable to do so and had to leverage international partners to meet its obligations.[41]

Recommendations and opportunities

Against this background, it would seem prudent to review the ADF's engagement in Antarctica, drawing particularly on the experience of the New Zealand Defence Force, which has supported New Zealand's Antarctic program for over 50 years, with Operation ANTARCTICA now the largest since the downscaling of Afghanistan operations in 2015. The New Zealand Defence Force experiences its highest levels of activity in the lead-up to the Antarctica summer season, with approximately six C-130 and four Boeing 757 flights per year being deployed to transport some 1200 tonnes of cargo and over 5000 personnel.[42]

Personnel and cargo from both New Zealand and the US are also transported to and from, and within Antarctica as part of a cooperative agreement between both nations, which 'adds a great deal of value to the New Zealand Antarctic program and makes a significant contribution to our US partners'.[43] New Zealand's claimed territory in the Ross Dependency is supported by a New Zealand Defence Force contingent of up to 200 personnel in the summer, with smaller teams remaining to offer specialist support over the duration of winter. It therefore seems logical that the ADF should engage closely with the New Zealand Defence Force, given its extensive experience supporting Antarctic operations.

Opportunity 1: Develop a dedicated heavy-lift support capability to supplement Australia's existing logistic efforts

As mentioned earlier, Australia has been using C-17 heavy-lift support flights (as part of Operation SOUTHERN DISCOVERY) to supplement the Australian Antarctic Division's logistic capacity, currently provided by contracted Airbus 319s, particularly until the replacement of *Aurora Australis* in 2019. As a semi-permanent or even permanent contributor to Australian Antarctic Division operations, a dedicated heavy-lift support capability could be broadened beyond the contractual obligations of existing arrangements, enabling the RAAF to gain experience in an environment unlike any other Australian operation. Continued C-17 flights would also allow the *Aurora Australis*' replacement to conduct dedicated scientific research rather than focusing almost exclusively on supply runs.

The C-17's ability to fly to and from Antarctica without refuelling provides a flexibility unavailable to current Antarctic contractors (at least at short notice).

That was demonstrated in March 2016 when RAN members were deployed at short notice via a C-17 to assist in the loading and extraction of helicopters from the Australian Antarctic Division's South Casey base.[44] The regularity of resupply flights means that missions could be planned well in advance, and deconflicted with other ADF operations. The New Zealand Defence Force also has experience with intra-Antarctic flights using C-130s, which could be a potential area of expansion for the RAAF.

The New Zealand Defence Force is planning to replace its airlift fleet in the period 2018-25, presenting an opportunity for the ADF to collaborate in developing a joint airlift capability.[45] Noting the rising risk of a serious incident involving tourists, in addition to those involved in scientific research—and the likelihood that the ADF would be tasked to respond—it would seem prudent for the ADF to gain experience operating in extreme cold weather when the situation is benign, rather than being required to respond to a crisis for which it had limited preparation.

Opportunity 2: Invest in a Southern Ocean-capable seagoing platform for enforcement and search-and-rescue responsibilities

The New Zealand Defence Force operates Protector-class offshore patrol vessels, which are ice-strengthened to operate in the Southern Ocean and Antarctica. These vessels have already been used to intercept illegal fishing vessels, and provide a capability Australia does not possess. As the ADF is currently investigating a replacement vessel for its patrol boats, mine hunters and survey vessels through procurement project SEA 1180, it would seem logical to consider future commitments to the Southern Ocean (and Antarctica) that may be required by one of these three vessel types (including, for example, existing hydrographic survey obligations).

Indeed, examples like those of January 2015 involving illegal fishing vessels illustrate that it would be appropriate to consider a vessel with similar capabilities to the New Zealand offshore patrol vessel to meet the requirements of search-and-rescue and Australia's commitment to CCAMLR. The show of sovereignty generated by such patrols is recognised globally, with a notable example being the UK's 2015 deployment of the armed icebreaker HMS *Protector* to police territory far beyond the scope of its normal areas of operations.

Given that both New Zealand and France have called for deeper commitment from Australia in support of the shared policing of EEZs and enforcing CCAMLR, it would seem useful for the ADF to deepen its engagement with the New Zealand Defence Force to assess this niche capability and be better informed on SEA 1180.[46]

Opportunity 3: Deepen engagement with local partners and maintain existing ADF-supported operations in Antarctica

While both Australia and New Zealand are in competition as Antarctic gateways, the close association between the ADF and the New Zealand Defence Force nevertheless provides a number of collaborative opportunities. Indeed, given the New Zealand Defence Force's explicit aim of operating in conjunction with the ADF, as expressed in New Zealand's most recent Defence White Paper, it seems appropriate for the ADF to engage militarily with New Zealand in CCAMLR and search-and-rescue responsibilities. Closer support to scientific collaboration, as suggested in the *20 Year Australian Antarctic Strategic Plan*, could also be facilitated through shared logistics between the ADF and New Zealand Defence Force.

While no current precedent exists for cooperative Antarctic logistics between the two countries, defence cooperation in this space would offer benefits to both. In addition to the capabilities recommended at Opportunities 1 and 2, the longstanding association between New Zealand and Australia provides the basis for additional cross-training in niche skills, such as cooperative hydrographic engagement, where data could be used for scientific research in support of both nations. Defence capacity-building between Australia and New Zealand has long been recognised in both nations' doctrine, and the scope to do so in Antarctica for logistical and scientific gain offers a unique avenue for closer engagement.

These recommendations accord with the intent of the *20 Year Australian Antarctic Strategic Plan*. Such collaborative efforts, supporting international norms, would particularly benefit scientific endeavours that address fisheries monitoring and climate change issues, and would enhance Australia's position within the Antarctic Treaty System. They would also benefit the ADF's international reputation[47] and, strategically, assist in ensuring a de-militarised Antarctica and a secure southern approach to Australia.

Maintenance of the Antarctic Treaty System's status quo, and mitigating the threat posed by currently-prohibited activities, is clearly in Australia's interest. While any formal challenge to the Antarctic Treaty System cannot be instigated until 2048, recent rhetoric from others is likely to have heightened concerns within Australia as to the longer-term security of its southern approaches, with the attendant prospect of needing to divert resources from its northern approach.

More broadly, the increased use of ADF assets in support of the Australian Antarctic Division, as part of a coordinated whole-of-government effort, would signify to the international community that Australia takes very seriously its commitment to the Antarctic Treaty System and Australia's claims to Antarctic territory.

Conclusion

While any ADF contribution to Australian operations in Antarctica, in the spirit and words of the Antarctic Treaty System, can only directly relate to the logistic and constabulary roles outlined above, this article has argued that there would be considerable flow-on effects, including in terms of Australia's commitment to the Antarctica. Scientific endeavours in Antarctica are particularly dependent on the necessary funding to provide effective logistics, where recent experience—notably the threatened closure of Australia's permanent base on Macquarie Island—has illustrated the impact of government-wide austerity measures on the Australian Antarctic Division's activities.[48]

In the expected environment of ongoing financial constraints, continuing search-and-rescue and illegal fishing responsibilities, and international jostling and competition by states keen to exploit the perceived resources and strategic benefits of Antarctica, it has been argued that the ADF has the capability and the potential assets to contribute significantly to Australia's national interests in the Southern Ocean and Antarctica. In the not-too-distant future, it may prudent for the ADF to head south, where its development of 'cold fleet' (and perhaps 'cold feet') capabilities could contribute significantly to Australia's longer-term security.

Notes

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France and Australia: Realising our potential as like-minded strategic partners

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Abstract

This paper examines the potential for Australia and France to develop closer defence engagement. It contends that both have similar strategic interests, equally focused on regional stability and the rule of law, and that they have similar policy positions for how to achieve these goals. It also asserts that Australia and France are both significant actors, with a similar expeditionary mindset about the globalisation of security imperatives, and with similar political and military cultures with regards to risk.

The paper argues that increased engagement with France would directly benefit Australia's strategic interests, both regionally and as fellow contributors to a rules-based global order. It concludes that Australia should further advance defence and diplomatic engagement with France on security issues, aiming to enhance Australia's ability to influence events while also usefully widening the circle of like-minded partners, as well as maintaining military interoperability for an uncertain future.

Introduction

> France is a power in the Indian and Pacific Oceans.... [A]s a permanent member of the Security Council, France is true to its international commitments as well as to its friends and partners.... It is deeply committed to contributing to an international order based on peace, justice, and law.
>
> Jean-Yves Le Drian, French Minister for Defense, April 2014[1]

> Only the most one-eyed of Australia's 'Asia only' foreign policy Red Guard could have failed to notice France's remarkable re-emergence as a global strategic player.... Overall, there's good reason for Australia and France to look at options for closer defence and security cooperation. We're like-minded countries that want to be serious players in international security.
>
> Peter Jennings, Executive Director, Australian Strategic Policy Institute, February 2014[2]

The *2016 Defence White Paper* foreshadows Australia taking an active role in both regional stability and maintenance of the rules-based global order.[3] These two requirements are linked by a simple reality: Australia alone has limited ability to materially change the course of international events without the leverage of multilateralism and like-minded bilateral partners. Therefore, and in addition to Australia's other partnerships, there is benefit to be gained from deepening the relationship with a globally-influential country that is both willing and able to use its national power in the Indo-Pacific region.

France and Australia have similar interests on the various strategic issues in the region and are both significant actors. They share a similar expeditionary mindset about the globalisation of security imperatives, and have similar political and military cultures with regards to risk. For these reasons, this paper will argue that increased engagement with France would directly benefit Australia's strategic interests.

To support this argument, the paper will show that France and Australia are strategically and militarily like-minded, with mutual benefits to be gained from increased defence engagement. The paper will illustrate where successful defence cooperation with France already occurs and where there is unrealised potential for doing more. Freedom of navigation in the South China Sea will then be explored as a topical issue of high significance for Australia that illustrates how further strategic cooperation with France would be valuable.[4] The paper will then acknowledge the potential risks and counter-arguments for such cooperation and will show how they are outweighed by the benefits.

France's engagement in the Indo-Pacific region

In addition to its roles in Europe, Africa and the Middle East, and its position on the UN Security Council, France is also heavily engaged in the Indo-Pacific region with self-interest in taking this further. As asserted by France's then Foreign Minister in late 2014, '[o]ur prosperity and our security are intimately and inseparably linked to the prosperity and security of Asian countries; any crisis in this region will directly impact our interests'.[5]

France's regional interests and strategy are comprehensively expressed in its 2014 policy paper titled 'France and Security in the Asia-Pacific'.[6] For example, Asia accounts for 32 per cent of France's imports and 36 per cent of its exports outside the EU, with this trade highly dependent on regional stability and freedom of navigation in the Indian Ocean and Southeast Asian sea-lanes. In its foreword, France's current Defense Minister noted that:

> The Asia-Pacific region is characterized by the importance of its maritime areas and the sea lanes of communication (SLOCs) which extend from the Yellow Sea to the Arabo-Persian Gulf. These SLOCs are vital both for Asia and Europe and they form globalization's 'jugular vein'.[7]

France has a substantial military presence throughout the Indo-Pacific region, with bases in Djibouti, Reunion Island, Abu Dhabi, New Caledonia and French Polynesia. The 7150 personnel at these bases represent 60 per cent of France's permanent overseas military establishment, titled 'sovereignty and presence forces'.[8] In addition, France regularly deploys substantial forces for operations and international engagement in the region. Recent examples include deployments of the Aero-Naval Group (based around the aircraft carrier *Charles de Gaulle*), ship visits and patrols in the South China Sea (typically twice yearly), annual 'Jeanne d'Arc' amphibious and officer-training two-ship deployments, submarine patrols in the Indian Ocean, and increasing bilateral cooperation with the US Marine Corps.

France's commitment is also demonstrated by the emphasis it has placed in recent years on defence engagement with regional states. Formal strategic partnerships have been signed with Australia, China, India, Indonesia, Japan and Vietnam. France also has substantial and deepening defence relationships with Singapore and Malaysia. As part of an extensive diplomatic presence, France has 18 defence attachés in Asia.[9]

France's strategic thinking on the region is explained by Nicolas Regaud, Special Adviser to France's Head of International Relations and Strategy in its Defense Ministry, as follows:

> France is not 'discovering' the Asia-Pacific.... After a period of withdrawal following defeat in the War of Indochina, France commenced a 'pivot' starting

> in the early 90s: multiplication of strategic dialogues, military cooperation linked to defence materiel exports, participation in regional fora (Western Pacific Naval Symposium, Indian Ocean Naval Symposium, Quadrilateral Defence Coordination Group, South Pacific Defence Ministers' Meeting) and numerous regional military exercises. Our 2013 Defence White Paper portrays—like never before—the strategic importance of the Indo-Pacific region, the issues with the potential to seriously threaten our interests, and the need to actively participate in regional security.[10]

France's increasing presence gives it the potential to be an important 'influencer' in the region, and one that Australia can work with to mutual benefit.

The strategic relationship between France and Australia

There is a solid framework of agreements for security cooperation between France and Australia. The 2009 Defence Cooperation and Status of Forces Agreement provides a legal and administrative basis for bilateral activities, and one which is both robust and flexible in its applicability.[11] In the 2012 Joint Statement of Strategic Partnership, the two governments 'reassert the importance of close bilateral cooperation to address major international security issues of common concern … and their cooperation in the Pacific and Indian Ocean regions, where they both have an interest in promoting peace, stability and prosperity'.[12]

A regular program of senior visits and statements keeps reinforcing these agreements. A joint statement by then Prime Minister Tony Abbott and President François Hollande in Paris in 2015 affirmed that '[w]e have agreed to deepen the security aspects of our bilateral relationship'.[13] Strategic policy guidance continues in the same vein, with France's 2013 Defense White Paper, for example, referring to the 'growing convergence of the two countries' interests on a large range of subjects, both international and regional, relating to the Pacific and to the Indian Ocean'.[14] Similarly, Australia's *2016 Defence White Paper* states that:

> Australia and France share a longstanding and close defence relationship with a shared commitment to addressing global security challenges such as terrorism and piracy … [and that] we are strong partners in the Pacific where France maintains important capabilities.[15]

This growing engagement extends well beyond the domain of security. For example, there have been some 40 Australian ministerial and 160 senior official visits to Paris since mid-2014, covering many areas of bilateral cooperation and mutual interest.[16] While their capitals are geographically distant, France and Australia are strategically and military like-minded. Each takes a global view of its security interests and has capable expeditionary military forces. They are

both prepared to accept tactical and strategic risk with their military forces if the situation requires it, and to lead military interventions in their respective areas of influence.

Australia's leadership of the INTERFET deployment to Timor Leste occurred in the face of great uncertainty over potential military resistance from Indonesia and major logistic risks.[17] Similarly, the 2013 French intervention in Mali was launched rapidly against a determined and well-armed insurgent force, and conducted over vast distances that stretched logistics arrangements.[18] Many states make contributions to military interventions but France and Australia are among a particularly select group in the above respects.[19]

France and Australia have also alternated as the second most significant contributor to the counter-Daesh intervention in Iraq and Syria (depending on whether the French aircraft carrier group is in theatre). French security relations with both the US and the UK have also significantly deepened. For example, US Secretary for Defense Ashton Carter contended in July 2015 that:

> Now, I've been working on Trans-Atlantic Security for a long time, both in and outside of government, and I think … this is the best our defense relationship has been in a very long time, probably ever, and we're committed to strengthening it still.[20]

The 2010 Lancaster House Agreement between France and the UK has similarly marked growth in their bilateral defence and security relationship. This is evident from their Combined Joint Expeditionary Force, operations in Africa and the Middle East, materiel cooperation, personnel exchanges, joint facilities, air policing, immigration control and intelligence sharing.[21] Australia's *2016 Defence White Paper* confirms the primacy of our US alliance and the value of the 'Five Eyes' intelligence community but there is room for Australia to work more with France as well.[22]

Current Australia-France cooperation in the Indo-Pacific region

Australia already cooperates well with France, both bilaterally and within multilateral arrangements such as the FRANZ Agreement, the Quadrilateral Defence Coordination Group, and the Indian Ocean Naval Symposium.[23] The POVAI ENDEAVOUR framework is an Australian initiative for Pacific defence cooperation, and France is a major participant through hosting of exercises such as CROIX DU SUD.[24] France was the first regional country to respond to Australia's request for participation in the INTERFET mission in Timor Leste and, during the Fiji crisis, Noumea was used as a staging and logistics base for ADF operations.[25]

Other examples include a regular program of strategic dialogues and military-to-military staff talks, humanitarian assistance missions, naval passage exercises, individual exchanges, modest French participation (or observer roles) in Australian-hosted major warfighting exercises, materiel cooperation, the Cooperative Fisheries Surveillance Treaty, and a 2015 trilateral Maritime Surveillance Summit in Noumea with France and New Zealand.

Opportunities for increased cooperation

Some of the strategic-level intentions described above are only being partially realised, and there is potential to do more. This would be welcomed by France, with the previously-mentioned Nicolas Regaud asserting that:

> We should enlarge our thinking on what brings us together—beyond the Pacific—because, while France is a middle power, it has global reach … and Australia's interests go well beyond the Asia-Pacific…. We share the same vision of strategic autonomy (that is to say, the ability to act alone if necessary, such as in Africa for France and in the Pacific for Australia, or sometimes with other partners and the United States for major operations); we also share the same 'fighting spirit', a somewhat rare quality…. There is rich potential for cooperation in numerous domains: Africa, Middle East, cyber, counter-terrorism.[26]

In what is likely to prove a major development in the defence relationship, French company DCNS will be the supplier of Australia's future submarines, and an inter-Governmental Agreement is currently being negotiated. Extensive technical and industrial cooperation will be required but there is also considerable scope for growth to occur in naval and strategic engagement over many decades to come.

A Mutual Logistics Support Agreement between Australia and France was initiated in 2006.[27] This will have many benefits for both parties, including providing access for Australia to the French Pacific Territories' basing facilities and logistics support. Noumea's role in World War 2, as an allied base, illustrates its potential strategic significance, particularly in an era of changing regional power balances. However, for a number of years after its signing, the Mutual Logistics Support Agreement was not given a high priority so progressed little until 2013, and is only now approaching finalisation.[28]

France's participation in Pacific region peacekeeping interventions has been inconsistent: it was not involved in Timor Leste after INTERFET, nor Operation ANODE in the Solomon Islands or Operation BEL ISI in Bougainville. The reasons for this are complicated and will be addressed further below. Nonetheless, encouraging greater French participation would support Australian interests by providing extra military capacity, logistics support efficiencies, and enhanced global profile. Similarly, there is scope for greater French participation in exercises such as TALISMAN SABRE, PITCH BLACK and amphibious training with

the US Marine Corps in northern Australia. This would enhance interoperability and deepen military-to-military links with a potentially-valuable future partner.

Australia's recent focus on defence diplomacy (as expressed in the *2016 Defence White Paper*) also suggests a useful area of cooperation. France has a sophisticated approach to military engagement around the world, typified by its relationships with francophone Africa. The 2013 Mali intervention and ongoing trans-Sahel counter-extremism operations are proving highly effective, in a manner non-typical of other recent Western interventions. This was greatly facilitated by longstanding personal and institutional ties, as well as a sound French understanding of how to cooperate effectively with indigenous governments and military forces. This is a good study for Australia, so we could usefully incorporate French insights into our training and education, and into our evolving mechanisms for international engagement.[29]

A topical example: policy alignment on freedom of navigation and the rule of law

The *2016 Defence White Paper* notes an array of strategic tensions in Australia's region and further afield. But it also particularly emphasises risks to the international order posed by competing territorial claims in the South China Sea and the need to resolve them through the rule of law.[30] France's position is strikingly similar, illustrating how it is in Australia's interests for the two countries to work together on such major strategic issues, with France's Defense Minister asserting in June 2012 that:

> [R]egional and global cooperation must be underpinned by common structures and standards. France's role is not to come up with the various solutions to bring to the various sovereignty disputes existing in Chinese South Sea, for instance. They must be solved through negotiations in the framework of international law, in a spirit of self-control and dialogue.[31]

China has been willing to push boundaries and has a preference to negotiate bilaterally with other South China Sea claimants in considerably less powerful positions. As Tony Walker observes:

> The Chinese will seek to get away with what they can.… [So] it is incumbent on countries such as Australia to invest—with its allies—in what might be described as a hedging strategy, not to 'contain' China but to provide a counterweight to its ambitions.[32]

Adding prominence to Australia's unity of messaging with France on the South China Sea would provide greater weight, further reassure the smaller nations in the area, and introduce both a European perspective and that of a permanent member of the UN Security Council. This would make the issue global rather than regional, and would mitigate China's preference to deal

bilaterally with other claimants, which accords with the observation in August 2015 by Peter Varghese, then Secretary of Australia's Department of Foreign Affairs and Trade, that:

> Global multilateralism rests on the equality of states. But power resides with the handful of states with the strategic and economic reach to shape events. The story of multilateralism is the constant quest to expand the reach of the former and constrain the raw power of the latter. It works best when states with power accept that their broader interests are served by a system of international rules and norms which apply to all.[33]

To date, much of the discussion on this issue has been focused on Japan and the US. This is compromised by two factors; first, the rule-of-law argument is diminished by the US' non-signature of the UN Convention on the Law of the Sea and by Japan's own status as a claimant in the East China Sea; and second, by Australia's desire to maintain policy independence in its dealings with China. The following observation by Sam Bateman is cautionary in this regard:

> Japan is an inherently insecure country. In the current strategic environment a closer security relationship between Australia and Japan is more to the benefit of Japan than it is for Australia. Placing too much emphasis on a strategic relationship with Japan suggests a strategic inferiority complex on the part of Australia…. It's not a matter of choosing sides in Northeast Asia … it's more a matter of being able to maintain even-handed neutrality.[34]

Japan has a complicated relationship with China. While Australia is developing its defence relationship with Japan, engagement with China should remain on Australia's own terms—and there is nothing to be gained from being perceived as taking a side on Japan-China issues. Membership of a looser but wider consensus on the South China Sea would leave Australia more freedom of action to finesse the full range of its China relationship.

What might this look like in tangible terms? France has maintained a fairly low profile in its public discourse on this issue. Australia could, therefore, encourage France to more widely reiterate its Shangri-La Dialogue statements and the thrust of its Asia-Pacific strategy paper, and to become more visible in the current debate within the region.[35] A recent positive step was public comment by France's Defense Minister during a visit to Australia shortly after the release of Australia's *2016 Defence White Paper*, where during discussions with Australia's Defence Minister, Senator Marise Payne, on the situation in the South China Sea and China's militarisation of disputed islands, M. Le Drian said that 'France definitely wants to see stability in the region, grounded in law, and freedom of navigation in the South China Sea … [adding that] [a]ny disputes must be settled peacefully'.[36]

Also, the French Navy conducts two ship visits to China and the South China Sea each year.[37] In 2015, these visits were conducted by the Noumea-based frigate *Vendémiaire* and the *Jeanne d'Arc* deployment of an amphibious ship

plus a frigate from metropolitan France.[38] The 2016 *Jeanne d'Arc* deployment took the same form. These visits demonstrate regional engagement as well as providing an opportunity to demonstrate French views on freedom of navigation by its selection of transit routes through what it would legally regard as non-territorial waters.

Given the similarity of Australian and French policy positions, useful bilateral discussions could be held on naval operational procedures and on communications to the claimants and to the media. There is, therefore, scope to coordinate military activities in the contested region in a manner that retains complete sovereignty and independence but which mutually reinforces both states' assertions about the rule of law.

Risks and counter-arguments

Inevitably, there are risks involved in any change in strategic settings. France has a very particular position in relation to our closer 'Five Eyes' allies, and the merit of closer cooperation is not easy for some to envisage. For example, the word 'France' did not appear a single time in Australia's *2013 Defence White Paper*.[39] There seems to be a persistent sense that France is viewed as too independent, difficult to work with, and not a priority for engagement.

This probably had its origins in French policy settings during the intensely-difficult period following World War 2. After profound humiliation and a complete loss of sovereignty, President Charles de Gaulle and his successors needed to rebuild French self-respect and security autonomy, and were prepared to do so at the expense of others' sensitivities. Hence the ejection of NATO from France and the development of an independent nuclear deterrence, as well as domestic initiatives such as nuclear power to avoid reliance on imported coal or electricity. It took France a long time to recover its desired place in the global system.

In the interim, scars were left by issues such as nuclear testing in the Pacific, competition with the US and UK for spheres of influence and defence equipment markets, and decades of policy differences on Iraq. This has all become history, as is well illustrated by the speed and scale of France's commitment to the Operation INHERENT RESOLVE intervention against Daesh in Iraq and Syria, by the unprecedented request by the US for the French to provide carrier battle group coverage in the Gulf while their own assets were twice unavailable during 2015 and 2016, and by the pragmatic division of labour between the US and France for security in north and west Africa.

Another possible concern is that France has a complicated relationship with its Pacific territories, which also impacts on other Pacific states' willingness to work with them. This has certainly been the case in the past, and has limited

French participation in peacekeeping missions. However, depending on how France manages independence demands in New Caledonia and autonomy demands in French Polynesia, there is potential for this to improve significantly.[40]

The conduct and outcome of the 2018 New Caledonia referendum will provide significant indicators, although it seems likely that France will maintain close engagement whatever happens. The recent accession by both French Polynesia and New Caledonia to full membership of the Pacific Islands Forum is a victory for French diplomatic endeavours in the region (and was supported by Australia).[41] Stable relationships between France and its Pacific territories benefit Australia, since France makes a substantial contribution to their stability and prosperity, leaving Australia able to concentrate on the rest of the Pacific.[42] Assisting France to stabilise its regional relationships would therefore be in Australia's own interests.

One objection could be that French interests in the Indo-Pacific would compete with those of Australia, such that French successes in the region would diminish Australia's own standing. This seems improbable as the two countries have well-established respective zones of direct national interest, where each devotes considerable resources to capacity-building and with no desire for expansion. One possibility for divergent interests would be if Australia and France were to compete as exporters to the region, for example in defence materiel. This, however, is rarely the case, and actually there is potential for Australia-based French defence industry groups to develop regional markets to mutual benefit. Examples include Thales, DCNS and Airbus Group Asia-Pacific.

One potential issue is that an increased French presence would diminish the ability of other regional partners to engage with Australia, due to a finite capacity for government attention. This is a real risk and would need to be managed. Similarly, Australia's own capacity for international engagement is a finite resource, both among Canberra-based agencies and for the ADF. This is squarely addressed in the *2016 Defence White Paper*'s guidance on increased international engagement, and it will be a matter of prioritising the extra capacity that will be generated in coming years.

Similarly, Europe's growing concerns over Russia, internal security and immigration flows may result in a reduced ability or willingness to act further afield. This is possible—and France is certainly very engaged on these issues. But France has a global view of its security imperatives and clearly intends to remain a global actor. If anything, this will make France more likely to seek efficiencies from enhanced regional cooperation and from engagement with Australia as a like-minded influencer.

So there are risks and mitigations required—but the same applies to all our allies and partners. There is clearly a net benefit to be gained for Australia from investing more deeply in this relationship.

Conclusion

This paper has shown that France and Australia are strategically and militarily like-minded, with a well-established policy basis for security cooperation. It has shown that the two states' interests in the Indo-Pacific are equally focused on regional stability and the rule of law, and that they have similar policy positions for how to achieve these goals.

Australia's *2016 Defence White Paper* foreshadows growth in Defence's international engagement capability, in order to better shape Australia's security environment. In addition to deepening engagement with other regional and alliance partners, Australia should further advance defence and diplomatic engagement with France on security issues. This would enhance Australia's ability to influence events, while also usefully widening the circle of like-minded partners, and maintaining military interoperability for an uncertain future.

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The possibility of power sharing between China and the US: Implications for Japan's national interests

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Abstract

This paper examines the foreign policies of the US and China from the perspective of their respective militaries and economies. It addresses the options for future Sino-US relations in the Asia-Pacific region, in the context of preventing their rivalry from escalating into conflict, with a particular focus on the concept of a power-sharing arrangement, such as a 'concert of Asia' as has been proposed by Hugh White.

The paper argues that while such an arrangement could assist in stabilising the Sino-US relationship, it would not be an appropriate solution for Japan. In part, that is because a 'concert of Asia', as currently proposed, does not provide a solution to the ongoing tensions between Japan and China over disputed territories. It is also highly unlikely that Japan would accept any arrangement that requires it to relinquish its security treaty with the US, and to re-emerge as a self-reliant military power, potentially armed with nuclear weapons.

Introduction

China has been a dominant country several times in its history. Historically, it was one of the cradles of civilisation, with the Chinese believing their country to be the 'land under Heaven'—the Middle Kingdom that was completely different from other kingdoms and countries.[1] From the middle of the 19th century to the middle of the 20th, China experienced aggression by European countries and Japan, a period in its history termed 'the century of national humiliation'. However, since the beginning of the 1990s, China has been emerging as a global superpower both economically and militarily.

In 1991, its GDP, when converted to US dollars using market exchange rates, was only 6 per cent of that of the US, and 11 per cent of Japan's.[2] For the next two decades, China's GDP continued to grow at more than 7 per cent each year and, in 2009, it surpassed Japan's, ranking China the second-largest economy after the US. As China grew to be an economic power, its military expenditure also increased rapidly.

Although China's military expenditure has remained around 2 per cent of GDP since the 1990s, significant economic growth has enabled China to increase its military spending at a considerably higher rate than most other military powers.[3] Indeed, China's military spending in 2015 was second only to the US, and 25 times more than in 1991. Specifically, China has placed a high priority on maritime security based on the assumption that its maritime area is vital for the defence of China's mainland.[4]

The other major player in the Asia-Pacific region is the US, whose economic and military capabilities largely surpass those of China. From an economic perspective, the GDP of the US was 1.7 times larger than that of China in 2014, and is projected to continue to grow at a relatively low but steady rate of around 2 per cent in coming years.[5] In order for the US to maintain such economic growth, the stability and security of East Asia is vital, not least because four of its top-10 trading partners are East Asian countries (China, Japan, South Korea and Taiwan), which made up approximately 25 per cent of total US trade in 2015.[6]

In terms of its military expenditure, the defence budget of the US has accounted for more than 3 per cent of GDP since the middle of the 1990s. In 2015, its military expenditure was nearly three times that of China.[7] The US maintains a close relationship with its Asian allies, notably Japan, South Korea and The Philippines. These allies are central to US efforts to ensure its security and, as such, their security is one of the primary national interests of the US. Under the administration of President Barack Obama, the US continues to 'increase [its]

focus on the Asia-Pacific region and rebalance US engagements, activities and resources toward and within this vital region'.[8]

Now, however, a rising China is challenging US supremacy. The gap between the GDPs of the US and China is shrinking rapidly due to China's high economic growth rate. A recent report by the US Department of Defense assesses that China's massive investment in military modernisation could threaten 'core US military technological advantage'.[9] While there are different views on the future power balance between the US and China, some analysts assess that the US will be overtaken by China not only in the size of its GDP but also in military capabilities.

For example, *The Economist* predicts that China will surpass the US in GDP as early as 2019.[10] Alexander Vuving, in analysing the power balance between the US and China using 'high-tech GDP'—an indicator of 'hard power' which represents a combination of economic and military power— has assessed that China's GDP will overtake that of the US in the 2020s.[11] He further asserts that if the US fails to maintain a high level of innovation, and if China is successful in boosting productivity, China's hard power is likely to surpass that of the US by 2040.

Even if China does not replace the US as the dominant military power, Eric Heginbotham *et al* argue that the Sino-US military power balance may be approaching a series of tipping points, where 'ultimate US success might entail sustained combat and significant losses' in contingencies close to the Chinese coast, such as Taiwan, and possibly in more distant locations such as the Spratly Islands.[12]

As the power balance shifts in favour of China, it is becoming more assertive in pursuing its national interests in the region, as can be seen in its approach to territorial claims in the East and South China Seas. Given America's stake in the region and China's increasing assertiveness, Sino-US rivalry could intensify. Moreover, a dispute over islands between China and a US ally such as Japan or The Philippines could be the flashpoint of a conflict involving China and the US. The ramifications of any such conflict would be disastrous, not only for the region but also for the world.

This paper will analyse the foreign policies of the US and China from the perspective of their respective militaries and economies. In terms of preventing their rivalry from escalating into conflict, it will examine the options for future Sino-US relations in the Asia-Pacific region. Among the possibilities, the paper will focus particularly on the concept of a 'concert of Asia', a power-sharing arrangement among the US, China, Japan and India, as has been suggested by Hugh White.[13] Although such an arrangement could assist in stabilising the Sino-US relationship, it will be argued that it is highly unlikely that Japan would

accept any arrangement that requires Japan to re-emerge as a self-reliant military power, potentially armed with nuclear weapons.

Part 1: US policy towards China

The relationship between the US and communist China began with antagonism and a sense of loss. Before and during World War 2, the US, confronting Japanese aggression, strengthened its relationship with China (led by Chiang Kai-shek) and, in the 1940s, US citizens were 'strongly encouraged to view China as a friend and ally, worthy of both support and sympathy'.[14] However, after the foundation of the People's Republic of China in 1949, the US—facing the unwelcome fact that Mao's Communist Party now ruled mainland China—employed a policy to contain China by isolating the communist country diplomatically.[15]

The US also confronted China in two local wars: the Korean War (1950) and the Vietnam War (1965). Christopher Jespersen, describing the emotion of the US people when China went to communism, asserts that:

> [A]fter the Communist Party came to power in 1949, Americans fell into paroxysms of political witch-hunting over who had lost China, as if the nation and its people were the property of Americans—to have and to oversee and which had been stolen by some unscrupulous, even nefarious foes of liberal capitalism and democracy.[16]

The confrontation between the US and China began to shift when China's relationship with the Soviet Union considerably worsened as a result of border clashes in 1969. Threatened by the Soviet Union, China found 'a large part of its own interests [now] shared with this former enemy', namely the US.[17] In 1972, then US President Richard Nixon met with Chairman Mao Zedong of the Communist Party of China, and the US and China agreed to stay in contact through various channels 'for concrete consultations to further the normalization of relations' between them.[18]

While the Sino-US relationship changed from confrontation to cooperation after the 1970s, commentators point to a consistent theme in US strategy towards China—a strategy to change China into a cooperative partner.[19] This strategy, accompanied by a paternalistic attitude that has regarded China as a subordinate country, was suitable for a weak and developing China. Because of US efforts to integrate China into the global economy, China has grown into a significant player in the world, so the US strategy to shape China has been generally successful. However, it is ironic that a growing China is now requiring the US to change its paternalistic attitude. The US now has to face an assertive and confident China that can no longer be treated as the 'property' of the US to oversee.

Today, the US is confronting a China that has become too large to contain as it did before the 1970s.[20] The US has to deal with a China that has the potential to challenge US supremacy, and that does not necessarily share interests with the US. At the same time, China has the potential to provide the US with economic opportunity and to cooperate with the US in addressing regional and global challenges. Based on this recognition, the US is pursuing its national interests by advancing a 'rebalance' to Asia and the Pacific.[21]

The military perspective of the 'rebalance'

The military perspective of the 'rebalance' consists of four elements:

1. Enhancing the US defence posture in the region;
2. Shifting US long-term capacity towards the region;
3. Promoting a continued commitment to principles such as open access to the air, maritime, space, and cyberspace domains and adherence to the rule of law; and
4. Strengthening the US network of alliances and partnerships.[22]

To implement the 'rebalance', the US has been shifting some of its most sophisticated air and naval assets to the region.[23] The US is also making efforts to maintain its capability to project power in areas where its access and freedom to operate are challenged, based on the assumption that China will continue to pursue asymmetric means to counter the US' power-projection capacity.[24]

Among these four elements, the US particularly emphasises the importance of its network of alliances and partnerships as 'the core element' of its military approach to the Asia-Pacific region.[25] In addition to treaty allies, such as Japan, the Republic of Korea, The Philippines and Australia, the US is enhancing the relationships it has with regional partners such as Indonesia, Vietnam and India.

The US has reiterated that its 'rebalance' is not designed to contain China.[26] The current US Government officially places its relationship with China as 'a central part' of US rebalancing efforts.[27] Phillip Saunders argues that the US has been careful to frame America's Asia policy in terms of US interests in the region, and not in terms of containing China or frustrating its legitimate aspirations.[28] Indeed, President Obama has made it clear on various occasions that the US welcomes the rise of a China that is peaceful, stable and prosperous and a responsible player in global affairs.[29] He has also repeated the notion that the US can benefit from a rising China, specifically in terms of an expanding Chinese market.

The 'rebalance' has positive effects, not only on the US in pursuing its national interests, but also on regional security by ensuring a US commitment to maintain a long-term military presence in the region.[30] At the same time, when implementing the 'rebalance', the US faces two major challenges in terms of

its relationship with China. First, the US has so far failed to convince China that the 'rebalance' is not intended to contain China and prevent its influence from expanding to neighbouring littoral states.[31] China's caution has been intensified by US efforts, stipulated in official US policy documents, to ensure US military forces have the ability to operate effectively in anti-access and area-denial environments imposed by other nations including China.[32]

Second, enhanced ties between the US and its allies that have disputes with China could involve the US in conflicts between those allies and China.[33] For example, when President Obama visited Japan for a summit meeting with Japan's Prime Minister Shinzo Abe in April 2014, he said in relation to the dispute in the East China Sea that Article 5 of the Japan-US Security Treaty 'covers all territories under Japan's administration, including the Senkaku Islands'.[34] This was the first time an incumbent US president had made such a remark.

In terms of the disputes in the South China Sea, the US has moved beyond the standard formulation of US policy on the South China Sea, adopted by the Clinton Administration in the 1990s, to declare that the US has a national interest in freedom of navigation, open access to Asia's maritime commons and respect for international law in the South China Sea.[35] Although these US efforts are positive in regard to strengthening relations with its allied nations, there is a possibility they could encourage US allies to undertake destabilising actions in disputes which could escalate into conflicts involving the US and China.[36]

The economic perspective of the 'rebalance'

The US is also rebalancing its economic efforts towards the Asia-Pacific region in recognition that future US prosperity is 'intertwined with the East Asia-Pacific region'.[37] Because the expansion of trade and economic opportunity in the region is a core US interest in Asia, the US is focusing on facilitating trade and investment in the region.[38] The Obama Administration sees the Trans-Pacific Partnership (TPP) as a central element of its economic 'rebalancing'. Although it is yet to be approved by the US Congress, the TPP will provide the US with an opportunity to promote economic growth and advance US interests by influencing trade regimes.[39]

Although not a signatory of the TPP, China is an essential economic partner for the US. The Sino-US economic relationship has become progressively more significant for the US as China's economy has grown to become the second largest globally in 2009—and, since 2015, when China overtook Canada to become the largest trading partner of the US in terms of total value of imports and exports.[40]

As their economic relationship has deepened, some analysts have raised concerns over the growing US trade deficit with China that has increased from

US$10 billion in 1990 to US$344 billion in 2014.[41] Some also worry that the level of China's holdings of US Treasury securities, which rose from US$118 billion in 2002 to US$1.25 trillion in 2015, surpassing Japan as the largest holder in 2008, could give China the leverage to affect US foreign policies.[42]

However, a large amount of the trade deficit is due to US firms moving their production facilities from places such as Japan, Taiwan and Hong Kong to mainland China, making China an increasingly important source of manufactured products. On the issue of US Treasury securities holdings, a 2012 report by the US Department of Defense concluded that 'attempting to use US Treasury securities as a coercive tool would have limited effect and likely would do more harm to China' than to the US.[43] The report accordingly concluded that China's holding of US Treasury securities 'does not offer China deterrence options, whether in the diplomatic, military, or economic realms'.

Both countries also have various other economic-related challenges to resolve, such as China's restrictive policies for foreign direct investment, fulfilment of China's World Trade Organization obligations, the improvement of China's intellectual property rights, and disputes over cyber espionage. However, they are trying to address these issues through dialogues such as the US-China Strategic and Economic Dialogue, recognising that the strength of the global economy 'turn[s] in large measure on cooperation between the US and China'.[44]

At the same time, the economic relationship between the US and China can be defined as one of economic competitors. Commentators argue that the US attempt to conclude and implement the TPP has been motivated by the desire to secure an economic order that is preferred by the US and like-minded countries in the Asia-Pacific region.[45] In late 2015, President Obama openly expressed his strong sense of rivalry with China, saying that 'we can't let countries like China write the rules of the global economy…. [w]e should write those rules'.[46] Concurrently, China's success in establishing the Asian Infrastructure Investment Bank, as well as its enthusiastic pursuit of the 'One-Belt, One-Road' project, demonstrates that Sino-US rivalry to extend their influence to set economic rules and norms in the region is intensifying.[47]

Part 2: China's policy towards the Asia-Pacific region

China's long history as a pre-eminent country has had a strong influence on the development of its military and foreign policies, and its attitude towards the outside world. In assessing China's policy towards the Asia-Pacific region, this part of the paper points to two elements of historical influence.

The first, as articulated by Martin Jacques, is the principle of hierarchy and superiority.[48] From a historical Chinese perspective, China has always considered itself to be at the centre of the world and superior to other nations. In the past, this Sino-centric view materialised as the tributary system. It is unlikely that this system, which denies the equality of nations, will replace today's global order. However, the history of this system is deeply rooted in Asia and will shape China's attitude towards other countries.

Michael Green *et al* argue that China is seeking 'Japanese acquiescence to a subordinate position in both the bilateral relationship and in the overall regional power dynamic' by attempting to belittle Japan and increase Japan's sense of isolation.[49] Jacques argues that in the long term, Australia and New Zealand might similarly be involved in some kind of modern-day tributary system, given their geographic proximity to China and their economic dependence on China.

The second element of historical significance is the importance of the East and South China Seas for the defence of mainland China. In the past, China's maritime defence was weak, with Yves-Heng Lim noting that 'Western powers invaded China from the sea on eighty-four successive occasions' from the Opium Wars in 1840 to the foundation of the new China in 1949.[50] However, the East and South China Seas are important not only for China but also other nations in the Asia-Pacific region, because of the abundance of natural resources, such as fish, oil and gas, and the shipping lanes that support the growing economies of the region.[51]

China's history of invasion by Western countries provides motivation for it to control the seas that secure the natural resources and sea lines of communication. As asserted by Lim, 'both seas have to fall under Beijing's firm control because they would otherwise constitute highways that would bring hostile forces to China's maritime doorstep'.

China's long history also provides the nation with a vision for the future. In November 2012, the General Secretary of the Communist Party of China, Xi Jinping, articulated the 'Chinese dream', saying that it was China's future vision to improve the lives of people and to 'bring a country with a proud

history out of the shadows of the troubling last couple of centuries'.[52] Under the assertion that China's rise means just the 'restoration of fairness' rather than 'gaining advantages over others', China continues to build its military and economic power.[53]

Military policy towards the Asia-Pacific region

China places great emphasis on maritime security. *China's Military Strategy* (its 2015 equivalent of a defence white paper), articulates that the 'seas and oceans bear on the enduring peace, lasting stability and sustainable development of China', highlighting the importance of safeguarding its national sovereignty and maritime rights and interests.[54] Specifically, it expresses China's concern over disputes in the East and South China Seas, stating that:

> [S]ome of its offshore neighbors take provocative actions and reinforce their military presence on China's reefs and islands … [and that] some external countries are also busy meddling in South China Sea affairs; a tiny few maintain constant close-in air and sea surveillance and reconnaissance against China.

To address these concerns, China continues to develop the capabilities to 'dissuade, deter or, if ordered, defeat possible third-party intervention'.[55] Recently, China has also taken actions in maritime disputes that are more assertive. In the East China Sea, China has routinely deployed government vessels in waters adjacent to the Senkaku Islands. While several Chinese vessels were identified in Japan's territorial sea surrounding the Senkaku Islands between 2009 and the middle of 2012, the number increased to 28 in August 2013 and has remained at around ten every month since.[56] In June 2016, China also sent a frigate into Japan's contiguous zone around the islands, the first case of a Chinese naval vessel entering the zone.[57]

In the South China Sea, China is building artificial islands and constructing infrastructure at the features it occupies in the Spratly Islands. Although the Chinese Government insists these projects are mainly for civilian purposes, most analysts outside China believe they are intended to 'bolster its de facto control in the South China Sea by improving its military and civilian infrastructure'.[58] Chinese media has featured editorial arguments for militarising China's artificial islands.[59] In January 2016, a Chinese naval commander asserted that '[w]e will certainly not seek the militarization of the islands and reefs, but we won't not set up defenses … [adding that] how many defenses completely depends on the level of threat we face'.[60]

China has also started to refer to the East and South China Seas as its 'core interests'. While it has not made clear what it means by 'core interests', Chinese officials reportedly told US officials in 2010 that the South China Sea is 'now part of China's core interest of sovereignty'.[61] Similarly, in 2013, China's

Foreign Ministry spokesperson reportedly announced that the Senkaku Islands were a 'core interest'.[62] Michael Swaine argues that by declaring something as its 'core interests', China is indicating that it will not compromise on these issues and that the possibility should not be discounted of China using force to protect its interests.[63]

The increasing presence of US forces in the East and South China Seas is a thorny issue for China.[64] China is suspicious of the US rebalance and opposes the operations of US forces in the South China Sea.[65] In April 2014, China also condemned President Obama's notion of the Senkaku Islands being covered by the Japan-US Security Treaty.[66]

At the same time, Chinese President Xi Jinping is seeking to build a 'new type of great power relations' with the US that requires both parties to enhance mutual cooperation and respect sovereignty, territorial integrity and each other's core interests.[67] However, President Obama appears to be cautious of using the phraseology, no doubt concerned it could be construed as a US concession of China's national interests, including the territorial sovereignty claimed by China in the East and South China Seas.

Economic policy towards the Asia-Pacific region

China's economic growth can affect the nations in the region both positively and negatively. On the one hand, China provides considerable economic benefit and opportunity for the countries in the region—and their economic ties are growing. For example, China was the largest trading partner of the US in 2015.[68] China has also been the top trading partner of Japan since 2007, and was the second-largest trading partner of The Philippines and Vietnam in 2014, even though both have disputes over islands with China.[69]

China has also accepted an increasing amount of foreign direct investment, with investments from Japan and the US more than doubling between 2001 and 2012, and accounting for 11 per cent of the total foreign direct investment in China in 2012.[70] If it is true that economic interdependence can promote cooperative relations between countries, then China's economic growth should make a positive contribution towards greater security in the region.[71]

Although China faces economic challenges, such as an economic slow-down and inefficient state-owned enterprises, it will continue to be a leader in the global economy. China is now reforming state-owned enterprises as an essential step in the structural transformation of its economy.[72] Moreover, even though China's annual GDP growth rate is forecast to remain at 4-5 per cent in coming years (much lower than the current rate of around 7 per cent), it is still 'more than double the projected growth in more mature economies such as the US and Europe'.[73]

On the other hand, China's increasing economic power has the potential to be used as a means of coercion against its trading partners. Madhu Sudan Ravindran, among others, has pointed to China's tendency to use economic relations to force other countries to change foreign policies that are unfavourable for China.[74] While such coercion is often not acknowledged as an economic sanction, the reality is that China has imposed economic-related sanctions on various countries in the past.

For example, China imposed sanctions on The Philippines in relation to the dispute over Scarborough Shoal in 2012; similarly, on Japan in relation to the Senkaku Islands in 2010; on Norway over the Nobel Peace Prize awarded to Chinese dissident Liu Xiaobo in 2010; and, although only a threat, on France over the Dalai Lama's visit to France in 2008.[75] As China's economy has grown, it has become more capable of using economic sanctions. In turn, as countries come to depend more on China's economy in coming years, they will likely become more vulnerable to China's economic coercion.[76]

Part 3: The possibility of power sharing between the US and China

The analysis of the previous two parts reveals two important elements of Sino-US relations. The first is that the national interests of the US and China are increasingly overlapping in East Asia. It is vital for the US to ensure free trade and economic opportunity in the Asia-Pacific region. In order to secure its interests, the US is rebalancing its diplomatic, military and economic resources in the Asia-Pacific region. The relationships between the US and its regional allies and partners are also being strengthened.

The US also successfully concluded the negotiation of the TPP to secure its position as an economic rule-maker in the region. However, from a Chinese perspective—given that the East and South China Seas are vital for its national security—the presence of US forces in the East and South China Seas, and even the TPP, can be perceived as intended to encircle and isolate China, hampering its bid to reverse its 'century of humiliation'. Although the US and China are making efforts to work together to resolve various security and economic issues, their overlapping interests in East Asia present a considerable challenge.

Second, the relationship between the US and China is significant not just regionally but globally. They are the two largest economic powers and they are strengthening their military capabilities in East Asia. And because of their overlapping interests, their rivalry is intensifying. If the rivalry escalates into conflict, the ramifications would be catastrophic. In addition, it would then be

almost impossible for relations to be restored to a level that would allow them to be cooperative and interdependent.

Even a relatively small conflict could produce a devastating situation: trade between the two would cease, shipping in the Western Pacific would be disrupted, and US allies benefiting from trade with China would likely be compelled to stop trading with China.[77] Consequently, it is vital to seek a solution that will prevent Sino-US conflict and provide stability between the US and China.

Options of future Sino-US relations

While commentators argue various options on the future relationship between the US and China, this part analyses the possible and preferable option, taking account of the national interests of the US and China and the need to ensure stable Sino-US relations.

From a US point of view, the most preferable option would likely be to enhance US supremacy in the Asia-Pacific region and compel China to accept US leadership.[78] However, such an option is unlikely to eventuate because it would be unacceptable to China and would not lead to greater stability between the US and China. As China assesses that its adjacent seas provide protection for its mainland, enhanced US supremacy in these areas would make China increasingly uneasy about the defence of its sovereignty.[79]

In addition, the US will likely face increasing difficulties in maintaining its military supremacy in the region. Although the US seems assured of retaining an 'absolute advantage in naval capabilities', it is probable that China could make the most of the proximity of the region to its mainland and defeat or at least inflict serious damage on US forces operating in the East Asian theatre.[80]

This option could also undermine the stability of Sino-US relations. Not only could Sino-US rivalry be intensified but, as Phillip Saunders as pointed out, there is the possibility that an enhanced US security presence could encourage US allies such as The Philippines and Japan to undertake destabilising actions, especially with respect to disputes in the East and South China Seas.[81] Accordingly, an enhanced US presence could cause intensified rivalry and even conflict between a US ally and China, which in turn would probably draw in the US because of its obligation to defend allied countries.

From China's perspective, the withdrawal of the US from East Asia would likely be the most preferable option. It would provide China with the conditions to restore its historical position and ensure its national defence that could otherwise be endangered by the presence of US forces. It would also promote

stability in relations between the US and China because it effectively would mean that the US accepts China's supremacy in East Asia.

However, this option is unlikely to be acceptable to the US. The US also regards its expanding trade and economic opportunities in Asia as a 'core interest', and the rise of a potentially-hostile hegemon in the region would pose a threat to its national interests.[82] Hence, it is unrealistic—given the potential threat to its national interests—to assume that the US would withdraw from East Asia and accept China's supremacy in the region.

Sino-US power sharing as a solution

Based on the above analysis, an option more acceptable to both the US and China must be found. Such an option needs to be acceptable to both countries and conducive to bringing about stability between them. To that end, and aimed at avoiding rivalry and conflict between the great powers, Hugh White has proposed a new order based on a power-sharing arrangement between the US and China.[83]

White has articulated this arrangement as a 'concert of Asia', comprising the four key regional powers—China, the US, Japan and India—wherein all would be required to agree a mutual understanding of seven fundamental issues, namely:

1. Accepting the legitimacy of the political system of others;
2. Accepting that the views and interests of others may differ from their own;
3. Accepting the right of others to build and use force to protect their interests;
4. Sharing an understanding of what behaviour can and cannot be accepted;
5. Prohibiting any members from seeking dominance;
6. Acknowledging these understandings to its citizens; and
7. Treating one another as equals.

White has argued that such an arrangement would ensure stability between the four powers, especially between the US and China, albeit there would need to be a compromise on some of their interests. Notably, he argues that a 'concert of Asia' would require the US to abandon its security treaty with Japan, as Japan remaining a client and a supporter of the US would make the two countries too strong in combination for China to accept as concert partners.

Ending the treaty would work positively towards stabilising Sino-US relations for two major reasons. First, it would prevent the US from being drawn into a conflict between Japan and another country, particularly over an issue never envisaged when the treaty was originally signed. The treaty obligates

the US to defend Japan in the event of an armed attack. However, the framers of the treaty, signed in 1960, would not have foreseen the possibility of the US becoming involved in a conflict with China over a dispute between China and Japan over a small group of islands in the East China Sea.[84] Yet because of the treaty's existence, the dispute between China and Japan over the Senkaku Islands could become a flashpoint, drawing in the US 'with catastrophic consequences'.[85]

Second, it would facilitate US efforts to stabilise relations with China. Commentators have highlighted that some countries in the region see potential benefit for themselves from a degree of competition between the US and China for their favour, which is not necessarily beneficial for the US.[86] White also argues that Japan's anxiety about the US improving its relations with China, at the possible expense of Japan, might hinder the US from building stable and peaceful relations with China.

The acceptability of the 'concert of Asia' option to the relevant parties is difficult to predict. Jingdong Yuan points to the difficulties that the four powers would need to overcome to reach agreement on critical security issues and common approaches to address them.[87] Even White says that 'the difficulties … are very great, and that it will most likely not happen'. However, if the most probable scenario is that the current situation continues to result in a steady escalation of Sino-US rivalry and an associated risk of conflict, White argues that 'the incentives to take the very difficult steps needed to avoid them would be strong'.

This arrangement would also prove to be a more acceptable option than those that require either the US or China to renounce their interests in the region. From China's perspective, it would considerably improve China's capacity to reduce what it sees as the threat posed by US military operations to the sovereignty of China's mainland. At the same time, the arrangement would allow the US, although not as a dominant power, to 'remain active in Asia … [and] willing and able to use force to resist a bid for primacy' by China.[88] As Frans-Paul van der Putten argues, the concept of power sharing between the US and China certainly seems to be 'the form of accommodation that would be the most beneficial'.[89]

Part 4: Implications for Japan

Much of the existing analysis of the concept of a 'concert of Asia' has understandably focused on its positive implications for the US and China. However, the concept would not necessarily be beneficial for Japan. Clearly, there are some positive elements, not least by diminishing the catastrophic ramifications of conflict between the US and China. The power-sharing arrangement would also require its members to treat others as equals, meaning China would need to give up the notion of restoring its historical superiority and pressuring Japan to be subordinate to China. Nevertheless, the arrangement would present several very difficult problems for Japan. This part points out three major issues.

Possible confrontation between Japan and China

First, a 'concert of Asia' is not a solution to the problem of a possible confrontation between Japan and China over disputed territories. While White argues the necessity of the US abandoning the security treaty with Japan in order to avoid being drawn into conflict with China over a dispute between Japan and China, he never mentions the necessity of settling the underlying dispute between Japan and China; he only requires Japan to be independent from the US and re-emerge as a military power with a self-reliant capability to deter China.

Yet the most urgent dispute between Japan and China is the Senkaku Islands issue. From Japan's perspective, the Japan-US Security Treaty, together with the capabilities of the Japanese Self Defense Force (JSDF), play a vital role in deterring any threat to the islands. In order to ensure US commitment, Japan has repeatedly sought assurances that the US considers the islands within the scope of Article 5 of the Treaty.[90] In April 2014, these efforts resulted in President Obama affirming that the article 'covers all territories under Japan's administration, including the Senkaku Islands'.[91]

This means that any country planning to attack the islands must confront not only the JSDF but also the prospective involvement of the US. It seems highly unlikely that Japan would forsake this assurance without concurrent measures to resolve the current impasse over the Senkaku Islands.

Japan's burden to re-emerge as a military power

The second issue is that the financial burden for Japan to re-emerge as a military power with a self-reliant capability to deter China would be so huge that it would endanger the survival of Japan as an economic power. Since

World War 2, Japan has developed highly-educated human capital and advanced technological capabilities. The prosperity of the nation and its citizens, through economic development, is still one of the most important national interests of Japan. Indeed, it is Japan's economic capacity and technological resources, together with the nation's social cohesion and strategic advantage of insular territory, which qualify Japan as a candidate for the 'concert of Asia' in the first place. Therefore, Japan's ongoing prosperity as an economic power would be a precondition of the power-sharing arrangement.

Following a 40-year period of high economic growth rates from the 1950s to the beginning of the 1990s, Japan experienced a period of economic stagnation called the 'two lost decades'.[92] In addition, Japan's population is rapidly ageing. While the total population has been decreasing since 2008, the number of people aged 65 and over is growing—and the number is projected to increase until 2042.[93] Because of these economic and demographic issues, Japan is now facing three serious fiscal problems.

The first is increased social security expenditure. Due to the ageing population, the proportion of total government expenditure on social security has increased from 19.0 per cent in 1996-97 to 33.1 per cent in 2016-17.[94] Second is the cost to compensate local governments to provide basic public services, which accounted for 15.8 per cent of total expenditure in 2016-17. Although the proportion has dropped from 18.1 per cent in 1996-97, the fiscal condition of local governments has been worsening because of economic stagnation, and the budget allocation to them cannot be substantially decreased without significant implications for public services and infrastructure.

The third issue is that the accumulation of government debt is so large that Japan has to allocate a significant proportion of its budget to debt redemption, which has been exacerbated since the 1990s by lowered tax revenues caused by economic stagnation. Consequently, the outstanding debt of Japan's government bonds is estimated to increase to ¥838 trillion by the end of 2016–17, which is 15 times Japan's annual tax revenue. In 2016, the proportion of Japan's gross debt to GDP reached 234.3 per cent, which is considerably higher than that of Greece (182.3 per cent), the so-called 'basket case' of Europe.[95]

The accumulation of debt requires Japan to allocate 24.4 per cent of its total budget to debt redemption and interest payments in 2016–17 (against only 18.1 per cent in 1996-97).[96] The budget for social security, local government tax grants and debt-related expenditure, together with expenditure on public works, education and science—all of which are essential components of ensuring economic growth—accounts for nearly 85 per cent of total government expenditure in 2016–17.

Although the defence budget is 5.2 per cent of government expenditure in 2016–17, it would need to be increased considerably if the Japan-US Security Treaty were abandoned and the JSDF was required to replicate the capabilities currently provided by US forces.[97] In order to allocate such a substantially-increased proportion of its budget to national defence, Japan would need to cut expenditure in such areas as social security, grants to local government and education. However, that would cause social instability and deterioration in the quality of human resources, resulting in the decline of Japan's economic power.

Security environment deterioration

The final issue is the likely impact on the regional security environment of Japan's re-emergence as a military power. Since World War 2, Japan's national security policy has adhered to several basic principles, notably an exclusively defensive orientation, a non-nuclear weapons policy and an aversion to becoming a military power, under the aegis of the Japan-US Security Treaty.[98]

If Japan were to become a more substantial military power, particularly one with nuclear weapons, the whole foundation of its national security would be fundamentally altered, with considerable impact on its relationships with neighbouring countries. In the process of creating a 'concert of Asia', China would have to accept Japan's right to develop the military capabilities to protect its interests. However, Japan's relations with at least two other countries, South Korea and North Korea, would be adversely affected by any such military re-emergence.

Although Japan and South Korea are both US allies, the relationship between the two countries has been affected by distrust stemming from historical issues such as the issue of so-called 'comfort women' and the territorial dispute over Takeshima (a group of small islets in the Sea of Japan).[99] For example, there is a very sceptical view in South Korea of Japan's *Legislation for Peace and Security*, which Japan has articulated as 'geared towards the common goal of stabilizing peace in Northeast Asia'.[100] South Koreans are also anxious about the 'likelihood of unwanted Japanese boots on the peninsula', as 'they have a painful experience of Japan's brutal colonization for 35 years'.[101]

Responding to the anxiety, South Korea's Prime Minister reiterated in October 2015 that 'Japan's military should not come to South Korea without permission from Seoul'.[102] Currently, defence cooperation between Japan, the US and South Korea is being promoted.[103] However, bilateral military cooperation between Japan and South Korea could realistically only be enhanced 'under the US-led trilateral security cooperation umbrella'.[104] Given the sensitive

relations between them, it would be extremely difficult for South Korea to accommodate a substantially re-militarised Japan. Indeed, any such re-militarisation would likely prompt South Korea to upgrade its own military forces, possibly by including nuclear weapons, which would further exacerbate the security environment in East Asia.[105]

For its part, North Korea is already developing nuclear weapons and conducting missile launches and nuclear tests. These developments are progressing in spite of opposition from the UN Security Council and the international community. Coupled with North Korea's provocative words and actions (including a recent missile launch into Japan's EEZ), they pose a serious and imminent threat to the security of Japan.

North Korea considers it needs its own nuclear deterrence to counter what is sees as the threat posed by the US, in alliance with South Korea and Japan. Given North Korea's fear of the US and its view of Japan and South Korea as US allies, any moves by Japan towards nuclearisation, in turn provoking a response from South Korea, would strongly alarm North Korea and result in a highly-destablising nuclear arms race in the region.[106]

Part 5: The possibility of Japan's nuclearisation

In developing self-reliant military capabilities within the 'concert of Asia' concept, Japan would inevitably need to consider the possibility of developing its own nuclear weapons as a deterrent against China. White admits that Japan becoming a nuclear-armed country would 'obviously be an immensely difficult decision for any Japanese government'; however, while he does not elaborate, he concludes that 'it is not unthinkable'.

On the one hand, it may seem reasonable to argue that a 'concert of Asia' would give impetus—and perhaps even the rationale—for Japan to acquire nuclear weapons. On the other, Japan has firmly adhered to its longstanding non-nuclear weapons policy, stemming in large part from the experience of being attacked by atomic bombs during the Second World War. While both of these elements are relevant in analysing the possibility of Japan's nuclearisation, the following discussion will argue that the prospect is not only extremely unlikely but, indeed, unthinkable.

Reliance on the US extended deterrence

While Japan has not been directly threatened with nuclear attack since the end of the Second World War, it obviously has been—and remains—within range of the nuclear weapons of Russia and China, and the emergent capabilities of North Korea. To counter such potential threat, Japan has depended on the

extended nuclear deterrence provided by the US. However, should the power-sharing arrangement of the 'concert of Asia' eventuate, the argument has been made that the US would need to abrogate its security treaty with Japan and cease providing an extended nuclear deterrence to Japan which, in turn, could argue for Japan developing its own nuclear capability.

Regardless of this line of argument, doubt about the credibility of the US extended nuclear deterrence is not new within Japan, and has periodically featured in calls for Japan's nuclearisation.[107] The scepticism, often held within conservative circles, has been based on the assumption that a US decision to provide extended nuclear deterrence to others would clearly be driven by US national interests on a case-by-case basis, which would not necessarily accord with those of Japan. More recently, the debate has been intensified by comments by Republican presidential candidate Donald Trump that he would be open to Japan possessing nuclear weapons and the US withdrawing its forces from Japan.[108] If Japan were to face a situation where the US no longer provided extended deterrence, the argument for Japan to acquire its own nuclear weapons would no doubt be strengthened.

Three non-nuclear principles

For Japan to develop a nuclear-weapons capability, it would need to alter its non-nuclear weapons policy, enshrined in the 'Three Non-Nuclear Principles' which have bound Japan's policy makers since the end of 1960s when then Prime Minister Eisaku Sato mentioned the principles. Currently, Japan's Constitution prohibits the possession of offensive weapons capable of mass destruction. However, this can be interpreted as meaning that Japan is not necessarily prohibited from possessing and using nuclear weapons if they are strictly defensive in nature.[109]

This interpretation has been used by Japanese officials for many decades, including by then Prime Minister Nobusuke Kishi as early as the 1950s.[110] Critics would argue that all nuclear weapons are offensive in nature and that, for Japan, possessing any kind of nuclear weapon is unconstitutional. However, it is the Three Non-Nuclear Principles, not the Constitution, that are the core of Japan's non-nuclear policy.[111] These principles, which prohibit Japan from possessing or producing nuclear weapons, or allowing nuclear weapons to be brought into Japan, were formalised in a resolution by the Diet in 1971.

The principles are also buttressed by domestic and international law. For example, Article 2 of Japan's *Atomic Energy Basic Act* stipulates that 'the utilization of nuclear energy shall be limited to peaceful purposes'.[112] Japan has also ratified the international Treaty on the Non-Proliferation of Nuclear

Weapons, which incurs an obligation not to manufacture or acquire nuclear weapons. If Japan should alter its non-nuclear weapons policy, it would have to withdraw from that treaty. While the procedure is not difficult, it would cause Japan considerable reputational damage and the likely nullification of certain bilateral agreements that facilitate Japan's civil nuclear energy programs.[113]

Anti-nuclear sentiment within Japan

Although the implications of withdrawing from the Treaty on the Non-Proliferation of Nuclear Weapons would be one element that Japanese leaders would take into consideration if they decided to alter Japan's non-nuclear weapons policy, it is not the most important.[114] Rather, it is the anti-nuclear sentiment deeply embedded in Japanese society that is the fundamental factor in preventing Japan from changing its non-nuclear position.[115]

This sentiment has been a strong influence in shaping Japan's non-nuclear policy, with Mike Mochizuki arguing that Japan's anti-nuclear sentiment is 'more than just an impulsive "nuclear allergy"'.[116] Yuri Kase similarly asserts that this emotional factor has played a role as 'the main constraining factor in the debate over Japan's nuclearization' and that to overlook this factor would be 'to miss a vital aspect of the domestic debate in Japan'.[117]

The strength of the sentiment came from multiple tragedies that the Japanese people experienced during and after World War 2. Japan is the only nation to have experienced a nuclear attack. In August 1945, approximately 140,000 people in Hiroshima and approximately 70,000 in Nagasaki were killed by two atomic bombs, while in subsequent years tens of thousands died from illnesses caused by exposure to radiation. These experiences are the most influential factors shaping the anti-nuclear sentiment in Japan.

In addition, Matake Kamiya points to the Fukuryu-maru No. 5 incident as another factor that 'left a deep and lasting impression among the Japanese population that anyone could become a victim of nuclear weapons—anywhere, anytime'.[118] In that incident, the Fukuryu-maru No. 5, a Japanese tuna-fishing boat located 35 kilometres from the declared danger zone, was severely contaminated by the radioactive fallout from the first US hydrogen bomb test conducted on Bikini Atoll (in the South Pacific), with its 23 crew members suffering diseases caused by radiation exposure.

Anti-nuclear sentiment has since been reinforced and reproduced in Japan through education, popular culture and public ceremonies. Accordingly, the sentiment remains strong among the vast majority of Japanese people. According to an opinion poll in 2005, 78.3 per cent of respondents were opposed to Japan possessing nuclear weapons, while 18.9 per cent supported

nuclear armament.[119] Since then, the regional security environment has gradually deteriorated as North Korea conducted its first underground nuclear test in October 2006, followed by a second in May 2009, a third in February 2013, and a fourth in January 2016. North Korea has also launched multiple ballistic missiles into the sea off Japan.

Following North Korea's nuclear developments, a number of Japanese politicians have argued that Japan should possess or develop nuclear weapons.[120] However, subsequent opinion polls showed that despite the growing nuclear threat posed by North Korea, opposition to possessing nuclear weapons has been gradually increasing. A 2010 survey showed that 78.8 per cent of respondents were opposed to possessing nuclear weapons while 18.0 per cent supported nuclear armament; a 2015 survey showed that 81.2 per cent opposed the nuclear option, with only 15.4 per cent supporting it.[121]

Nevertheless, in spite of the strong anti-nuclear sentiment embedded in Japanese society, some have argued that Japan could decide to develop its own nuclear weapons in certain conditions. For example, Mochizuki has argued that Japan would be likely to cross the nuclear threshold if a significant shift in US policy, such as tacit support for a nuclear Japan and a weakening of US security commitments to Japan, coincided with a marked deterioration of the regional security environment.

The difficulty of transferring civilian nuclear technology to military purposes

Some commentators have argued that Japan would be able to produce nuclear weapons in a relatively short time by using its nuclear materials and technology acquired through its peaceful nuclear program. Steve Herman, for example, has contended that Japanese officials say that Japan would be able to construct a viable nuclear weapon in six months or less.[122] Others disagree with that timeframe, while others assert that while it may be technologically possible, it is unrealistic to think that Japan would transfer civilian nuclear technology and materials to military purposes.[123]

There are two main reasons for the latter assessment. The first is the lack of a coherent strategy to utilise civilian nuclear technology for military purposes. Although a coherent strategy would be indispensable to developing nuclear weapons based on civilian technology, Japan's nuclear energy program has been designed to manage the risks stemming from the country's reliance on external markets for the supply of petroleum; it does not include a strategy to build nuclear weapons.[124]

The significance of nuclear power as an energy source to generate electricity is evident. The rising imports of fossil fuel caused by the shutdown of nuclear power plants after the incident at the Fukushima Daiichi plant in 2011 have cost Japanese utilities an extra US$28 billion a year since 2011, and resulted in an increase to household electricity prices by more than 50 per cent during 2013 and 2014.[125] Consequently, civilian energy sectors that are responsible for energy provision are unlikely to support the transfer of nuclear materials for military purposes, given the repercussions for the civilian nuclear energy program.[126]

The second is that the repercussions caused by the transfer of nuclear materials for military purposes would be strong enough to endanger the civilian nuclear program. In spite of the strong sentiment against nuclear weapons, the Japanese people have historically had a positive attitude towards the use of nuclear energy to generate electricity. According to a survey conducted by Japan's Atomic Energy Relations Organization in 2010, 77.4 per cent of respondents answered that nuclear power was 'necessary' or 'rather necessary' as a source to generate electricity, while only 4.1 per cent answered it was 'unnecessary' or 'rather unnecessary'.[127]

However, the Fukushima incident completely changed that attitude. A survey in November 2011, about eight months after the incident, showed that the proportion of respondents who answered nuclear power was 'necessary' or 'rather necessary' sharply dropped to 37.7 per cent, while the proportion of respondents who had negative opinions towards nuclear energy rose to 25.2 per cent.[128] A negative attitude towards nuclear energy persists among the Japanese, as an opinion poll in 2015 showed that 62.7 per cent of respondents answered that nuclear power plants should be abolished gradually or immediately.[129]

Given the decreased support for nuclear power, combined with the negative sentiment towards nuclear weapons, it would seem that any policy change to utilise civilian nuclear technology and materials for military purposes would cause a further decline in public support for nuclear-power generation, endangering the continuation of the civilian nuclear program and, moreover, the energy security of Japan.

Conclusion

This paper has reviewed the significance of the US and China as global military and economic powers, and the impact that the looming competition between the two powers will have on Japan's national interests in coming years. While the US is still the dominant global power, it has increasingly important

national interests in the Asia-Pacific region, causing it to implement a policy of rebalancing military and other strategic resources to the region.

The enhanced US presence promotes regional security by assuring its alliance partners and other states in the region of enduring US commitment to the region. Meanwhile, China has grown into the second largest economic power, providing the US and the region with great economic opportunities. China is increasingly integrated into the global economy, and the economic relationship between China and the US is getting stronger.

At the same time, this paper has highlighted that the US and China have overlapping interests in the region, specifically in East Asia. China considers that its sea areas provide protection for its mainland. It accordingly has placed greater emphasis on maritime security and is becoming more assertive in its approach to disputes in the East and South China Seas, aimed at enforcing its sovereignty claims. In response, the US is focusing on maintaining its access and freedom to operate in the region, and is enhancing its power-projection capabilities in the maritime areas to counter China's asymmetric endeavours to prevent the US from asserting its dominance of the region.

The US is also re-invigorating its network of alliances and partnerships in the region to ensure its interests are protected. Consequently, the rivalry between the US and China is intensifying. The enhanced relations between the US and its allies could involve the US in a conflict stemming from a dispute between a US ally and China. The consequences of a conflict, even a small one, between the US and China would be devastating. It would disrupt the global economy, and it would be almost impossible for them to restore current relations. Given the catastrophic ramifications, it is vital to prevent Sino-US rivalry from escalating into conflict.

A 'concert of Asia' concept, a Sino-US power-sharing arrangement proposed by Hugh White, is a possible option to stabilise the relationship between the US and China. This arrangement would put a priority on eliminating the possibility that Sino-US rivalry could escalate into conflict, while also requiring them to make compromises on their interests. It would likely require the US to abandon the Japan-US Security Treaty to avoid the US becoming involved in any Sino-Japan conflict.

A stable relationship between the US and China is essential for Japan. However, it is not an interest that Japan must secure at any expense. Securing territorial integrity is one of Japan's vital national interests. Although the dispute over the Senkaku Islands is a serious concern for Japan, a 'concert of Asia' would not provide Japan with any solution. Indeed, the dispute would remain unresolved and, if it intensified, Japan would have to confront China without the support of US forces.

On the other hand, Japan's necessary re-emergence as a military power would pose a significant financial burden on Japan. Given Japan's ageing population and growing fiscal deficit caused by enduring economic stagnation, Japan could not afford to outlay the expenditure needed to develop the self-reliant defence capabilities sufficient to ensure Japan's national security. Even if Japan did re-emerge as a military power, it would result in Japan facing both internal and external difficulties. From an internal perspective, the burden of increased defence expenditure would severely damage Japan's economic power and social stability.

Japan's re-militarisation could also trigger an arms race, possibly including nuclear weapons, between Japan, and South Korea and North Korea, and result in a deteriorating security environment in East Asia. Moreover, it would be highly unlikely that Japan would change its longstanding non-nuclear weapons policy, given the strong anti-nuclear weapon sentiment deeply embedded in Japanese society, even though some would argue that developing its own nuclear deterrence would be essential for Japan to ensure its national security within a 'concert of Asia' concept.

It is vital for Japan to play its part in preventing a Sino-US conflict. At the same time, it is also vital for Japan to ensure that it continues to provide every opportunity for the country to prosper as an economic power in a stable regional environment. A 'concert of Asia' might be a solution to avoid conflict between the US and China. However, this paper has argued that it would not be an appropriate solution for Japan.

Notes

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To what extent should the UK's Armed Forces once again be prepared to operate routinely east of Suez?

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Abstract

This paper examines whether and to what extent the UK's armed forces should again be prepared to operate east of Suez. The Wilson's Government's 1967 declaration of withdrawal from Singapore and Malaysia arguably signalled the end of Britain's role in the Far East and prompted claims of abandonment by its former dominions. Yet the UK retained a persistent link with its former Commonwealth dependencies through the Five Powers Defence Arrangements (FPDA).

The paper argues that in the current regional environment, which includes both instability as well as increasing prosperity and trade opportunities, this connection remains important to the UK. However, clarity is needed on what the UK would hope to achieve through re-engagement with the Far East, particularly post-Brexit. The paper concludes that the UK armed forces can play an important role in the region, particularly among ASEAN members, not least by contributing to confidence-building measures and through continuing and active participation in FPDA.

Introduction[1]

Come you back, you British soldier; come you back to Mandalay![2]

For more than three centuries, the Far East held a unique place in the British Empire as a source of wealth and as a base for power and influence. Protecting these interests eventually led to a vast chain of naval bases and garrisons from Suez in the west to Hong Kong in the east; commonly described as the 'east of Suez' role.[3] As the hegemon in the Far East until World War 2, the UK ensured the stability, prosperity and integrity of its territories, colonies and dominions. Following the war, the UK would regain its territories and colonies (less the Indian sub-continent) but lose its supremacy as the more powerful US ascended. Nevertheless, the UK retained an influential legacy in the Far East that shaped both domestic and international perceptions of Britain's power.

Underpinning this legacy, and thus providing post-war security to the Commonwealth nations of Australia, New Zealand, Malaysia, Singapore and Brunei, were the key British military bases in Singapore and Malaysia. Yet British power was undoubtedly in decline—realised in the contentious decision of 1967 to militarily withdraw from east of Suez. Britain then lost the last vestiges of empire and seemingly turned away from its role of protector of the region, although this is perhaps too hasty a conclusion. The British legacy that remained was not mere ancestry and values but an under-valued security structure that still provides utility today in the form of the Five Power Defence Arrangements (FPDA).

In the current environment of rising tensions within the Far East, the value of the FPDA link rightly poses questions of the UK government and its military planners to consider a more committed return to the region. Yet there are considerable strategic issues to contend with before any commitment could be made—where would it fit into official UK policy, noting UK obligations to NATO; how would British re-engagement be received regionally and internationally; and what benefits could it bring to the UK following the austerity cuts imposed by the *Strategic Defence and Security Review* of 2010?[4] Unsurprisingly, similar considerations shaped the British decision to withdraw from east of Suez nearly 50 years ago.

Regardless of the answers to these dilemmas, the Far East is again growing in importance to the UK and the world, with many commentators referring to the 21st century as the 'Asian century'.[5] Trade opportunities are flourishing, territorial disputes in the South China Sea threaten to spiral out of control and the UK's closest ally, the US, has stated its intent to re-balance to the region. Undoubtedly, a UK decision to return would face many hurdles but opportunities abound, especially after the Brexit decision. There are also arguments that a

partial return is already underway. Conversely, there are arguments that a withdrawal never occurred in the first place.

This paper seeks to explore whether the UK's armed forces should once again operate routinely east of Suez, and specifically, in the Far East. The question will be answered in three parts. Firstly, the reasons behind the UK's so-called 'withdrawal' east of Suez will be examined to set the context behind a perceived return. Secondly, and with reference to such a return, the debate surrounding the UK's current national strategy and its desire to reinvigorate its global role will be discussed. Thirdly, the factors that influence a UK military presence will be explored, including trade, stability and diplomacy, especially with regards to regional perceptions. Throughout, proposals will be made regarding future UK engagement in the region.

As the Far East becomes strategically more important to the UK, an Australian perspective will be included, not solely because of the author's nationality but also because of the close ties that remain with the UK from the east of Suez era. For the purposes of this paper, the UK-centric term 'the Far East' will be used interchangeably with the more geographic terms Southeast Asia, Asia-Pacific and Indo-Pacific. This particularly recognises the influence that nations such as US, China, Japan and India have on the region.

Part 1: Was there an east of Suez withdrawal?

Any discussion proposing a UK military return east of Suez needs to start with a critical review of why, and indeed whether, the UK withdrew its forces from the region in the first place. These questions are important because, as Jeffrey Pickering argues, the UK has a history of over-extension and yet retains an ambitious view of its role in the world, as declared in the 2010 *National Security Strategy* (and reinforced in the 2015 iteration).[6] Indeed, there were strong calls in the 1960s and 70s from its former dependencies and from its most important ally, the US, for the UK to stay in the region. Why would so much influence and credibility be forsaken?

The 'dilemma of overextension' has long been a thorny issue for British military planners, especially since the end of World War 2 when the UK regained its former colonies and territories. With a crushing post-war debt, Pickering has argued that from 1945 Britain could neither afford nor adequately satisfy such an enormous responsibility. Saki Dockrill concurs and emphasises the efforts that successive British governments made to simultaneously support interests towards the Commonwealth, Europe and the US.[7]

These interests were defined by three strategic goals, first defined by the Macmillan Government in October 1961 but also that successive British

governments tried to sustain and balance, namely nuclear deterrence; the defence of Western Europe; and an influence east of Suez. Then Foreign Secretary Alec Douglas-Home would go on record in 1963 committing to this balancing act with his declaration that 'we have rejected the idea that we should choose between Europe and a world role'.[8]

However, the pressure from Treasury to reduce expenditure continued. East of Suez emerged as the most likely target, especially as the government transitioned from Macmillan's Conservatives to Wilson's Labour Party and its social spending agenda in 1964. Alluding to a reversal of Mahan's virtuous economic circle, it was argued that military spending cuts east of Suez could help bring the budget back under control and improve the economy.[9] In 1970, Phillip Darby strongly contested this link by suggesting that not only were the attempts to cost a military presence arbitrary—and to quantify economic value notoriously difficult—but that the relationship between the two was not exclusive anyway.[10] Rather, Darby argued that force had become merely part of the wider considerations placing 'order and influence over more specific national interests'.

Notwithstanding Darby's critique, economic factors were influential on the east of Suez decision. In the decades leading up to the decision, the value of Far Eastern trade declined while the Commonwealth's preferential trading system, the Ottawa Agreement, became a barrier to British membership of the European Economic Community (EEC). Having committed to the pursuit of EEC membership in 1961, Macmillan effectively instigated a gradual disengagement from the Far East in contradiction to Douglas-Hume's claims for a world role. As Stuart Ward concludes, this approach was disingenuous and unwelcome in many Commonwealth countries in the Far East, particularly Australia.[11]

Moreover, Pickering argues that from 1964, the new Wilson Government was determined to re-establish its financial management, and therefore political, credentials. Hence the primary pursuit of government policy was to continue Britain's currency dominance through maintenance of the sterling parity. However, this was by no means an easy process. The combination of a growing balance of payments deficit and international demand to replace the sterling reserve with a gold reserve would cast the east of Suez role as a casualty of the Government's single-mindedness.[12]

The run on the sterling in 1966 and the improved security situation in the Far East meant that the Government had a ready-made answer to stabilising the pound: reduce troops in Singapore and Malaysia, and the expense saved would benefit the balance of payments deficit.[13] However, the die was already cast for sterling and, despite loans from sympathisers in the international

community, by November 1967 the Government conceded defeat and devalued the pound, thereby ending Britain's currency dominance.[14]

Phuong Pham both counters and supports the economic arguments. In his view, the process of disengagement with the Far East began with British accommodation of Malayan nationalist movements from as early as the 1948 Malayan Emergency.[15] While this committed British and Commonwealth forces to a counterinsurgency role until the conflict ended in 1960, Pham argues that it also served to remind the US that Britain was active in the broader fight against communism, therefore avoiding the expense of committing forces to the Vietnam War. When independence was granted to Malayan states in 1957, followed by the proposed creation of a wider Malaysian Federation including Singapore and the remaining British territories in the immediate region, it was expected that direct administration costs would be reduced.

Additionally, Britain could retain its military bases in Malaysia and Singapore as part of its commitment to the Anglo-Malaysian Defence Agreement. As Pham argues, the outcomes were neither straightforward nor cheap. Internal politics fractured the Malaysian Federation, and Indonesia—under the banner of communism—launched its 'confrontation' policy to internally disrupt the new Federation. Britain was thus obliged to bolster its defence presence in Malaysia to deter Indonesian aggression.

Unsurprisingly, the prospects of EEC membership became far more enticing to the Wilson Government compared to a continued commitment to the Far East. Similarly, Dockrill contends that the mismatch of ends and means eventually forced the British Government to search for ways to reduce its east of Suez role, despite Harold Wilson's declaration that 'we cannot afford to relinquish our world role'.[16]

In support of a reduction, a 1964 Foreign Office study group concluded that while the Far East was important in the short term, it was increasingly less so in the longer term.[17] The group recognised that maintaining the Singapore base would exert influence on the US and resist communist influence in the region in the short term. By contrast, in the longer term, the end of the Indonesian confrontation and the US-led conflict in Vietnam would 'render the continued British occupation of the [Singaporean and Malaysian] bases unnecessary'. In comparison with Britain's other major defence obligations (NATO, the nuclear deterrent and the strategically-located Middle East naval base at Aden), maintaining bases in the Far East was deemed too expensive for only a small contribution to British trade.

The Foreign Office's study group was dissolved in 1965 but its recommendations lived on in the Defence Review Working Party. The view was advanced that

large military savings could be made post-confrontation by 'liquidating [the UK's] current military forces in Singapore and Malaysia ... [and] by arranging for collective security with the United States, Australia and New Zealand'.[18] However, the Australia and New Zealand Governments remained firmly opposed to the proposed UK military withdrawal because, as Dockrill has argued, 'the defence of Singapore comprised the fundamental element in their defence policies'.[19]

As former British dominions, Australia and New Zealand were still culturally close to the UK, and maintained an expectation that the UK would assure their security. Moreover, Australian politicians were willing to exploit the tensions in the UK-US relationship to achieve this goal. Australian Prime Minister Harold Holt expressed the fears of many regional states by suggesting that a sudden British departure from the Far East might compel the US administration to reduce its defence role in Asia.[20]

Not to be outdone, the UK countered that if this security was still required, then Australia and New Zealand should help finance it through their own contributions, and by allowing UK forces to rebase in Australia. According to Derek McDougall, the Australian Government was reluctant to meet Britain even halfway.[21] Three factors influenced the Australians: firstly, the Australian public would rightly object that Australian troops were fighting in Vietnam while British troops were not; secondly, the Australia Government would be obliged to fund the new base at a cost of £100 million while anticipating the loss of preferential trade with the UK; and thirdly, by 1967 Australia was increasingly dependent on the US.[22]

Interestingly, Darby argues that it was the failed outcome of the 1956 Suez crisis and the UK's resultant 1957 Defence White Paper that played a major role in shaping future east of Suez defence policies. Following the widely-perceived view that the British failure in Suez was due to the failure of her conventional forces, Darby contends that British public scepticism grew over the military's value for money. Large conventional forces, especially the Army, were expensive—and when deployed became even more so as overseas sustainment affected balance of payments. A new approach was sought and Duncan Sandys, then Secretary of State for Defence, was granted wide-ranging powers to determine a new and more coordinated British defence approach.

Sandys' legacy would herald a reduction in conventional forces through dependence on the nuclear deterrent, greater mobility across the three Services, and a particular emphasis on air power. It was assumed that this approach would be cheaper yet still enable Britain to serve its east of Suez interests. However, Darby contends that these assumptions were mistaken and

over-optimistic. Firstly, the faith in a nuclear deterrent was wrongly rooted in the assumption that tactical nuclear weapons would lead to manpower savings for limited ground-based conflicts. Secondly, the benefits promised by greater mobility could not be realised, as the military platforms were either unavailable or incapable. Thirdly, the expectation that air power alone could stabilise a ground-based conflict was disproven.

In support of the latter, Darby cites the Royal Air Force's approach to suppress an internal revolt in Oman. In July 1957, Britain intervened with air power to quell a revolt against the Sultan of Muscat and Oman. A week into the operation, it was realised that the air control methods alone were insufficient to deter the revolt and British land forces were subsequently deployed. In ten days, the situation was brought back under control, serving to remind the government that 'air power was no substitute for troops on the ground'.

Outcomes such as these served to strengthen the three Services' claims for more resources, and helped to shift government focus away from Europe to east of Suez, especially as the government refused to reduce its overseas commitments. In support of these claims, Darby offers the four renegotiated defence commitments Britain made with Malaya, Singapore, Brunei and Kuwait leading up to 1961; the Royal Air Force's increased strategic mobility capacity; the Royal Navy's and Royal Marines' growing amphibious capabilities; and the raising of the Army's recruitment ceiling to sustain the required overseas presence. Tellingly, Sandys' doctrine of mobility espoused in the 1957 Defence White Paper depended on overseas bases in order to fulfil the doctrine.

Therefore, Far Eastern bases such as those in Malaya and Singapore remained essential. This move eastwards also corresponded to a growing acceptance of a peacekeeping role, especially while a series of international crises broke out in Asia during the early 1960s. Again, Darby justifies this with reference to the highly-successful British intervention to quickly suppress a rebellion against the Sultan of Brunei in December 1962. However, if the peacekeeping role was accepted, so was the realisation that it was expensive and draining on the military's finite resources. Across all the Services, serious manpower shortages were experienced such that many units serving overseas were often critically undermanned and suffered retention problems.

The strain of the east of Suez role continued to build throughout the 1960s and, while successive Macmillan and Wilson governments declared their support for a continued world role, the caps placed on defence spending by Treasury ultimately took effect. Numerous major capability projects were cancelled, such as the carrier replacement, a fifth Polaris submarine, and eventually the proposed purchase of 50 F-111 strike aircraft from the US. This last cancellation

coincided with the Wilson Government's final acceptance that a global role was too expensive and the declaration in January 1968 that 'British forces would be withdrawn from the Far East and the Persian Gulf by the end of 1971'.[23]

Regional responses to the British announcement

In tracing the emergence of an Australian strategic response to the British withdrawal, David Lee highlights the 'profound unease' that the earlier collapse of British power in Southeast Asia caused Australia towards the end of World War 2.[24] For a young and isolated island nation, dependent on maritime security for its very existence, this unease was entirely understandable. According to Greg Kennedy, Australia relied on the Royal Navy to provide the framework of its maritime security until at least the 1950s, and actively campaigned for continued support.[25]

However, Lee argues that through a series of negotiations—that led to a regional defence organisation between the UK, Australia and New Zealand in 1950; the ANZUS Security Treaty between Australia, New Zealand and the US in 1951; and the US-sponsored Southeast Asia Treaty Organisation (SEATO) from 1954—Australia attempted to reconcile Britain's more limited 'Far East' strategy with that of the much broader US strategy of defending Southeast Asia.[26]

Accepting that Australia was not successful in this attempt, Lee notes that Australia ultimately rejected closer strategic ties with the UK in favour of equipment standardisation with the US—and what seemed to be a more certain guarantee of US support in terms of ANZUS and SEATO. However, this faith in the US to stabilise Malaysia-Singapore relations was misplaced. The US was embroiled in its war in Vietnam and, like the UK, expected Australia and New Zealand to take a more active position in the region.

For Australia, this proved a difficult proposition, especially while it was trying to normalise relations with Indonesia after Confrontation.[27] Ultimately, Australian politicians would accept that the withdrawal of Britain and a distracted US meant that Australia would need to become increasingly self-reliant, prompting the 'defence of Australia' doctrine that dominated Australian strategy for much of the 1970s and 1980s.

Malaysia drew the same conclusions, although with far more reliance on the nascent FPDA. As Archana Sharma notes, Malaysia's path to independence was unusual in that its new leadership actively supported a continuing post-colonial British military presence, yet within a decade both sides actively sought to end the relationship.[28] Several factors were influential in this outcome. Firstly, the Anglo-Malaysian Defence Agreement, which allowed the continued British presence, was initially deemed essential to prevent regional instability.

The effective British responses to the 1962 communist-backed Borneo uprising and to Confrontation bear this out. However, Sharma also argues that the Anglo-Malaysian Defence Agreement and the formation of the larger Malaysian Federation in 1963 contributed to regional instability by instilling fear within the Indonesian Government of a resurgent imperialist Britain. Moreover, Malaysian leaders became concerned that the agreement might draw the country into Cold War politics through its partners' membership of SEATO. This was particularly relevant for Australia and New Zealand, which looked to the Southeast Asian island chain as a northern security buffer.

Secondly, discontent had grown between Singapore and Kuala Lumpur, the two biggest components of the Malaysian Federation, which would lead to Singapore seceding in 1965, much to the dismay of the British Government. In its view, Singapore's secession was a betrayal of British support and a rejection of the stabilising aim of federation. Yet, as Sharma argues, it also paved the way for the British withdrawal as it fostered hostility from the Malaysian Government towards Britain over perceptions of bias towards Singapore.

Additionally, the end of Confrontation created a situation where neither Malaysia nor Britain retained a common enemy, allowing previously suppressed Malaysian discontent to surface. Finally, the British, who were keen to reduce their military footprint, sought a peace dividend with Indonesia through a proposed aid program. To the Malaysian Government, this appeared to sideline it as the chief peace negotiator and potentially divert the financial aid that it expected and needed to develop its own defence force.

The overall result was that by 1966, British and Malaysian relations soured to the extent that there were calls on both sides for British troops to be withdrawn. At Malaysia's request, the process began with the withdrawal of troops from Borneo (now East Malaysia) such that by April 1967 only 30,000 British troops would remain in Malaysia. By contrast, the announcements that all troops would be withdrawn from Malaysia and Singapore by 1975 greatly alarmed the governments of both nations and the realities of self-determination began to dawn.

The Wilson Government's subsequent announcement that the withdrawal date would be brought forward to 1971 merely reinforced this realisation. Like Australia, Malaysia accepted this new status quo with the proviso that a new security apparatus be formed from the remains of the now obsolete Anglo-Malaysian Defence Agreement. The Wilson Government agreed and thus FPDA was born, which will be discussed in more detail later in this paper.

To summarise, the Wilson Government found itself at the end of a decades-long strategic conversation regarding the UK's east of Suez role, which had

commenced at the end of the Second World War. In circumstances that look familiar to contemporary British strategists, successive UK governments held global ambitions yet struggled to afford the means to satisfy them. The pressures of maintaining a credible global defence presence against a growing demand for greater domestic welfare expenditure were exacerbated by several other factors leading to the 1967 decision to withdraw.

Among these were the Cold War pressures to maintain a hugely-expensive nuclear weapons program and the obligation to assist the US in containing communism throughout Asia, while maintaining a European presence. Britain also faced the challenge of preserving order in its former colonies while facilitating the rise of nationalism in the new states that replaced them. Internal pressures, such as the Macmillan Government's acceptance that the UK's economic future lay with Europe instead of the Commonwealth, and the 1966 sterling crisis, would exacerbate these external pressures.

Finally, the improved security situation in the Far East by 1967 and the mounting Malaysian hostility to continued British presence provided the Wilson Government with all the justification it required to withdraw. While the decision was unwelcome by Commonwealth countries in the Far East, it forced the nations of Australia, Malaysia and Singapore, in particular, to re-evaluate their place in the world and embark on a new era of cooperation, principally through FPDA.

Countering the arguments of a British withdrawal

In his revisionist critique of the view that Britain had abandoned its 'extensive network of fuelling stations, dockyards, and military complexes' east of Suez,[29] Ashley Jackson argues that there was 'never such sharply defined breaks in British practice'.[30] He cites the ongoing defence obligation Britain retains for its overseas territories east of Suez and the basing arrangements Britain kept in Brunei, Oman and Singapore. He also disagrees with any notion that Britain's commitment to its overseas interests and territories declined, pointing out that the defence of these interests has always been a priority for British foreign and defence policy.

Moreover, Jackson maintains that a substantial British presence remained east of Suez region well beyond the 1967 decision. Instead of a withdrawal, he argues that there was actually a 'non-withdrawal' of British forces, whose role was to secure an area of key economic importance and calm the fears of nervous politicians abroad. He cites examples of this non-withdrawal as the establishment of the British Indian Ocean Territory to facilitate American responsibility for the Indian Ocean; the establishment of the Australia-New

Zealand-UK Force following the departure of Britain's Far East Command in Singapore; and the regular naval deployments to the region that continue to the present.

Furthermore, Jackson notes that while the Royal Navy's reign of Singapore is long over, it still has access to refuelling and supply facilities at Singapore. Finally, he contends that the value of the British Indian Ocean Territory is underscored by the fact that Britain continues to stage its forces through Diego Garcia (in the Indian Ocean) to access Central Asia and the Far East in accordance with the Wilson Government's original intentions.

Another key aspect of non-withdrawal was FPDA. The Arrangements were created between Britain and her former dependencies of Australia, New Zealand, Malaysia and Singapore in the same year that the British Far East Command departed Singapore in 1971. According to Carlyle Thayer, it was envisaged that the nascent militaries of Singapore and Malaysia would require time to build capability and capacity, and hence their development would be underwritten through support and training from Britain, Australia and New Zealand.[31] Ian Bellany refers to this as Britain's 'out of area' role, a global role with loose connections to NATO objectives outside the NATO area, and a role that took a disproportionate share of the defence budget.[32] By 1974, the final infantry battalion was withdrawn, although the expected withdrawal from Brunei never occurred (and a Ghurkha battalion remains stationed in Brunei to this day).

While the perceived value of FPDA has waxed and waned over the years, its value in the current Southeast Asian security environment is becoming more apparent and receiving the attention it deserves. Characterised by Thayer as 'the quiet achiever', FPDA has demonstrated a utility beyond its Cold War birth and has consistently evolved to meet new security challenges in the region, including 'terrorism, piracy, protection of economic exclusive zones, disaster relief and smuggling of illicit drugs'.[33] Furthermore, as Tim Huxley suggests, it provides a hedge against a resurgent Indonesia and 'maintains essential channels of communication' between the sometimes mutually-distrusting states of Malaysia and Singapore.[34]

A paradox of FPDA is that while Australia may be the most active and supportive of the non-regional members, the most valuable member remains the UK. To justify this assessment, Huxley cites the benefits of Britain's 'continuing diplomatic and strategic weight', its membership of the UN Security Council, the nuclear deterrent and the brief recognition in the 2010 *Strategic Defence and Security Review* that FPDA is still in existence. Against the rising security threats in the region, Huxley concludes that FPDA is well-suited and remains a 'non-provocative form of hedging and confidence-building' for member

states. Complementing this view is Thayer's point that FPDA neither overlaps nor competes with other regional security structures such as the ASEAN Regional Forum.

Similarly, Ralf Emmers' review of Singaporean and Malaysian perspectives of FPDA highlights the value of this particular multilateral agreement in the midst of the many other bilateral and multilateral agreements in the region.[35] Unlike Thayer, he argues that FPDA complements and overlaps these other agreements, from the dominant ASEAN-based agreements to the 'hub and spoke' bilateral agreements the US maintains with many Asian nations.[36] Moreover, he suggests that multilateral relations are gaining wider support within the region, as evidenced by the establishment of the Asia-Pacific Economic Forum (APEC) and plans to establish a common ASEAN framework for security, trade and society by 2020.

Regional terrorism and piracy have further raised the profile of FPDA, as has the Arrangements' ongoing BERSAMA LIMA series of exercises. This training serves two purposes, as Emmers notes. Firstly it has raised the professionalism of Singaporean and Malaysian armed forces personnel and, correspondingly, improved effectiveness in other agreements such as the Malacca Straits Patrol, a multilateral agreement between Singapore, Malaysia and Indonesia. Secondly, it works diplomatically by allowing the British, Australian and New Zealand navies to operate in the Malacca Straits during exercises, an authority not granted to other non-regional states.

In summary, despite Britain's so-called withdrawal from the Far East in 1971, its commitment to FPDA has ensured its continued relevance to the region. While FPDA is not a guarantee of British security, it has generated confidence and flexibility in Singapore and Malaysia to adapt to the changing circumstances in the region. Moreover, with the demise of the Soviet Union in 1991 and the subsequent reduced US military footprint in the Asia-Pacific region (before its recent pivot back), the region has seen the re-emergence of China as a strategic concern. In the absence of a willingness by the ASEAN states to commit to a security arrangement, Emmers argues that FDPA has provided Singapore and Malaysia with a valuable alternative for their collective security.

It may be said, therefore, that while Britain did withdraw from the Far East, in many respects it did not lose its influence or significance. Instead, it retained important links through FPDA which, importantly, facilitate physical access to the region. What does this mean for the UK today? Effectively, it means that Britain still has opportunities to influence the region should it seek to do so. Furthermore, its longstanding association with the Far East affords the UK a credibility within the region that few Western nations could ever hope to attain.

Part 2: Strategic considerations for a UK role in the Far East

It is this credibility within Southeast Asia that the Government of Prime Minister David Cameron appeared to channel to overcome what he described in 2012 as a near 20-year 'era of benign neglect'.[37] However, debate continues over whether the UK can truly be a global actor and its re-engagement of Southeast Asia will be shaped by some key questions, including what is the UK's role within European collective security post-Brexit; how should it respond to the US pivot to the Asia-Pacific region and the rise of China; and is a global role affordable?

Furthermore, Britain's responses to the perceived threats to global stability, many of which exist within Southeast Asia, will define its claim to be a global actor. The parallels with the Macmillan and Wilson governments' dilemmas of the 1960s are striking: Europe or the Commonwealth; a global role or a European role; maintenance of the US-UK relationship; and trade versus affordability. Since the Brexit decision, it would seem that at least one of these dilemmas has been resolved.

The Cameron Government was keenly aware of these competing pressures, as first outlined in the UK's 2010 *National Security Strategy*.[38] It asserted that the UK saw itself as a centre of many global networks, a link between Asia and America, and influential throughout the world not least because of 5.5 million citizens living abroad and many millions more with British ancestry. It also highlighted Britain's membership of a network of 53 Commonwealth countries, and Britain's strong historical and economic links in the emerging markets of Asia.

Accordingly, it might be expected by many countries in Southeast Asia, particularly those with historical and Commonwealth links to the UK, that Britain would be increasingly prepared to respond to the high priority risks identified by the *National Security Strategy*, namely terrorism, cyber attack, international military crises, and major accidents or natural hazards. Of these, terrorism appears to be ever-present within the region, international military crises are seemingly existential with an increasingly-assertive China in the South China Sea, and natural hazards are a constant and often realised threat, such as the devastating earthquake experienced by The Philippines in 2013.

Arguably, this expectation is being met. The UK's official approach is articulated in the 'International Defence Engagement Strategy', which seeks to draw together foreign and defence policy to form the basis of Defence's contribution to UK influence.[39] Defined as everything short of combat, and often leveraging the UK military's historical legacy, 'international defence

engagement' includes treaties and alliances, defence visits, defence sales and defence industry cooperation. The strategy makes clear that such engagement is prioritised and closely aligned to British government objectives.

Herein lies a certain link to a potentially-greater Southeast Asian role for the UK, as FPDA is specifically mentioned in the 'International Defence Engagement Strategy' as a valuable multilateral engagement forum, and an increased commitment is touted in the 2015 *National Security Strategy*.[40] However, this region is one among many that the UK appears to be interested in and, once again, like the dilemmas of the Macmillan and Wilson governments, it is difficult to determine how the current Government can afford to adequately satisfy all its strategic interests.

Regardless, there are numerous examples of opportunities for Britain in the Far East. For example, Ghazemy Mahmud highlights that Britain has a growing interest in the region and is looking to ensure that the region remains a stable and secure place for Britain to conduct business, citing the visits of former Cameron government senior leaders to numerous countries in the region as testament to this interest.[41] Similarly, Michoto Tsuruoka recognises the UK's 'unique experience in and expertise on Asia due to its imperial legacy' and the value this has for the UK and Japan in both defence and security.[42]

Moreover, Tsuruoka observes that the deep engagement that the UK has maintained in the region gives it primacy over other European states. In his view, it was this primacy that gave the UK the edge as one of the first European countries, beyond the US and Australia, to establish information-security agreements with Japan, and the first European country to establish a joint research and development project in defence equipment in 2013. Tsuruoka argues that these new agreements build on the shared values of 'respect for the rule of law' and, significantly, the responsibility that maritime powers have for 'upholding the principle of freedom of navigation at sea'.

While Tsuruoka argues that a more prominent military role is neither sought nor expected for the UK in Asia, its expanding defence engagement within Asia in recent years positions the UK well to build on this role if required or requested. Furthering this argument, Mahmud highlights the importance of Britain's role in FPDA, described by former Defence Secretary Fox as the 'cornerstone of [the UK's] defence engagement in Southeast Asia'.[43] Mahmud's argument that this could be the vehicle for the UK to surge its presence was given weight by the re-assignment of HMS *Daring* from Exercise BERSAMA LIMA to provide humanitarian assistance to The Philippines after Typhoon Haiyan struck in November 2013.[44]

However, there is a healthy level of regional sceptism over the extent to which the UK's armed forces could actually shape events 'if things get out of hand'.[45] Indeed, Rory Medcalf argues that while nations including Japan and Australia have embraced the return of the UK to Asia, there are questions as to what capability the UK can bring, given austerity measures and a lack of public interest in defence.[46]

Indeed, aside from its defence diplomacy, the UK's strategic position towards Asia remains unclear to many nations in the region and appears vague when compared, for example, to France's 2013 Defence White Paper, which acknowledged that French 'prosperity is now inseparable from that of the Asia-Pacific region' and therefore commits France to contributing to the region's stability, both politically and militarily.[47]

Tsuruoka has argued that the UK must provide more certainty in its overall strategy towards Asia. Tarak Barkawi and Shane Brighton similarly argue that a new grand strategic narrative is required; one that leverages Britain's colonial past and the diaspora it created.[48] They intentionally shy away from a partnership with either the EU or the US and instead argue for a focus on the 'networks and peoples across the global north and south'. That would be a departure from any post-colonial mentality that assumed continuing access to the material advantages of Britain's former imperial past.

Instead, Barkawi and Brighton advocate an approach which recognises that Britain is no longer the global power it used to be but that the 'diasporic, transnational social relations of post-colonial Britain and the opportunities they afford for trade, business and influence' are still available to it. In this sense, Barkawi and Brighton advocate a defence policy that 'move[s] away from direct intervention … and toward continuing and increasing the British military's advice and support programmes with foreign armed forces', as a means to gain more influence.

Aspects of the 'International Defence Engagement Strategy' closely align with this approach and it is evident that the current Government agrees with plans to 'make defence engagement a funded, core MOD [Ministry of Defence] task for the first time'.[49] Prior to Brexit, Doug Stokes and Richard Whitman contended that the UK and France were the strategic non-US heavy weights that were likely to develop a 'European grand strategy'.[50] They recognised, presciently perhaps, the somewhat awkward relationship that the UK has with Europe and its pre-1939 role as a European 'offshore balance'.

However, Stokes and Whitman also argue that the strategic drivers of the Arab Spring throughout the Middle East and North Africa, coupled with the US rebalance, have changed the 'systemic structural context of Europe's

international relations', including that of the UK. Furthermore, they argue that the inability of Europe to formulate a grand strategy towards these problems enhances the value of the leadership that the UK could have provided pre-Brexit, at least from the US perspective.

Finally, Stokes and Whitman have argued that 'European strategic weakness in Asia has … been interpreted as a strength for a broader institutional approach to the region'. Still, they claim that the UK maintains the desire and capacity for 'bilateral interoperability in military operations independent of NATO' and a propensity to play a global role. However, they also accept that any move away from the EU will incur reduced influence over the EU, which could in turn devalue Britain's relationship with the US, leading potentially to the UK losing its 'tier one' ally status with the US.

Justin Morris argues that Britain is currently a far greater power than many would contend otherwise.[51] He suggests that many in the UK still believe that Britain is a great power and cites the influence this belief has over its foreign and defence policy. Borrowing Hedley Bull's definition of a great power, Morris argues that Great Britain is such a power, citing the usual facts and figures to demonstrate Britain's position in the world in economic, GDP and investment terms.[52] He relates the way that Britain used this status to invest in 'hard power', including the nuclear deterrent, to project military power especially through the Royal Navy and its extensive intelligence capability. On these two measures, simple criticism is evident: when would the UK ever use its nuclear deterrent without US approval; secondly, does the Royal Navy have sufficient platforms to project the power that Morris claims the UK has?

Regardless, Morris promotes Britain's contribution to international aid, which is second only to the US. Furthermore, Britain's hard power is equally supported by its soft power, whether through the global dominance of the English language, the influence of the Westminster system of government and British culture, and its deep involvement in numerous global institutions. Finally, Morris points to several conflicts in the last two decades where Britain played either a major role or took the lead in international interventions. Yet it could also be argued that this very claim to greatness was undermined when in 2013 the House of Commons rejected a proposed British intervention in the Syrian conflict.[53]

Referring to former Foreign Secretary William Hague's optimistic outlook on how Britain could reclaim its former glory, Morris points to Hague's commitment to NATO over the EU, his move to recentralise the Foreign and Commonwealth Office in decision-making, and his commitment to the 'broadening of Britain's alliance network', especially with the Commonwealth, Japan, the Gulf and North Africa.

This apparent east of Suez approach would be supported by borrowing from Mahan's virtuous circle, whereby government budget cuts and policy changes would enable the economic recovery required to commit to major defence acquisition in the future—indeed, this was recognised in the 2010 *National Security Strategy* and triumphantly proclaimed by Cameron in the 2015 *National Security Strategy* as a success for future procurement. In the meantime, budgetary cuts have hit the British forces hard, leading to speculation that Treasury was defining military capability instead of policy.[54] Acknowledging all of these points, Morris concludes that Britain can only realistically be viewed as a great power if it chooses to use the substantial resources at its disposal.

Likewise, Hew Strachan questions the legitimacy of the UK's global ambition, which he argues is mismatched with the 'ends' available to deliver it.[55] Where, he asks, should the Royal Navy concentrate its efforts given a lack of platforms? Against the well-understood value of maintaining a presence in the North Sea, Atlantic, Mediterranean, Persian Gulf and Indian Ocean, Strachan queries British strategic interests in the South Atlantic and Asia-Pacific region. To underscore the commitment to the Persian Gulf, a new UK Maritime Component Command complex was recently constructed in Bahrain. According to the Royal Navy, '[n]owhere else outside UK home waters is there such a concentration of the Royal Navy around the clock 365 days a year'.[56]

Noting this commitment, Gareth Stansfield and Saul Kelly's critique of the increased British presence in the Persian Gulf, itself a component of the historical and now present east of Suez role, is relevant.[57] Their concluding question, 'what is the strategic purpose of the return "east of Suez"?', directly reflects the uncertainty of British strategy and the means to execute it. With only a limited tri-Service presence in the Gulf, it is argued that this British commitment amounts to tokenism of the sort that neither acts as a deterrent nor allows proactive engagement.

Furthermore, while the UK is diplomatically aligned with the US, Strachan implies that it does not automatically follow that the UK should follow the US pivot into the Pacific Ocean, even if requested. By example, he cites Britain's rejection of US calls for military support during the Vietnam War in 1965, where not even a single UK battalion was deployed. However, while the US has not officially requested UK support, and currently has no reason to do so, the US position is that '[its] relationships with Asian allies and key partners are critical to the future stability and growth of the region'.[58] This position matters to the UK because it bears similarity to the UK national security task to '[t]ackle at root the causes of instability', many of which are present in the Far East.[59]

Clive Blount concurs and argues that the region poses strategic challenges for the UK because of its perceived close relationship with the US and the significance of the Asia-Pacific region to UK interests.[60] In this context, Blount poses three strategic challenges for the UK to consider: how to mitigate the affect of the US pivot on European defence; how to utilise the existing UK defence presence in the Asia-Pacific region; and how the stretched and shrinking British Armed Forces can achieve interoperability with the ever-advancing US military.

Before Brexit, Blount posited that the UK could play a leadership role within the EU. However, this role is now more akin to the pre-1939 'offshore balance' suggested by Stokes and Whitman. In addition to leveraging British membership of FPDA and the Commonwealth, Blount offers the usual line-up of British facilities in the Indo-Pacific, namely Diego Garcia and the Singaporean refuelling berth, as a means to assist the US in the region. Finally, while he acknowledges the difficulty in retaining interoperability with the US, Blount argues that Britain's niche capabilities, including its special forces and the 'Five Eyes' relationship, remain important assets.

Given the above arguments and challenges to a greater UK engagement of Southeast Asia, it is no wonder that the strategic direction may seem confused or uncertain by many. There is no doubt that the Cameron Government's agenda for Southeast Asia and the wider Asia-Pacific region was to generate prosperity and stability to the benefit of the UK. However, what is unclear is the extent to which the UK will involve itself militarily within the region, given its resource limitations and competing pressures elsewhere.

Following the waves of austerity measures that were placed on the UK military since the 2010 *Strategic Defence and Security Review*, Tim Ripley anticipated budgetary stability and reduced operational tempo in the lead-up to the 2015 review.[61] To some extent, this stability was realised when the government committed to a defence budget of 2 per cent of GDP and the acquisition of more combat aircraft, new carriers and maritime patrol aircraft to create two new rapidly-deployable strike brigades.[62]

But with each of the Services now maintaining an east of Suez commitment, can all of Britain's defence commitments be sustained or are we seeing another period of strategic overreach?[63] For now, there are no clear answers. Regardless, the second-order consideration of integration into Southeast Asian security structures should also be considered. Importantly, would greater British involvement be welcome in the region given the underlying tensions?

ASEAN perceptions of British re-engagement

Much has already been said about the UK's involvement with FPDA, which clearly remains a useful vehicle for deeper UK military engagement. Yet within the Southeast Asian region, it has been argued that external state actors are as much a cause of instability as they are for stability.[64] This was certainly the regional perception in 1967 when Indonesia, Malaysia, Thailand, Singapore and The Philippines founded ASEAN. At that time, Britain's so-called military withdrawal had already been announced, thereby undermining the trust placed in it to provide stability. Sino-Soviet competition for influence within the region was also intensifying and the US was heavily engaged in the Vietnam War. The subsequent US withdrawal from Vietnam further undermined 'great power' credibility, and ASEAN leaders realised that an impending power vacuum needed to be filled.[65]

However, the ASEAN leadership also perceived common internal threats to their respective sovereign interests. As Rizal Sukma and K.S. Nathan contend, these included concerns for the preservation of independence; the primacy of regime legitimacy and the role of the state in the provision of security and prosperity; and the importance of internal order to ensure domestic prosperity.[66] Unsurprisingly, the three ASEAN norms of non-interference, avoidance of multilateral security pacts, and regional autonomy grew to define ASEAN's interactions with the world and among its members.[67] Therefore, despite numerous attempts, it was not until 1994 that ASEAN members accepted the need to establish a multilateral pact, the ASEAN Regional Forum, which now includes 27 nations from the Asia-Pacific region, including China, as well as the EU.[68]

The ASEAN Regional Forum's concept of confidence-building measures has proven to be highly beneficial to regional security confidence but as, Acharya notes, its informal nature—based on the so-called 'ASEAN way—continues to be easily exploited, with China, for example, managing to dissuade any ASEAN discussion of its territorial claims in the South China Sea.[69] Along similar lines, Allan Collins argues that China is able to exert 'de facto control over the discussion and implementation' of ASEAN Regional Forum policies, positioning itself as the benevolent hegemon in the region.[70]

Certainly, the ASEAN Regional Forum is not a military pact and its policy of non-interference inhibits ASEAN's effectiveness as a regional framework. That was most notable during the East Timor crisis of 1999 when ASEAN abstained from supporting the Australian-led intervention, notwithstanding the participation of several member states in the UN-endorsed coalition.[71] Yet there are signs that the ASEAN Regional Forum concept is having some success, and Sheldon

Simon points to Beijing's 2013 concession to ASEAN to start discussing a possible code of conduct for peacefully managing issues within the South China Sea.[72]

John Lee similarly suggests that there is benefit in state participation in the various regional forums and agreements of Southeast Asia.[73] He cites the Australian approach to managing China's rise as an example. Lee observes that 'the messier the network, and more intricate the relations between Australia and the maritime powers in Southeast Asia … the better the prospects for peace'. Here lies an opportunity for the UK to leverage its existing relationship with the region through its memberships of FPDA, in addition to the Ministry of Defence's ongoing defence engagement activities.

The Australian perspective

The Australian perspective on Britain's apparent re-engagement of Asia-Pacific continues to be debated. Harry White has hypothesised that the UK Armed Forces are simply not up to the diplomatic rhetoric that claims a global role alongside the US.[74] Countering that viewpoint, Will Taylor has argued that unlike Australia, Britain can still muster strategic clout to make 'symbolic contributions' as occurred when HMS *Daring* was reassigned to conduct disaster relief in The Philippines in 2013.[75]

Officially, Australia recognises Britain as an important partner and this was formalised in the 2013 Australia-United Kingdom Defence and Security Cooperation Treaty.[76] Moreover, recent Australia-UK bilateral discussions mooted greater Royal Navy involvement in the Asia-Pacific region and an offer was made to utilise Australian military bases to facilitate this push.[77]

However, while the UK may be considered an important partner, Australia has not greatly shifted its alliances since the UK's withdrawal from east of Suez. As previously argued, that withdrawal encouraged successive Australian governments to forge greater strategic independence such that Australia began to see itself as a 'middle power', with the ANZUS Security Treaty as the 'core element of regional security'.[78] Regional partnerships with Indonesia, Singapore, Malaysia, The Philippines, Thailand and Vietnam form the basis of Australia's engagement with Southeast Asia, underpinned by FPDA. Therefore, while a greater British presence in the region may be welcome in Canberra, there is no indication of its size, frequency or extent, so in practical terms, its value to Australian defence planners is indeterminate.

Most important to all stakeholders, and especially Australia given its trade and security relationships, is the regional security dynamic generated by competition between China and the US.[79] As James Brown contends, 'defence planners must think through the future implications of Chinese aggression'.[80]

The rise of China and US hegemony in Southeast Asia

The rise of China has attracted a great deal of academic attention and two main critiques are presented. The first, as John Mearsheimer bluntly states, is that 'China cannot rise peacefully'.[81] The second, through adopting a liberal institutional approach, is that China's rise can be peacefully managed. Offering a realist perspective, Mearsheimer argues that China's intentions remain unclear and that the US is unlikely to give up its regional hegemony easily. He asserts that Australia's perceived geographic isolation will not shield it from a more assertive China, predicting that 'China will maintain a significant military presence in the waters off the northern coast of Australia and maybe even on Indonesian territory'. As it happens, both predictions are close to being realised.[82]

For example, the sudden appearance in February 2014 of a Chinese naval taskforce conducting exercises in the Indian Ocean to Australia's north prompted surprise and concern throughout the region, but particularly within Australia and India. Medcalf notes that Chinese intentions were evident in open-source media reporting but it seems that the deployment was not officially advised to the Australian government.[83]

While the rationale behind the exercises is speculative, one explanation is that China, with a longer-term eye on the potential exploitation of seabed hydrocarbons in the Indian Ocean, was enhancing its understanding of the Lombok Straits, an alternative sea line of communication between the Indian and Pacific Oceans.[84] Others suggest it was a demonstration of Chinese force projection or the examination of an alternative trade route to avoid congestion in the Malacca Straits.[85]

Furthermore, in discussing the dilemma that the Chinese exercise created for Australian defence planners, David Wroe suggests that the 'view from the Chinese strategic establishment is that the region should get used to it'.[86] Indeed, reporting in China's *People's Daily*, citing official sources, serves to strengthen China's claim to a greater role in world affairs and reinforce its territorial claims in the South China Sea.[87] This rhetoric continues despite the Permanent Court of Arbitration's recent rejection of China's sovereignty claims.[88]

In contrast to Mearsheimer, Hugh White argues that given the importance of China and its perceptions of US dominance in its region, the US would be better off sharing its power with China rather than trying to contain it.[89] This, he suggests, could be conducted through a 'concert of Asia' approach, reflecting the 19th century concept of a 'concert of Europe', following the defeat of Napoleon. In his view, this formalised approach would offer greater stability than what could be offered by the existing regional frameworks.

Given White's critique, it could be argued that there would be merit in a deeper UK-Australia relationship as a means to offset regional perceptions that Australia is too focused and too dependent on its US alliance. Conversely, some could just as easily draw the conclusion that the region does not need the presence and influence of yet another external power potentially contributing to regional instability, as was the case at the founding of ASEAN.

Yet based on its recent defence budget cuts, one might conclude that the US is also in a period of decline and potentially unable to contain China's rise, despite its much-publicised rebalance to Asia-Pacific.[90] Equally, there are suggestions that the US pivot is as much strategic rhetoric as it is an actual increased military presence.[91] However, combined with the attempted expansion of the Trans-Pacific Partnership to the exclusion of China, Randall Doyle argues that the US strategy serves as a counter to Chinese ambitions.[92] Furthermore, the US has the weight of a number of regional alliances on its side. Prior to its rebalance to the Asia-Pacific, US hegemony was already evident in its so-called 'San Francisco' system of bilateral relationships with South Korea, Japan, The Philippines, Taiwan and Thailand.[93]

In summarising this part of the paper, it is evident that there is a degree of uncertainty regarding the UK's strategic intentions in Southeast Asia, notwithstanding official commitment for greater involvement. The disparity can be explained by the competing roles that the UK is expected or obliges itself to play either as an offset to Europe, a reliable ally or as an influential but limited power in its own right. Moreover, it is possible that official UK strategy is deliberately vague so as to allow more political manoeuvring.[94]

Undoubtedly, this vagueness encourages questions of reliability and credibility from the perspectives of key Asia-Pacific states, notably Australia. Despite this concern, it has been argued that the regional security structures of the ASEAN Regional Forum and FPDA give legitimacy to British claims to cultivate a broader military role. Furthermore, any broader role is likely to be welcome in the region as the numerous renewed bilateral ties suggest. Finally, in the context of China's rise and the US pivot, it would seem that contemporary developments provide a timely opportunity for the UK to contribute beneficially to the already intricate network of security-related relationships within Southeast Asia.

Part 3: Is there still a role for the UK Armed Forces in Southeast Asia?

Other than the possible alliance roles and the clear-cut opportunities that FPDA provides the UK military, are there other potential defence roles for the UK in Southeast Asia? The 2015 *National Security Strategy and Strategic Defence and Security Review* noted the intention to 'strengthen security and prosperity partnerships in the Gulf, Africa and Asia-Pacific', with plans to establish Defence staffs in these locations and create more training opportunities.[95]

The existing 'Five Eyes' arrangement, where the UK draws on shared intelligence provided by the US, Australia, New Zealand and Canada, negates the need for a routine UK intelligence-gathering presence in the Far East. However, Alessio Patalano asserts that there is one potentially-growing role for the Royal Navy in the region.[96] Arguing that interactions at sea are at the core of concerns in the East Asia region, he cites the Royal Navy's reputation for promoting 'good order at sea' as essential to delivering prosperity and prestige. This recognises that while the US Navy has historically ensured stability within the region, it is now on the margins of its capacity and could therefore benefit from the increased presence of an ally such as the UK, especially given the tensions in the South China Sea.[97]

Like many others, including the UK Ministry of Defence's *Global Strategic Trends*,[98] Patalano observes that the stability of the Far East is critical to global trade. Five of the top global trade routes originate in East Asia, yet all are potentially affected by contested territorial claims covering the rich hydrocarbon and fisheries resources said to be present in the South China Sea. On the one hand, China claims a great swathe of the sea on historical grounds, delineated by its 'nine-dash line' map.[99] But all the islands and features claimed by China are also claimed by at least one of the other littoral states, being either Vietnam, Malaysia, The Philippines, Indonesia, Brunei or Taiwan.

According to Geoffrey Till, these disputed claims are 'perhaps the most complicated, important and potentially dangerous … in the world'.[100] However, without an established framework to ensure good order at sea, Patalano asserts that there is potential for uncontrolled escalation over these claims, especially as most regional navies are in the throes of a sustained program of modernisation. Accordingly, any escalation has the potential to interrupt freedom of navigation through East Asian trade routes.

Sukma and Nathan draw similar conclusions but attribute the instability to a lack of understanding of 'how China is going to use its new stature and influence in achieving its national interests and objectives in the region'.[101]

Others similarly argue that China, with its growing resource appetite, 'has little choice but to become more maritime in its orientation [and that] ... almost inevitably, [its naval forces] will challenge the strategic primacy of the United States'.[102] Martin Jacques sees China's rise to prominence as a challenge to the Western system, demonstrating intent to define its own system based on the yuan as the major world currency and conducting business in Mandarin instead of English.[103]

Against this background, Patalano envisages a role for Europe, and in particular the UK, in encouraging the development of codes of conduct at sea and improved communication between potential belligerents. Such a role would likely have support from a number of East Asian states, as Japanese Prime Minister Shinzo Abe recognised at a conference in October 2013 aimed at enhancing UK-Japan relations, when he drew attention to the historical partnership between the Royal Navy and the Japan Maritime Self Defense Force (JMSDF) and their shared aim of 'maintain[ing] the safety of navigation'.[104] Abe further stressed the need to 'safeguard freedom of navigation and maintain the safety of the seas from the Straits of Malacca to the Indian Ocean and the Middle East region'.

As recently as April 2014, a code of conduct for Asia-Pacific waters was agreed between the member nations of the Western Pacific Naval Symposium, which includes China, Australia and the US (but not the UK).[105] While the code is not legally binding and has no effect on any disputed claims, there is an expectation that the agreement should at least assist in ensuring that 'accidental naval altercations' do not escalate.[106]

The defence trade role: supporting or supported by Defence engagement?

Another Far Eastern role that the UK Armed Forces now recognise is the defence contribution to UK influence through the promotion of Britain's defence industry.[107] According to Southeast Asia-based UK trade official, David Hatcher, 'UK security is best served by relationships' and it is the British Government's aim to establish long-term defence relationships with Southeast Asian countries.[108] This role is an obvious method to generate the prosperity and stability that the Cameron Government envisaged in its 'International Defence Engagement Strategy'.

At present, given its FPDA ties, the UK's defence industry is well positioned to build on its historical relationship with the Far East. For example, the defence technology company QinetiQ benefited from this relationship in 2004 in winning a contract to install an air command and control planning system at

the Royal Malaysian Air Force base in Butterworth to facilitate FPDA exercises and operations.[109]

Another UK defence technology company, BAE Systems, leveraged the relationship in 2013 to establish a memorandum of understanding with a Malaysian industry group, 'pledg[ing] to strengthen its presence in the Malaysian defence market and to use the country as a base for further penetrating Southeast Asian markets'.[110] According to Jon Grevatt, the UK's relationship with Southeast Asian countries will continue to be important, particularly as this market grows and competition with other European nations increases.[111]

However, a former UK Chief of the Defence Staff has cautioned against overuse of Defence capability in support of defence industry, asserting that:

> We must also be careful that the Defence budget is not disproportionately used to support British defence industry. There is a strong strategic case to retain specific sovereign capabilities in national hands; and there are very sound reasons to husband the ability to re-constitute specific capabilities nationally. But the Defence budget does not exist primarily to subsidise the defence industry or promote defence exports. It exists to maximise Defence capability. And it should do so in a way that recognises that our national defence industry does have a part to play as an element of our national hard-power.[112]

Clearly, it can be difficult to draw a distinction between the benefits gained from using military capability to promote defence industry and the benefits gained from Defence engagement. Arguably, the assets used for promoting defence industry could just as easily be used for 'upstream engagement', as Brigadier Kenneth Hunt observed while discussing the future British commitment to FPDA in 1971.[113] Hunt, in weighing up the issues of maintaining a British military presence east of Suez at that time, suggested that a small presence in an overseas location could influence the internal security situation merely by being there, and possibly negating the deployment of a much larger force in future.

General Sir Peter Wall, a former UK Chief of the General Staff, is also supportive of greater British Army involvement in defence engagement to gain both training value and associated funding, no doubt mindful of the decision to withdraw the majority of the British Army from Germany and the negative consequences the decision had on training opportunities.[114] According to Wall, 'the pilot schemes for defence engagement led by the Adaptive Force brigades … are delivering valuable effect'.

Yet the resourcing issue is still contentious. Put simply, the British Army is being funded for defence engagement activities—albeit to achieve national strategic aims—that the Chief of the General Staff could be directed to resource from within his own assigned budget. The former Chief of the Defence Staff mentioned above cites the same dilemma at the joint level, noting that:

> [W]e must find better ways of resourcing activity that sits in the grey area of conflict prevention and upstream stabilisation; or we will fail to monetize a huge national asset which can considerably assist the delivery of developmental benefits.[115]

Hence, while overseas training opportunities may exist through FPDA and other military-to-military links, if either Head Office or another government department does not provide funding, then in all likelihood the Service Chiefs may vote not to deploy forces to avoid the associated cost. As Hunt observed while discussing the similar post-east of Suez withdrawal dilemma decades earlier, 'costs are more easy to quantify than benefits, and therefore easier to dwell upon, which is not necessarily wise'.

While the British Armed Forces should anticipate undertaking a range of tasks within Southeast Asia, from exercising with allies to supporting 'good order at sea', it remains unclear as to what 'ends' the UK seeks from these roles. The 'International Defence Engagement Strategy' may support the notion that all such Defence activities underpin UK influence, yet what is the UK trying to achieve, and what can it realistically achieve? It is clear that UK forces would be welcome in the region, as both Australia and Japan have indicated. However, competing interests elsewhere mean that a sustained and credible presence in the Far East is probably unrealistic.

Perhaps a more sensible approach is the strategy that Barkawi and Brighton propose. By accepting that it is no longer a global power, but rather a power with significant interests, links and influence throughout the world, the UK could re-align its mismatched ends with the means existent within the UK Armed Forces. This could include a naval fleet activity schedule that assigns a greater priority to the Far East from within the existing Persian Gulf operations. It could also mean that funding is committed for greater participation in regional exercises by Defence's Head Office or the Foreign and Commonwealth Office. Importantly, Britain's ties to Southeast Asia through FPDA, the ASEAN Regional Forum and bilateral arrangements, especially with Australia, could facilitate an increased presence of its forces in the region.

Conclusion

As Stansfield and Kelly have argued, 'a "return to east of Suez" is an emotive phrase in British politics, on both the Left and the Right'.[116] Such a return, real or imagined, provokes similar emotions today. As this paper has observed, the reasons for the UK's military withdrawal from Malaysia and Singapore in the 1970s were numerous, complicated and seemingly inevitable, in a way paralleling any major strategic decision taken today.

Major economic contributing factors to the 1967 decision included Britain's post-World War 2 austerity, a growing balance of payments deficit, and the threat of a run on the sterling. The opportunity to address these shortfalls by shifting trading arrangements away from Commonwealth agreements to the larger markets of the EEC proved irresistible for both the MacMillan and Wilson Governments. It also signalled to Britain's security dependencies, notably Australia, Brunei, Malaysia, Singapore and New Zealand, that significant structural changes were underway in the region.

Strategic factors were at least as important as the economic factors in the east of Suez withdrawal. Throughout the 1960s, it became increasingly obvious to successive UK governments that while a global role was desired, it was not viable given the more important strategic priorities of maintaining the nuclear deterrent and committing to European defence. Other casualties of this mismatch of ends and means were the aircraft carrier and F-111 acquisition projects.

The improving security situation in Southeast Asia towards the end of the 1960s and the subsequent rise in nationalism, especially in Malaysia, made the final decision to withdraw easier to make. While not welcomed in any of the former British dominions, the effect of Britain's withdrawal was two-fold: it fostered greater independence for those states and, at the same time, greater regional cooperation especially through FPDA. Therefore, while Britain did withdraw from Southeast Asia it also retained a persistent presence to support FPDA exercises and the development of both the Malaysian and Singaporean defence forces.

Forty years later, FPDA remains one of the UK's most important connections to Southeast Asia as it looks to re-engage with the region. The reasons for such a re-engagement reflect the original factors that influenced the departure: trading opportunities are flourishing; the region contains many of the world's major shipping routes which the UK and many other nations rely on; and the security situation is looking decidedly more fragile than in 1971.

Yet the same debates still continue about what the UK's role in global affairs should be. Should it accept its declining global importance? Should it follow the US into the Asia-Pacific region as the supposedly reliable partner of a 'special relationship' when precedent does not demand it? Should it uphold the obligations of an influential power and commit to intervening in the Far East as the *National Security Strategy,* the *Strategic Defence and Security Review 2010* and the 'International Defence Engagement Strategy' suggest? Moreover, can the UK even afford to make more than a token gesture to the region, given the possibly more important strategic priorities in the Persian Gulf, the Atlantic and Europe?

These considerations are of major importance to Britain's long-time partners and allies in the Asia-Pacific region, especially while uncertainty looms over China's intentions. Australia, like its acceptance of the rotation of US Marines through Darwin, has offered access and training facilities to UK armed forces to facilitate a larger presence in the Asia-Pacific region.[117] Japan has also called for closer ties with the UK.

The ASEAN Regional Forum offers the UK another diplomatic point of engagement with the Far East beyond the numerous bilateral ties that the Cameron Government re-invigorated in the last few years. Fundamentally though, FPDA remains the most legitimate and well-served reason for continuing British involvement in Southeast Asian affairs—and has rightly been defined as the 'cornerstone' of British defence engagement with the region.

Naturally, these links allow other British goals to be achieved, including the promotion of British defence industry through the second goal of defence engagement. The two goals are intrinsically linked, perhaps more so than many officials would like. Furthermore, the concerns held by the single Service Chiefs over funding defence engagement tasks that may support foreign policy aims are legitimate and raise questions as to which tasks will be supported in the future.

Yet the UK's Armed Forces have much to offer the Far East, symbolic or otherwise. As a means of building confidence and showing solidarity with its partners in Asia-Pacific, Britain can add to its FPDA foundations and work within the existing security structures to promote good order, particularly at sea. Additionally, it would bring capability and a degree of credibility to the region that is welcomed and, excluding the US contribution, arguably lacking.

As a region prone to environmental disasters, Asia-Pacific needs all the international assistance on offer. As a region prone to conflict, it requires reliable and influential partners and allies to assist with the maintenance of sovereignty and stability. These are clearly roles that the UK's armed forces can support, if not permanently, then at least persistently through FPDA, reinforced by diplomatic lines of engagement.

Notes

1 The author completed this paper while attending the UK Command and Staff College in 2014. It has been slightly updated to reflect the UK's so-called 'Brexit' decision in June 2016 to leave the European Union.

2 Rudyard Kipling, 'Mandalay' in *Departmental ditties and ballads and barrack-room ballads*, Doubleday, Page and Co: New York, 1919, p. 190, available at <https://en.wikisource.org/wiki/Departmental_Ditties_and_Ballads_and_Barrack-Room_Ballads> accessed 1 April 2014.

3 Jeffrey Pickering, *Britain's withdrawal from east of Suez: the politics of retrenchment*, Macmillan: London, 1998, p. 3.

4 UK Government, *Securing Britain in an age of uncertainty: the Strategic Defence and Security Review*, UK Government: London: 2010.

5 For example, see Australian Government, *Australia in the Asian Century White Paper*, Department of the Prime Minister and Cabinet: Canberra, 2012, available at <http://www.defence.gov.au/whitepaper/2013/docs/australia_in_the_asian_century_white_paper.pdf> accessed 10 January 2014.

6 Pickering, *Britain's withdrawal from east of Suez*, pp. 6-9; also UK Government, *A strong Britain in an age of uncertainty: the National Security Strategy*, UK Government: London, 2010, p. 10; and UK Government, *National Security Strategy and Strategic Defence and Security Review 2015: a secure and prosperous United Kingdom*, UK Government: London, 2015, p. 11, available at <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/478933/52309_Cm_9161_NSS_SD_Review_web_only.pdf> accessed 20 September 2016.

7 Saki Dockrill, *Britain's retreat from east of Suez: the choice between Europe and the world?*, Palgrave Macmillan: Basingstoke, 2002, p. 28.

8 Quoted in Dockrill, *Britain's retreat from east of Suez*, p. 40.

9 Geoffrey Till, *Seapower: a guide for the twenty-first century*, Frank Cass: Abingdon, 2004, pp. 17 and 20.

10 Phillip Darby, 'Beyond east of Suez', *International Affairs*, No. 4, October 1970, p. 658.

11 Stuart Ward, *Australia and the British embrace: the demise of the imperial ideal*, Melbourne University Press: Carlton, 2001, p. 67.

12 Michael Bordo, Ronald MacDonald and Michael Oliver, 'Sterling crisis: 1964-1967', *National Bureau of Economic Research* [website], 2009), pp. 4-7, available at <http://www.nber.org/papers/w14657.pdf> accessed 3 April 2014.

13 Pickering, *Britain's withdrawal from east of Suez*, p. 159.

14 Bordo, MacDonald and Oliver, 'Sterling crisis 1964-1967', p. 9.

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The Senkaku/Diaoyu Islands dispute: The likely impact of any constitutional change by Japan on its relations with China

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Abstract

This paper examines the likely impact of any constitutional change by Japan on its relations with China, particularly in the context of the Senkaku/Diaoyu islands dispute. It notes that while several policy options have been canvassed as potential solutions to the dispute, none is seemingly palatable to one or both parties, suggesting that a long-term solution is not foreseeable, and that the potential for increased tension will remain.

The paper argues that while Japan's recent constitutional reinterpretation is not likely to impact the Senkaku/Diaoyu dispute, any change to allow a more liberal use of Japan's military forces would likely result in increased regional tensions, particularly in terms of Japan's relations with China. The paper concludes that in the interests of maintaining a stable regional security environment, Japan—and other influential parties—need to be particularly cognisant of the risks involved in advancing any such proposal.

Introduction

Since 2010, there has been considerable tension between Japan and China over the Senkaku/Diaoyu islands in the East China Sea. A group of unoccupied islands and rocks, totalling an area of seven square kilometres, the Japanese-administered islands are 200 kilometres northeast of Taiwan and a similar distance southwest of Okinawa.[1] China also claims sovereignty of the islands. As a result of these competing sovereignty claims, there has been a longstanding territorial dispute between the two states which, over time, has escalated into a regional flashpoint.

This paper will firstly examine the impact of Japan's recent reinterpretation of Article 9 of its Constitution as it relates to collective self-defence. It will then argue that the Senkaku/Diaoyu dispute is a regional flashpoint that will continue unless changes to policy settings are made in both China and Japan. The paper will examine several policy options that have been canvassed, noting that none seems particularly palatable. Against that background, the paper will conclude that while Japan's recent constitutional reinterpretation is not likely to impact the Senkaku/Diaoyu dispute, any change to allow a more liberal use of Japan's military forces would likely result in increased regional tensions, particularly in terms of Japan's relations with China.

Revising Japan's security posture

Within a year of taking office, following a landslide majority election in December 2012, Prime Minister Shinzo Abe's Liberal Democratic Party government introduced several security initiatives intended to strengthen Japan's regional security posture and provide a revised strategic framework for the Japan Self-Defense Forces (JSDF).[2] These initiatives reflected an iterative progression by successive Japanese governments to move away from the restrictive interpretations of Japan's 1951 Constitution, which specifically renounces war and prohibits Japan from maintaining the potential for war by denying the right of belligerency to the nation.[3]

The shift stems in part from a resurgence of Japanese nationalism but also from US pressure for Japan to contribute more both to international security and the US-Japan alliance.[4] Put simply, the US would prefer Japan to become a 'normal' state and move away from the pacifist basis of its Constitution. In July 2014, Prime Minister Abe announced further measures, notably cabinet approval of a reinterpretation of the Japanese Constitution, aimed at allowing the JSDF to participate in collective self-defence measures.[5]

The right to self-defence was not excluded by the 1951 Constitution. Indeed, its constitutional basis was used by Prime Minister Yoshida in 1954 to establish the

JSDF as a military force for defensive purposes.[6] At the same time, Prime Minister Yoshida limited the expectations of his US ally by announcing that Article 9 did not permit participation in collective self-defence arrangements or the use of the JSDF internationally.[7] That interpretation, in the context of the 1951 Security Treaty between the US and Japan, formed the basis for what became known as the 'Yoshida doctrine'.[8]

The July 2014 reinterpretation of Article 9 is therefore significant in that it supplanted the 60-year-old Yoshida doctrine, allowing the JSDF to take action in support of an ally that has come under military attack.[9] The reinterpretation does not alter the primacy of self-defence but expands on the standards whereby the JSDF may use force should an ally of Japan be attacked.[10] These standards were further codified in Japan's 2015 Defence White Paper, articulating the conditions that must be met before the use of force in collective self-defence can be authorised.[11]

The constitutional reinterpretation provoked criticism from China and South Korea, based on lingering resentment of Japanese aggression in World War 2.[12] However, while the changes are significant in terms of Japanese security policy, the use of force is still heavily constrained and does not reflect a normative defence policy, not least because of Article 9's continuing denial of the right of belligerency.[13] Any fundamental change towards a normative policy could arguably only come about as a result of constitutional amendment.

Prime Minister Abe has mooted that possibility. However, he has yet to table any such change, which would likely be strongly contested domestically.[14] Hence, it can be argued that notwithstanding the rhetoric from China and South Korea, Japan's new collective self-defence powers do not alter the strategic calculus for regional disputes. Any future move to alter the Constitution, however, would likely have significant ramifications.

The flashpoint of the Senkaku/Diaoyu islands

The origins of the Senkaku/Diaoyu islands dispute stem from the end of the Sino-Japanese War in May 1895, when China ceded Taiwan and its surrounding islands to Japan under the Treaty of Shimonoseki.[15] In 1969, a geophysical report highlighted the potential for oil reserves in the East China Sea, sparking a revival of the dispute, with subsequent territorial claims by China and Taiwan.[16] These claims were ignored by Japan, which continued to administer the islands, establishing a *status quo* whereby Japan has ignored Chinese claims for sovereignty.[17]

This *status quo* was reinforced when Chinese Vice Premier Deng Xiaoping visited Japan in 1978, signing the 'Sino-Japanese Peace and Friendship Treaty',

and agreeing a *modus vivendi* whereby the sovereignty dispute would be shelved for future generations to solve.[18] The agreement implicitly removed any justification for a Chinese challenge to Japanese control of the islands, which Japan interpreted as implicit recognition of Japanese sovereignty.[19]

In the following years, a number of small-scale incidents in the vicinity of the islands periodically sparked diplomatic tensions between China and Japan.[20] However, these incidents were successfully managed through diplomatic dispute resolution arrangements, while domestic actions in both countries to thwart excessive nationalism were able to maintain the spirit of the *modus vivendi*.

However, the equation changed dramatically in 2012, when the Japanese Government decided to purchase three of the islands, effectively nationalising the islands. This resulted in escalatory measures by the Chinese, turning the *status quo* on its head and elevating the Senkaku dispute to a regional flashpoint.[21] In an official paper released in 2012, China asserted that:

> China has maintained routine presence and exercised jurisdiction in the waters of Diaoyu Dao…. China has also exercised administration over Diaoyu Dao and the adjacent waters.[22]

Continuing incidents, together with China's establishment of an air defence identification zone (ADIZ) in the airspace around the islands, show that China's reaction to the nationalisation of the islands signals a clear departure from its previous policy.[23] China is now openly challenging the Japanese claim to both sovereignty and administration of the islands, which has included a formal claim lodged with the UN.[24] For its part, Japan's official response to China's ADIZ has been more cautious, with its 2015 Defence White Paper saying that 'Japan is demanding China to revoke any measures that go against the principle of the freedom of overflight over the high seas'.[25]

The current situation is characterised by policy settings that have had the effect of heightening tensions between China and Japan, with a commensurate increase in the risk of miscalculation following any incident at sea or in the air. If not managed well, the consequences of any such incident are obviously significant. The possibility of an imbroglio escalating into conflict cannot be dismissed, with the potential also to draw in the US in defence of its ally.[26]

The options for resolution

In order to manage the current tense situation, characterised by heightened tension and the attendant risk of miscalculation, there is a need for Japan and China to continue to develop crisis management mechanisms. This is especially apparent given that the recently-declared Chinese ADIZ overlaps a Japanese ADIZ, declared in 1969.[27]

At present, there are two mechanisms with the potential to assist in times of crisis, namely the 2014 Code for Unplanned Encounters at Sea (reached at the 2014 Western Navies Symposium and now agreed by 21 countries) and the nascent China-Japan Maritime Mechanism (proposed by Japan but not yet agreed by China).[28] However, such mechanisms are only useful to treat the symptoms of the problem—they do not address the underlying, structural issues at the heart of the dispute.

There are four broad options that have been canvassed regarding the structural issues. The first is essentially aligned to the *modus vivendi*, which would see the competing claims of sovereignty put aside for resolution at a later time. However, in order to reduce tensions to pre-2012 levels, it is likely that China would require Japan to recognise its own sovereignty claims that were made in response to Japan's purchase of the islands in 2012.[29] That is unlikely to be agreed by the Japanese government, which believes that its own claim has a sound basis in international law. It would also likely attract negative domestic comment in Japan, especially given the growing sense of Japanese nationalism and public antipathy towards China.[30]

The second option would be to seek resolution of the respective sovereignty claims through international arbitration, such as the International Court of Justice (ICJ). This option could be pursued by Japan, as it is a signatory to the Court's jurisdiction. However, China does not recognise the compulsory jurisdiction of the ICJ, and is unlikely to accept any decision relating to competing sovereignty claims.[31] So while this option may seem appealing, it would require a major concession on the part of both countries—China to recognise the jurisdiction of the ICJ, and Japan to acknowledge the existence of China's claim—which is unlikely for the foreseeable future.

The third option would be for Japan to use its generally-accepted administration of the Senkaku Islands to declare the region an international marine park, as proposed by Taiwan's President Ma Ying-jeou in 2012.[32] Such an option would be attractive internationally, particularly as it would ban the exploitation of seabed resources, which is an underlying element of the competing claims. However, there has been no indication that either China or Japan would agree to such a proposal, and it seems unlikely that either could be persuaded to put aside their claims in favour of such a park, despite some thawing in tensions following the meeting between Japan's Prime Minister and China's President in November 2014.[33]

The fourth option would be a revival of the stalled 2008 China-Japan Consensus on Resource Development.[34] At the time, the agreement was effective in gaining concessions from both parties, including agreement on joint resource development in the immediate vicinity of the islands. However, later incidents and disagreements soured the prospect of further collaboration. Nevertheless, this initiative has the potential to be revived, and could provide worthwhile follow-on initiatives, in an attempt to restore the conditions that existed before 2012.

Conclusion

This paper has argued that without treating the structural issues associated with the Senkaku dispute, there can be no long-term solution, and that the potential for increased tension will remain. The four policy options canvassed in this paper should not be viewed as absolute. Indeed, *realpolitik* on behalf of both countries will most likely mean that none of the options will be palatable and that a different path will have to be trod.

Regardless, there is a real need to return to a pre-2012 environment where disputes were handled without resort to escalatory measures. The November 2014 bilateral discussions between Prime Minister Abe and President Xi, which included specific agreements for improving Japan-China relations, were a promising first step, with indications that further talks may have a de-escalating effect.[35]

For Japan, the path to becoming a 'normal' security actor through constitutional change is fraught with risk, both domestically and in terms of regional stability. Should Prime Minister Abe table any proposal for constitutional reform prior to de-escalation of the Senkaku dispute, China's reaction would likely be ardent and escalatory. In the interests of maintaining a stable strategic environment in the East China Sea and the broader Northeast Asia region over the coming decade, Japan—and other influential parties—need to be particularly cognisant of the risks involved in advancing any such proposal.

Notes

1 James Manicom, *Bridging troubled waters: China, Japan and maritime order in the East China Sea*, Georgetown University Press: Washington DC, 2014, pp. 1-2.

2 William Choong, 'Japan's new politics', *Survival*, Vol. 55, No. 3, June-July 2013, pp. 47-54.

3 Law Library of Congress, *Japan: interpretations of Article 9 of the Constitution,* Global Legal Research Center, Washington DC, September 2015, p. 2.

4 For example, see the explanation of the process of Japan's 'gradual normalisation' in William Choong, 'Defence and Japan's constitutional debate', *Survival*, Vol. 57, No. 2, April-May 2015, pp. 173-92.

5 Prime Minister Shinzo Abe, 'Press conference by Prime Minister Abe', *Prime Minister of Japan and his Cabinet* [website], 1 July 2014, available at <http://japan.kantei.go.jp/96_abe/statement/201407/0701kaiken.html> accessed 24 May 2016. While Article 51 of the UN Charter defines collective self-defence, this paper uses William Choong's definition of collective self-defence as 'generally understood to be the right to use force to repel an armed attack against a foreign country that has a close relationship with one's own country': Choong, 'Defence and Japan's constitutional debate'.

6 Choong, 'Defence and Japan's constitutional debate', p. 176.

7 See [US] Library of Congress, 'Japan: Article 9 of the Constitution', *Library of Congress* [website], subsection V(F), 'Birth of SDF', available at <https://www.loc.gov/law/help/japan-constitution/article9.php> accessed 24 May 2016; also Choong, 'Defence and Japan's constitutional debate', p. 176.

8 Choong, 'Defence and Japan's constitutional debate', p. 176.

9 Choong, 'Defence and Japan's constitutional debate', p. 179-81.

10 Choong, 'Defence and Japan's constitutional debate', p. 176. See also Adam Liff, 'Japan's defense policy: Abe the evolutionary', *The Washington Quarterly,* Vol. 38, No. 2, Summer 2015, pp. 86-7. At page 94, Liff also points out that Japan's exercise of collective self-defence is a political judgment and is likely to occur only when Japan's security is also threatened. He also notes that the US-Japan alliance is not a mutual defence pact.

11 Japanese Ministry of Defense, 'Defense of Japan 2015, Part II: Japan's security and defense policy and the Japan-US Alliance (White Paper)', *Ministry of Defense* [website], available at <http://www.mod.go.jp/e/publ/w_paper/2015.html> accessed 24 May 2016.

12 See, for example, Stephen McDonell, 'China criticises Japan's revision of pacific constitution', *ABC News* [website], 2 July 2014, available at <http://www.abc.net.au/news/2014-07-02/china-slams-japan-military-shift/5565630> accessed 24 May 2016; also Vasedevan Sridharan, 'Xi and Park criticise Japan's departure from pacific doctrine', *International Business Times* [website], 4 July 2014, available at <http://www.ibtimes.co.uk/xi-park-criticise-japans-departure-pacifist-doctrine-1455346> accessed 24 May 2016.

13 Liff, 'Japan's defense policy', p. 95.

14 Law Library of Congress, *Japan*, pp. 41-9; Liff, 'Japan's defense policy', pp. 91-2.

15 Mark E. Manyin, *Senkaku (Diaoyu/Diaoyutai) Islands dispute: US treaty obligations*, Congressional Research Service: Washington DC, January 2013, p. 2.

16 Manicom, *Bridging troubled waters*, pp. 43-4.

17 Manicom, *Bridging troubled waters*, pp. 43-4.

18 See Ministry of Foreign Affairs of Japan, 'Treaty of Friendship and Peace between Japan and China', *Ministry of Foreign Affairs of Japan* [website], available at <http://www.mofa.go.jp/region/asia-paci/china/treaty78.html> accessed 24 May 2016; and Manicom, *Bridging Troubled Waters*, pp. 45-6. Manicom also highlights that the *modus vivendi* was effectively already Chinese policy.

19 Manicom, *Bridging troubled waters*, pp. 44-6.

20 Yew Meng Lai, *Nationalism and power politics in Japan's relations with China: a neoclassical realist interpretation,* Routledge: Abingdon, 2014, pp. 157-61.

21 See, for example, Jane Perlez, 'China accuses Japan of stealing after purchase of group of disputes islands', *New York Times* [website], 11 September 2012, available at <http://www.nytimes.com/2012/09/12/world/asia/china-accuses-japan-of-stealing-disputed-islands.html?_r=0> accessed 24 May 2016.

22 The People's Republic of China, 'Diaoyu Dao: an inherent territory of China (White Paper)', *Information Office of the State Council* [website], 25 September 2012, available at <http://www.china.org.cn/government/whitepaper/node_7168681.htm> accessed 24 May 2016.

23 Michael McDevitt, 'The East China Sea: the place where Sino-US conflict could occur', *American Foreign Policy Interests,* Vol. 36, No. 2, 2014, pp. 102-3.

24 McDevitt, 'The East China Sea', pp. 102-3.

25 Japanese Ministry of Defense, 'Defense of Japan 2015, Part I: Security environment surrounding Japan (White Paper)', *Ministry of Defense* [website], available at <http://www.mod.go.jp/e/publ/w_paper/2015.html> accessed 24 May 2016.

26 The US takes a neutral position on the competing sovereignty claims but has made clear that the islands are part of the mutual treaty obligations to Japan: Manyin, *Senkaku (Diaoyu/Diaoyutai) Islands Dispute*, pp. 5-6.

27 Tetsuo Kotani, 'Crisis management in the East China Sea', *Stockholm International Peace Research Institute* [*SIPRI*], [website], p. 6, available at <http://books.sipri.org/product_info?c_product_id=491> accessed 24 May 2016.

28 Oliver Bräuner, Joanne Chan and Fleur Huijskens, 'Confrontation and cooperation in the East China Sea: Chinese perspectives', *SIPRI* [website], pp. 4-7, available at <http://books.sipri.org/product_info?c_product_id> accessed 24 May 2016.

29 McDevitt, 'The East China Sea', p. 104; see also Michael D. Swaine, 'Chinese views regarding the Senkaku/Diaoyu islands dispute', *China Leadership Monitor*, No. 41, Spring 2013, pp. 4-5.

30 Noboru Yamaguchi, 'A Japanese perspective on the Senkaku/Diaoyu islands crisis', *Lowy Institute* [website], pp. 15-6, available at <http://www.lowyinstitute.org/files/tensions_in_the_east_china_sea_web.pdf> accessed 24 May 2016.

31 China is not on the list of countries recognising the compulsory jurisdiction of the Court: see International Court of Justice (ICJ), 'Declarations recognizing the jurisdiction of the Court as compulsory', *ICJ* [website], available at <http://www.icj-cij.org/jurisdiction/index.php?p1=5&p2=1&p3=3> accessed 24 May 2016.

32 See, for example, Taipei Times, 'Annette Lu makes Diaoyutais proposal during visit to US', *Taipei Times* [website], 9 April 2003, available at <http://www.taipeitimes.com/News/taiwan/archives/2013/04/09/2003559183> accessed 24 May 2016.

33 See, for example, Leika Kihara and Sui-Lee Wee, 'China's Xi, Japan's Abe hold landmark meeting', *Reuters* [website], 10 November 2014, available at <http://www.reuters.com/article/us-china-japan-idUSKCN0IU08420141110> accessed 24 May 2016.

34 Details of the agreement are available on the National University of Singapore's website, <https://cil.nus.edu.sg/rp/il/pdf/2008%20China-Japan%20Principled%20Consensus%20on%20the%20East%20China%20Sea%20Issue-pdf.pdf> accessed 24 May 2016; see also Bonnie Glaser, 'US policy considerations in the Senkaku/Diaoyu islands crisis', *Lowy Institute* [website], pp. 35-6, available at <http://www.lowyinstitute.org/files/tensions_in_the_east_china_sea_web.pdf> accessed 24 May 2016.

35 Ministry of Foreign Affairs of Japan, 'Regarding discussions toward improving Japan-China relations', *Ministry of Foreign Affairs of Japan* [website], November 2014, available at <http://www.mofa.go.jp/a_o/c_m1/cn/page4e_000150.html> accessed 3 March 2016.

‘Nothing to do with Islam’: The historical origins, ideology and strategic threat of global Salafi-jihadism

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Abstract

This paper examines Salafi-jihadism as a strategic issue driving the threat of Sunni Islamic terrorism globally. By tracing the genealogy of Salafism from the early centuries of Islam to the rise of Salafi-jihadism in the 1980s, it debunks the rejection of Salafi-jihadists' claims to legitimacy as members of the Islamic faith, arguing that Salafism has doctrinal credibility, based on its own scholarly exegesis of the canonical sources of Islam.

The paper cautions that denial of Salafi-jihadist claims to Muslim identity is a disavowal of Muslim agency more broadly, especially where non-Salafi Muslims identify with conservative elements of Salafism. It also warns that attempts to uncouple Salafi-jihadism from Islam may encourage rather than impede the movement of young Muslims along the extremist spectrum, while discouraging Muslim communities from examining their role in mitigation strategies.

Introduction

Salafi-jihadism exists as a strategic issue driving the threat of Sunni Islamic terrorism globally. In political and social responses to manifestations of this threat, whether in the Middle East or the West, a constant theme is rejection of Salafi-jihadists' claims to legitimacy as members of the Islamic faith. This paper debunks that assertion by tracing the genealogy of Salafism historically and ideologically, from the early centuries of Islam to the rise of Salafi-jihadism in the 1980s.

In structure, this paper will begin by providing a picture of the current strategic threat presented by Salafi-jihadism, and its characterisation by Western politicians. Part 2 will trace the core Islamic concepts shared between Muslims, and which Salafists hold as central to their creed. Part 3 will trace the history of traditionalist Islam from the 8th century through to its revival in the 20th century, showing the genealogy of Salafism and the emergence of Salafi-jihadism.

In doing so, the intention is not to identify all Salafists, let alone Muslims, as threats to international security. Like Islam more broadly, Salafism (*al-Salafiyya*) is a diverse creed containing many millions of adherents who observe the tenets of their religion peacefully. Thus, as others have done, this paper draws distinctions between purist Salafism as a pious quietist movement, Salafism as a political movement, and Salafi-jihadism.[1]

Of the estimated 50 million Salafists at present, the vast majority are either non-violent purists who reject politics as a secular distraction, or Salafis who participate in peaceful politics in one form or another. The remaining grouping of Salafi-jihadis represents a minority, estimated in 2009 to be around 250,000.[2] Nonetheless, despite the relative size of the group, their activities exist as a threat to the regional order and an enduring challenge for policy makers in the Muslim and non-Muslim world.

Salafism is an ancestralist strand of Sunni Islamic religious observance that seeks to limit adherence to a purified form of Islam focused on the Qur'an and the example set by the Prophet Mohammad and the early generations of Islam (the ancestors or *salaf*). Salafism thus rejects or severely limits the role of additional, later sources beyond those that provide first-hand insight into the early years of Islam. In its puritanical approach, Salafism prescribes a stricter adherence to doctrinal concepts and sources already existing in Islam and that are absolutely central to the religious practice of all Muslims.

Importantly, this places Salafism on a spectrum within Islam, rather than in conceptual isolation and opposition. Salafi interpretation of central, shared doctrinal elements allows Salafists to exert influence in the rejection of

engagement with other cultures and to resist and advocate against Western concepts such as democracy, freedom of speech and sexual equality. Salafism is able to achieve this level of asymmetrical influence primarily because its focus on core doctrinal concepts and sources, underpinned by credible theological exegesis, creates a degree of legitimacy that is difficult for mainstream Muslims to counter without risking reputational harm—let alone the violence that is an ever-present existential threat from Salafi-jihadists.

This is true even for mainstream clerics, who have until recently appeared reluctant, at least openly, to criticise the doctrinal basis of Salafi-jihadism, except in its worst manifestations.[3] This is often because Salafi-jihadist ideologues are formidable opponents. As will be seen, the most influential ideologue in Salafi-jihadism, Abdullah Azzam, held doctoral and professorial credentials from two of Islam's most esteemed tertiary institutions, and demonstrated a jurisprudential eloquence second-to-none.

Salafist interpretation of Islamic doctrine competes with mainstream Islam because of its alignment with core mainstream concepts: influencing practice among non-Salafist congregations, limiting discussion of Islam within mainstream communities, and reversing or stifling the possibilities for reform. Salafism's reliance on universally-shared and revered precedent empowers its practitioners to redefine Islam narrowly so as to redraw the boundaries of the faith, to exclude and even excommunicate orthodox Muslims, and to dehumanise non-adherents. It is incumbent on policy makers to grasp the difficulty in disaggregating Salafist doctrine from the mainstream basis of Islamic belief, because only then can they fully comprehend the Sisyphean task of framing policy solutions against the more pernicious influences of Salafism (specifically, Salafi-jihadism) and in favour of an imagined pluralist or mainstream Islam.

Part 1: Strategic threat and political framing

The casual viewer of mainstream or social media cannot avoid grasping that an increased transnational terrorist threat exists and that its adherents lay claim to a divine purpose on the basis of their Muslim faith. Violent acts are perpetrated on a frequent basis, aimed at soft targets in workplaces, nightclubs, on public transit and even in homes. A *New York Times* collation of ISIS attacks against targets outside of Iraq and Syria indicates that 1200 people have lost their lives between September 2014 and July 2016.[4] But ISIS is merely the most recent and fiercest expression of this phenomenon.

At present, organisational mapping of global Al Qa'ida groups active between 2014 and 2016 shows 26 organisations operationally active in the Middle East,

Africa, Asia and the West.[5] These organisations consist primarily of rivals, allies and affiliates of Al Qa'ida, sharing a global Salafi-jihadist ideology, with the exceptions including insurgent groups which display ultra-conservative Islamic ideology, engage in extreme violence to achieve their political objectives, and do so with the logistics and ideological support of Al Qaeda-linked organisations or splinter groups. Similar mapping for global Islamic State groups in the same period shows 21 organisations (including some overlapping with the former search) linked to or in competition with the sibling rival currently eclipsing its older brother.[6]

Global Salafi-jihadism, currently centred on Syria and Iraq, represents a significant threat to the security, economy and sovereignty of nation states. Recent years have seen the mass displacement of populations, gathered in refugee camps in the countries bordering Iraq and Syria, and in mass unlawful migration to Europe. Also observed has been the attempted genocide of the Yazidis and the driving out of Christians and other minorities from occupied lands.[7]

Concerns have also been expressed by governments and commentators at the terrorist up-skilling of nationals who travel to conflict zones in large numbers, and who present potential risks on their return due to capability, intent and experience.[8] At the same time, Salafi-jihadists call on and inspire lone actors, or seek to direct action by proxy, and have the power to exacerbate sectarian division between Islamic communities, and foment racism against Muslims and by Muslims against others.[9]

Political response – Salafi-jihadists as 'un-Islamic' and the uncoupling of *jihad*

In commenting on these events, often in response to spectacular atrocities occurring in the West, Western and Muslims leaders consistently and misguidedly assert that Salafi-jihadist groups like ISIS and Al Qai'da are not Islamic.[10] It is clear that these crafted responses are well-intentioned efforts aimed at social cohesion. They are designed to calm community concerns and deflect the trajectory of critical discourse from veering into prejudiced directions that might lead to harm. These claims are laudable in terms of their social agenda but problematic in terms of their historicity.

It is likely that many politicians make these claims in ignorance and are unaware of the possible negative consequences. Their ahistorical view derives from the counsel of political advisers and academics weaned on a heady cocktail of Edward Said-ian post-colonial theory, and invested cultural groups propagating an ahistorical view of *jihad* (commonly interpreted as 'holy

war').[11] This counsel leads politicians to assert that Salafi-jihadist groups are un-Islamic on the evidence of their use of violent *jihad*; the most confronting manifestation of their ideology. This attempt to uncouple *jihad* from Islam is clearly seen in commentators making a value-laden distinction between 'greater *jihad*' as an internalised spiritual struggle or the doing of good deeds, versus the idea of 'lesser *jihad*' as signifying militant *jihad*.

These categorisations are a distraction and quite wrong. As David Cook observes, the distinction originates in a 'creative reinterpretation' of a Qur'anic passage by the 12th century Sufi scholar al-Ghazali, which 'turns the focus radically away from its original intent', and which has been the subject of debate ever since.[12] As Cook notes (citing Alfred Morabia's work), the 'concept of a "greater jihad/lesser jihad" dichotomy is a fiction devised to ease the acceptance of *jihad* into Muslim society'—which has been latched upon by apologist Western academics and Muslim apologists alike—asserting that:

> Attempts to rewrite history occur solely in Western-authored presentations of jihad, or those with Western audiences as the primary focus. It is ironic, but the fact remains that few Muslim scholars or even apologists writing in non-European languages have ever made the exaggerated claims [as produced by Western apologists who have sought to uncouple the concept of jihad from violence]. Perhaps because early Muslim history is heavily emphasized in the Islamic curriculum, those who write in Arabic or other Muslim majority languages realize that it is pointless to present jihad as anything other than militant warfare.[13]

Denial of the militant nature of *jihad*, or cherry-picking Qur'anic verses (while eliding or avoiding others) as a means to uncouple Salafi-jihadists from their faith entirely, is intellectually dishonest and has not impeded the appeal and reach of Salafis-jihadist ideology, and may have unintended consequences.[14] One consequence is that it discourages Muslim communities more broadly from engaging in critical examination. If Salafi-jihadism is 'nothing to do with Islam', then no responsibility rests with Islamic communities to monitor and address the problem. When Western politicians favour one Muslim identity over another, they risk isolation and polarisation of Muslims who share many of the conservative values of Salafism, while not subscribing to their stricter interpretations.

Ahistorical attempts to exclude Salafism from Islam are therefore a denial of Muslim agency, and risk further disenfranchisement of Muslim identity. This strategy may push some Muslims further along toward the extreme end of the Islamic spectrum. One might also question the efficacy of such statements on the basis that Western constituencies—with access to modern information resources—appear increasingly to disagree with the conclusion that there is no link, and are frustrated with the disingenuous nature of such statements.[15] Furthermore, since a deep link exists between Islam and Salafi-jihadism, denial

of its existence merely delays a sensible policy discussion on how to address the problem in a manner sensitive to the religious identity of law-abiding Muslims and to the valid security concerns of Muslims and non-Muslims alike.

Part 2: Salafism's Islamic genealogy

The importance of Mohammad, and the role of the *hadith*

In order to understand how Salafism can exert influence within Islamic discourse, it is important to grasp the centrality of Mohammad to the practice of Islam in all its forms. For all Muslims, including Salafists, Mohammad is the chosen Prophet through whom God communicated to the world via the revelation of the Qur'an. Furthermore, Mohammad is identified in the Qur'an as the seal of the prophets, establishing him as the final conduit between the affairs of mankind and the demands and expectations of the divine.[16]

There is little useful contemporary information available regarding Mohammad's life, with the key religious sources beyond the Qur'an (which itself developed into its present form over time), arising approximately 150 to 200 years after his death in the form of his biographies and collected anecdotal recordings of his words and deeds.[17] These canonical sources provide an imagined, idealised account of Mohammad that may or may not be accurate in any historical sense but that bequeath to the Islamic world a vision of Mohammad as the perfect example of humanity.[18] For Muslims, and regardless of Western scholarship's inability to ascertain their veracity, these accounts operate as absolute fact, and make it incumbent on Muslims to look to the aggregated record of Mohammad's life as the key guidance in pursuit of correct spiritual and temporal existence.

This focus on Mohammad as exemplar is derived from the Qur'an, which states that '[y]ou have indeed in the messenger of God an excellent example for the one who longs for God and the last day, and remembers God abundantly'.[19] Further, the centrality of the Prophet to Islamic devotion is enshrined in the act of testifying one's faith (*shahada*) as one of the five pillars of Islam: 'I testify there is no god but Allah and Mohammad is his messenger'.[20]

Mohammad as exemplar leaves Muslims with a problem however. While the Qur'an defines Mohammad's role, it is a limited resource if believers seek to understand exactly how Mohammad lived the perfect life, particularly in the contemporary world in which Muslims find themselves. Over time, the early Muslim community would solve this problem by developing a corpus of observations and recollections of the Prophet's actions and words that would

act as guidance to believers: the *hadith*.[21] The prophetic *hadith* —records of the sayings and actions of the Prophet—are the most important supplementary source used by Muslims to assist in the goal of emulating the Prophet.

Muslims believe that the Qur'an and *hadith* (also known as the traditions, or *Sunna*) of the Prophet are to be viewed as complementary. This is articulated, for example, in *hadith* regarding the Prophet's final sermon in which he said, 'I am leaving you two things and you will never go astray as long as you cling to them—they are the Book of Allah and my Sunnah'. This latter *hadith* is cited by Muslims—Salafists and non-Salafists alike—as evidence of the centrality of the Prophet in the interpretation of God's revelation in the Qur'an.[22]

The *hadith* were compiled initially on an ad hoc basis by Mohammad's early followers and then in a more systematic and thematic way by various scholars in the centuries following his death. Each *hadith* exists as a discrete text (*matn*), accompanied by a chain of transmission (*isnad*), which details the list of orators through which the *hadith* was communicated. For example, Al-Bukhari writes:

> [I]t was narrated to us by Yusuf b. Musa: it was narrated to us by Abu Usama: it was narrated to me by al-A'mash, from Khaythama, from the Companion 'Adi b. Hatim, who said that 'the Messenger of God, may God's peace and blessings be upon him, said, "there is not one among you except that he will be spoken to directly by his Lord with no translator or any barrier separating them"'.[23]

On the basis of the chain of transmission and the credibility of the narrators, each *hadith* is also graded for authenticity. The highest rating for a *hadith* is authentic (*sahih*) but lesser-rated *hadith* such as fair (*hasan*) may also be considered. In Sunni Islam, there are six major *hadith* collections, with two collections considered the most authoritative: *Sahih al Bukhari* and *Sahih Muslim*.[24] These collections are referred to as the *sahihayn*, which means literally 'the two that are authentic', and thus are compilations of *hadith* considered to be fully authenticated and therefore providing persuasive guidance regarding Mohammad's example.

Ostensibly, the *hadith* are second only to the Qur'an in terms of their canonical importance. In practice, however, they have evolved to exist symbiotically with the holy book and have had tremendous influence in the determination of custom and law in the Islamic world. Some scholars have concluded that this influence has led the *hadith* to overshadow the Qur'an in defining the observance of Islam, with Jonathan A.C. Brown asserting that '[i]n this sense, in Islamic civilization the Sunna has ruled over the Qur'an, shaping, specifying and adding to the revealed book'.[25] Like other Muslim scholars, Salafi scholars rely on the *hadith* in order to interpret law and to issue religious edicts advising their congregations on how to deal with all issues, from marriage to engagement with foreign powers.[26]

Countless examples of *fatwas* by pre-eminent Salafist scholars demonstrate the central reliance of the *hadith* in supporting legal opinions. As an example, here is a digression by Abdul Aziz bin Abdullah bin Baz, a former Grand Mufti of Saudi Arabia, within a longer *fatwa* ruling on the issue of whether it is permissible to shave off beards, in which he provides extensive discursive analysis regarding the binding authority of the *sahihayn*. This example is illustrative of the 'black-letter law' approach of Islamic scholars in establishing precedent:

> It is known that there is a consensus among scholars on acting upon evidence authentically reported from the Prophet (peace be upon him)…. The difference between those of the Two Sahihs and others is that the Hadiths of the Two Sahihs are authentic. Thus, we are not required to investigate their authenticity. Therefore, we have to act according to them.[27]

The centrality of the *hadith* to Salafist identity is further underscored by their belief that a single sect will enter paradise on judgment day, with all other sects consigned to hell. The view that Salafists are this 'saved sect' (*firqa naajiya*) is based on an oft-cited *hadith* which relates that '[i]t was narrated from Anas bin Malik that the Messenger of Allah … said "[t]he Children of Israel split into seventy-one sects, and my nation will split into seventy-two, all of which will be in Hell apart from one, which is the main body"'.[28]

Exploration of Salafist websites providing religious advice illustrates the importance of the 'saved sect' *hadith* to their adherent's sense of identity, exclusive righteousness and entitlement. In an article on the Islam Q&A site, managed by the Syrian Salafist Muhammad Al-Munajjid, the author cites extensively from the *hadith* as well as Salafist inspirational sources, such as Ibn Taymiyya who will be discussed below, in concluding that Salafists are the saved sect.[29]

Monotheism and the rejection of heretical innovation

From the above discussion of Mohammad's role in Islam, it is important to derive two points. First, that the idea of Mohammad as role model is central to Islamic practice and the manner with which Muslims interact with the physical world—Muslim and non-Muslim. Through emulation of Mohammad's example, Muslims seek to live a pious life in the temporal plane in the hope of achieving greater rewards in the hereafter. Second, that Salafists are no different to other Muslims in this regard, with the distinction being that their emulation of Mohammad is far stricter and involves the adoption of a purist approach dating back to the 8th century *ahl al-hadith* movement.

This purist approach is driven by two key tenets of Salafism. Bound together, these tenets project an image of Salafism as a means to achieve a pure, idealised and pious existence that has broad appeal to Muslims. First, Salafists

seek to ensure Muslims adhere to the concept of monotheism (*tawhid*) by emulation of Mohammad and, second, they seek to avoid heretical innovation (*bid'a*) which might harm achievement of the former objective.

The next section explores these two interrelated concepts in more detail, since they are the bedrock of Salafism's appeal and the source of its rigidity and incompatibility with competing societies. Importantly also, they are central to the appeal of Salafism to an increasing number of Muslims confronted by globalism and the perception of the relative failures of Islamic societies in adapting to modernity.

Monotheism

Monotheism (the doctrine or belief that there is only one God)—one of the pillars of Islam—is also the central doctrine at the heart of Salafist ideology, and includes three essential characteristics that Salafists believe Muslims must subscribe to in order to be truly Muslim. First, adherents accept God's creation of and dominion over the universe, a concept expressed in the *shahada* (no god but God).[30] Second, Muslims accept that God is unique in all characteristics, sitting above all creation and existing as the supreme legislator for humanity such that Muslims are compelled to follow Islamic law (*shari'a*) in its entirety. This injunction is derived from the Qur'an:

> You do not worship besides Him but only names which you have named (forged)—you and your fathers—for which Allah has sent down no authority. The command (or the judgement) is for none but Allah. He has commanded that you worship none but Him (i.e. His Monotheism); that is the (true) straight religion, but most men know not.[31]

As a result, Salafis reject the separation of the institutions of religion from those of the state, and the supremacy of secular laws over divine.[32] It is evident that this interpretation of *tawhid* places Salafists in contradiction with Western democratic norms and other non-Islamic models of governance and, indeed, with Muslim societies that practise those models. In his book *The Bitter Harvest: The Brotherhood in sixty years*, Ayman Zawahiri criticises the Muslim Brotherhood for straying from divine legislative sovereignty and regards anyone who practises democracy as an infidel.[33] Zawahiri quotes Sayyid Qutb, saying:

> Sovereignty is the most exclusive prerogative of godhood. Therefore, whoever legislates to a people assumes a divine role among them and exercises its privileges. Men become his slaves, not the slaves of Allah; they accept his religion, not the religion of Allah…. Thus judgement upon this question is settled: he is an infidel whoever does not rule in accordance to what Allah has revealed.[34]

The third element of monotheism, central to all Muslim faith, is the exclusive right of Allah to be worshipped. Again, drawn from the expression of the *shahada*, Islam demands a rejection of polytheism. Where Salafists take this

concept further than other Muslims is in forbidding any intercessionary devotion (*tawassuf*), as practised by Sufi Muslims and other sects. For Salafists, there can be no association of others (*shirk*) in the worship of God, and the total rejection of polytheism embraces the idea that every daily act, if undertaken in accordance with the examples in the Qur'an and the *Sunna*—from prayer, to ablution, to eating—is an act of devotion in and of itself.

The slightest deviation from the examples given in the canonical guidance thus becomes an act of spiritual deviation that will return mankind to the period of ignorance (*jahiliyyah*), prior to the revelation of the Qur'an. It is easy to see how this rejection of intercession and *shirk* 'tends to elide with the conceptualization of God as the unique sovereign'.[35] It exists as a source of tension between and rejection by Salafists of other Muslim sects who have made accommodations with traditions and customs existing prior to Islam.[36]

Bid'a – the Salafist rejection of heretical innovation

Salafists believe that sources of guidance beyond the limited canon of the Qur'an and *Sunna* lead to heretical accretions or innovations (*bid'a*) that impede adherence to Islam's monotheistic basis. This distinction, drawn from a doctrine shared with other Muslims but stricter in the observance, has the potential to place Salafists and non-Salafists on conflicting trajectories. For Salafists, complete and total rejection of *bid'a* is a key concept that exists in opposition to the other jurisprudential approaches of Sunni Islam which adopt a less restrictive approach to the concept.

Salafists believe that three of the four major Sunni schools of jurisprudence (*madhab*)—Maliki, Shafi' and Hanafi—have strayed unacceptably by incorporating human opinions and reasoning found outside the parameters of the Qur'an and *hadith*.[37] These schools of jurisprudence and their modern adherents are thus deemed to be 'people of opinion' (*ahl al rai'*), who rely on the opinions of scholars to arrive at a consensus (*ijma'*) in interpreting Islamic doctrine in order to determine practical application and whether particular practices are in accordance with the traditions of the Prophet.

The Shafi' *madhab* thus developed an approach to innovation which accommodates consensus into the determination of whether an innovation is acceptable or not. In this conception, 'the principle that any innovation that contradicts the Qu'ran, the tradition, the *ijma'* or the opinions of the Companions is an error. But a good *bid'a* that is not in conflict with any of these sources is praiseworthy'.[38]

The stricter Salafi interpretation of *bid'a* derives in particular from the fourth major Sunni school of jurisprudence, Hanbali. It was refined by the 13th century

Hanbalist scholar Ibn Taymiyya, and later adopted by the 18th century ideologue, Mohammad Ibn Abdel Wahhab, active in the Nejd region of Saudi Arabia. As noted by Al-'Uthaymin:

> The Hanbalites are against innovations as a whole, and they maintain that all forms of worship (*'ibadat*) that are not recommended by the sources of shari'a are prohibited. To ibn Taymiyya, the religion of Islam is based on two principles: worship is to be devoted to God alone, and it should be carried out only in accordance with His commandments and the teachings of the Prophet. It was this conservative attitude that was adopted by the Wahhabis. The Shaykh [Wahhab] condemned all forms of innovation, and rejected the views of those who maintained that a *bid'a* could be praiseworthy, basing his rejection on the words of the Prophet [that] 'Every *bid'a* leads people astray'.[39]

Salafism's strict focus on limited canonical guidance in the observance of monotheism thus fully rejects reason, logic and desire in determining how one should live one's life. As Wiktorowicz notes, 'Salafis [seek to] … eliminate the biases of human subjectivity and self-interest, thereby allowing them to identify the singular truth of God's commands'.[40] This strict approach rejects extraneous influences as un-Islamic. It is a key source of friction between adherents of 'orthodox' forms of Islam and their Salafist critics, reaching its apogee in the anti-democratic polemical writings of Salafi-jihadi ideologues such as Ayman Zawahari.[41]

Thus we see that while mainstream Muslim scholars and Salafists share an acceptance of the concept of *bid'a*, they differ in views on its application. While the former may accept innovation not explicitly contradicted by canonical sources, the latter seek explicit guidance on the parameters of observance. Mainstream Muslims might otherwise adapt their lives to modernity and globalisation, with varying degrees of success, while Salafists, in their uncompromising application of *bid'a*, seek rejection of and withdrawal from elements that contradict their absolutist interpretation of Islam.

Part 3: The origins and histor(ies) of the Salafist movement

Salafism should be seen as a contemporary political classification for a traditionalist form of Muslim identity that has manifested itself in similar ways dating back to the 8th century. Adherents of Salafism consider themselves as true to the original concept of Islam and reject the idea that they are a modern expression of a traditionalist approach. Many adherents reject classification entirely, preferring to be designated 'Muslim'.[42] While being a modern expression, and regardless of the nomenclature, what is currently called Salafism has clear historical antecedents.

From the *ahl al hadith* to Wahhabism

The 8th century *ahl al-hadith* (people of the traditions of the Prophet) movement can be seen as the first major antecedent to Salafism. This traditionalist, conservative approach to exegesis arose when scholars based in Medina sought to rely solely on the Qur'an and traditions of the Prophet in resolving jurisprudential matters, and rejected the earlier rationalist approach to religious legal interpretation. Previously, Islamic science had followed an approach that tolerated practices so long as they did not contradict explicit instructions given in the Qur'an.

These earlier approaches were thus 'the logical methods of the "people of opinion (*ra'y*), analogous derivation (*qiyas*) or independent reasoning (*ijtihad* or *ijtihad ar-ra'y*)"'.[43] In practice, the rationalist approach could include reference to the accounts of the Companions and rulings of the successors of the Prophet, and precedence from the records of legal discourse that had been collected in the years following the death of Mohammad. These *Musannaf* collections are the first organised form of Islamic scholarship, and contain records of opinionated interpretation of the Qur'an and the example of the Prophet and his successors to arrive at new rulings in the first two centuries of Islam.[44] Brown notes that Prophetic *hadith* formed only a portion of the material in these compilations:

> The earliest surviving *musannaf*, Mālik's *Muwatta'*, is thus a mixture of Prophetic hadiths, the rulings of his Companions, the practice of the scholars of Medina, and the opinions of Mālik himself. The version of the *Muwatta'* that became famous in North Africa and Andalusia contains 1,720 reports. Of these, however, only 527 are Prophetic hadiths; 613 are statements of the Companions, 285 are from Successors, and the rest are Mālik's own opinions.[45]

The *ahl al hadith* movement's restriction of authority solely to authenticated *hadith* of the Prophet came at a time of increasing popularity of *hadith* accounts, and thus influenced other schools, after some polemical resistance, to reluctantly adopt a similar approach. This resulted in the generation of many new *hadith* as scholars sought to adopt a moderated version of the *ahl al-hadith* movement. In doing so, they attributed many old legal principles to the Prophet—a source of the later difficulty in determining the historical veracity of accounts of the Prophet's life.[46]

The influence of the *ahl al-hadith* was that it led to increasing conservatism more generally and, by the 9th century, interpretation of the Qur'an and *hadith* in Sunni Islam was reserved only for the four schools.[47] The movement was particularly influential to the Hanbali *madhab*, which was marked by its stricter adoption of the traditionalist approach to interpretation, resulting in lesser reliance on *ijtihad* and a greater reliance on tradition and scholarly consensus.

This created a centuries-long debate more widely in Islam over the process of *ijtihad*, which led to some scholars arguing that the 'gates of *ijtihad*' may have been closed (*insidad bab al-ijtihad*) during the 12th century.[48]

These scholars link this event to the stagnation of intellectual inquiry in the Islamic world, though other academics dispute the idea that *ijtihad* was excluded from mainstream Islamic discourse.[49] While this debate demonstrates that Islam is not immutable, and continues to be contested, the position of Salafists is fixed. The *ahl al rai'* approach is rejected by modern-day Salafists, who view *ijtihad* as an heretical innovation corrupting the purity of Islam and representing an insidious challenge to the infallibility of the canonical sources.

The *ahl al hadith* trend was later articulated in the work of the Syrian Hanbalist scholar Ibn Taymiyya (1263-1328) and his students. Although he was a *Sufi* (mystic), Ibn Taymiyya 'shared the Salafi creed' and 'ardently rejected rationalism at a time when rationalism represented Islamic officialdom'.[50] It is Ibn Taymiyya's strict Hanbalist doctrinal approach that all modern day Salafists are influenced by, since it rejects theological accretions that have developed in Islam over centuries, including the 'resort to philosophy, Aristotelian logic, or metaphorical interpretation (*ta'wil*), all of which distort the meanings of the scriptures'.[51]

Ibn Taymiyya is especially influential to Salafi-jihadists through their interpretation of what has come to be known as the 'Mardin *fatwa*'. This *fatwa* issued a ruling on the Mongol invasion of Syria and was significant in that it was a call to wage *jihad* against fellow Muslims. Salafi-jihadists have viewed this as justification for the killing of Muslims in waging *jihad* against infidels. Modern scholars have differing interpretations of this *fatwa*, with some viewing it as a deeply philosophical, personal and hypothetical legal opinion.

This is also contingent on the fact that Ibn Taymiyya was dubious about the Mongol conversion to Islam. As Yahya Michot notes, Ibn Taymiyya begins the *fatwa* with 'a reminder that the lives and possessions of Muslims are forbidden "wherever they may be, in Mardin or anywhere else"'.[52] However, the nature of a *fatwa* is that it is a non-binding legal opinion, open to interpretation. Ibn Taymiyya's Mardin opinion has thus been interpreted consistently by Salafi-jihadists as a positive licence to engage in *jihad* against Muslims, despite its hypothetical and contingent aspects.

In the 18th century, the Nejd ideologue and proselytiser Mohammad Ibn Abdel Wahhab, under the influence of Ibn Taymiyya, developed an austere approach to Hanbalist ancestralism that was spread in the Nejd and beyond via his political alliance with the House of Saud. This alliance saw the establishment of the first Saudi State in 1744. The alliance with the House of Saud continues in the

form of the current (third) Saudi State, established in 1902. The Salafi religious/political balance in Saudi Arabia, placing Salafism at the heart of governance and foreign policy, is well known and the subject of frequent discussion in the popular press.[53]

Examples of the continuing influence of Al Wahhab and his Salafist ideological inheritance can be seen in the current Grand Mufti of Saudi Arabia, Abdul-Aziz ibn Abdullah ash-Shaykh, and in other political and government appointments, including the current Minister of Islamic Affairs, Saleh bin Abdul-Aziz ash-Shaykh.[54] Wahhab's influence on the broader development of Salafism is undeniable. Wahhab's doctrine is distinguished by monotheism as its fundamental tenet, with Al-'Uthaymin noting that '[a]ny belief or practice that … [Wahhabists] thought to be in violation of its principle was strongly denounced as polytheistic, and a person who believed in such practices declared to be an infidel, who should be killed'.[55]

Thus many of the associated characteristics of the Wahhabi creed flow from the observance of *tawhid* via the avoidance of *bid'a*, including the abjuration of intercession (*tawassul*); the rejection of veneration of graves, graven images and erection of domes; the act of declaring someone who fails to adhere to *tawhid* an apostate (*takfir*); and the response to such apostasy—fighting (*qital*) and *jihad*.[56] Examples of the application and influence of these observances include the destruction of the Jannat al-Baqi burial site in Medina, and the Jannat al-Mualla in Mecca by King Abdulaziz ibn Saud in 1925.[57] Similar acts of destruction have occurred in recent times, including the defacement of the Bamiyan Buddhas in the Hazarajat region of central Afghanistan by the Taliban, and the analogous destruction of antiquities in Syria and Iraq at the hands of Islamic State.

It should be noted that purist Salafists, including Saudi adherents, generally reject the term 'Wahhabism', since it suggests the idea of a new direction in Islam, contradicting the strict ancestralism that is at the heart of Salafism. For the same reason, Salafists generally do not identify themselves as 'Hanbalist' since this would elevate the authority of a single man over the canonical sources of the Qur'an and *hadith*.[58] Nonetheless, Wahhabism exists as a sub-category of the ideology of quiescent or peaceful Salafism but played a role in the development of jihadi-Salafism in the mid to late 20th century as a result of its intersection with a new trend in political Islam which arose out of Egypt in the early years of the 20th century.

The Muslim Brotherhood, the politicisation of Salafism, and the obligation to *jihad*

The Muslim Brotherhood movement and related splinter groups have played a key role in the growing politicisation of Muslim consciousness—especially amongst Salafists—and of the obligation toward a return to piousness and *jihad* in order to counter threats to Islam. Founded by Hasan al-Banna in 1928, it developed as an Islamic revivalist response to the British colonial occupation of Egypt and, in particular, what al-Banna later described as 'the wave of atheism and licentiousness' evident in metropolitan Egyptian society.[59]

Al-Banna was not alone in experiencing an existential crisis at the fate dealt to the Arab Muslim world. As David Cook notes, '[b]y the 1920s the only areas of the Muslim world not directly or indirectly controlled by Europeans were those that no one wanted.... For Muslims, all of this was a major shock'.[60] As will be discussed, al-Banna's prescription to reverse the humiliations enacted upon Islam was to have wide-reaching impact.

Al-Banna advocated the concept of Islam as a complete political system (*nizam al shamil*) and was influenced both by the totalitarian ideology of fascism, 'which was popular in nationalist and anti-British circles' in Egypt, and by the late-19th century writings of Muhammad 'Abduh and Rashid Rida.[61] The two writers re-explored Islamic concepts in an attempt to come to terms with the existential crisis that had gripped Islam as a perceived result of the rise of the West, and advocated study of the *Salaf* as the solution:

> Their Salafism, we are told, sought to reconcile Islam with the social, political, and intellectual ideals of the Enlightenment.... [They] strove to rearticulate their religion in terms that were more relevant to contemporary realities and more intelligible and appealing to the rational minds of the educated elite. They saw the pious ancestors (*al-salaf al-salih*) as paragons of ingenuity and adaptability whose example would allow modern Muslims to emancipate themselves from the shackles of tradition and join the march of civilizational progress.[62]

'Abduh and Rida's vision of a return to early Islamic ingenuity as a means to help Muslims adapt to modernity, and their apologetic reframing of *jihad* as defensive, was thus antithetical to the Salafism that had come before and that was to develop in the 20th century. However, their work stimulated an intellectual line that al-Banna and those who followed him were to take in a different direction. In his writing, and more akin to fascist ideologues than the rational innovation and reform championed by 'Abduh and Rida, al-Banna sought to address the weakness in Egyptian society by seeking to encourage Muslims to take their identity as part of a Muslim community (*ummah*) seriously through a return to conservative Islamic values.

Al-Banna's politicisation of Muslim historical identity had a significant influence on the later development of militant Islam by his followers and those they came to influence. This was illustrated in the change in awareness of the obligation towards *jihad* embodied in the motto adopted by the Muslim Brotherhood, 'Allah is our objective. The Prophet is our leader. The Qur'an is our constitution. Jihad is our way. Martyrdom is our highest hope'.[63]

Al-Banna's aim was to ensure Muslims engaged in *jihad* for the right reasons and he was, as David Cook observes, 'concerned that Muslims are losing their desire for the next world because of their fear of death (a common theme among popular medieval Muslim preachers) and their interest in the good life of the modern world'.[64] This is a theme that was to have significance in the later transformation of political Salafism into Salafi-jihadism, discussed in more detail below. Cook notes that al-Banna framed the concept of *jihad* in a defensive sense:

> God obligated the Muslims with jihad not as a means of aggression nor as a vehicle for their personal desires, but in order to protect the proclamation [of Islam], as a surety for peace, and as a means to fulfill the great mission whose burden has been taken up by the Muslims, which is the mission to guide people to truth and justice. Islam, just as fighting was made obligatory, celebrates peace, as 'and if they incline to peace, incline to it too, and put your trust in Allah' (Qur'an 8:61).[65]

This suggests that al-Banna placed a lesser emphasis on *jihad* as an offensive tool to spread Islam. This view might be challenged by al-Banna's obligatory framing and by the Qur'anic citation which, read in the light of the 'mission to guide people to truth and justice', implies a broad and heavily contingent and entirely subjective basis for peacemaking. The ambiguity here allows for some intellectual agility—a characteristic that has come to typify Islamist polemical messaging.

At the same time as he was revitalising religious obligations, al-Banna sought to head off any inconvenient parallels between his vision and the targets of his enmity. As Cook notes, writing about the apologetics of both al-Banna and the Indo-Pakistani ideologue Abu Al-'Ala al-Mawdudi, the two applied the newly-popular apologetics to the conception of *jihad* in an attempt to motivate followers by framing Islam as a liberating rather than expansionist phenomenon:

> They try to de-emphasize (for the first time in Muslim history) the character of the early Muslim conquests, presenting them as a 'liberation' of oppressed peoples instead of an imperialistic venture. Undoubtedly this tone was a response to Christian missionary polemic, as well as the uncomfortable realization that the early Muslim conquests were easily comparable to the contemporary European imperialist and colonialist ventures.[66]

The aim for al-Banna was to influence and re-invigorate the conception of Islamic tradition, values and identity. Al-Banna recast Muslims as victims who

must become steadfast in their religion in order to counter the incursion of unbelief that had degraded Islam's rightful dominance.

This argument had a significant attraction to disaffected Muslims in Egypt but also created concern amongst the ruling elites. Following al-Banna's assassination in 1949, the Egyptian authorities began a crackdown on the Muslim Brotherhood movement, including the imprisonment of leaders who had initially cooperated with Jamal 'Abd al-Nasser but then were accused of attempting his assassination. The movement was also seen as a threat in Syria and other Arab nations, resulting in a diaspora in the 1950s and 1960s of disaffected and highly-politicised individuals who 'flocked to teaching and preaching jobs in Saudi Arabia and burrowed deep into its curricula and its intellectual life'.[67]

This diaspora was to result in the politicisation of Salafism in Saudi Arabia, and the concomitant emergence of Salafi-jihadism. However, while al-Banna's politicisation of Islam has had an enduring effect on politics in the Muslim world, it is the work of the Brotherhood's leading ideologue, Sayyid Qutb (1916–66), that had the more significant effect on the radicalisation of Sunni Islam and the trend toward Salafi-jihadism.

Qutb advocated a complete return to Islam's central tenets as a means to reverse the humiliation visited upon Muslims as a result of colonialism and the corrupting influence of Western licentiousness. This world view was heavily influenced by Qutb's experiences living in the US for two years from 1949, where he was confronted and offended by capitalism and early 1950s' Western liberalism. On his return to Egypt, he quickly assumed the mantle of the Muslim Brotherhood's chief ideologue and was active in efforts to Islamically reform Egyptian society.

It is believed that the Muslim Brotherhood played a role in the 1952 military coup and 'that Anwar Sadat, and possibly Gamal Abdul Nasser himself' had been members of the Muslim Brotherhood's 'Special Apparatus'. Qutb himself was offered a role in the Nasser government but this was rejected because the Brotherhood could not give legitimacy to a government that refused to implement *Shari'a* law.[68] Following a failed assassination attempt on Nasser in 1954, undertaken by a young member of the Brotherhood, Nasser saw a means to remove the influence of this competing organisation and so Qutb and other members were imprisoned and underwent hard labour and torture at the hands of the regime. As Cook notes, '[t]his experience was the anvil on which radical Islam in Egypt was forged'.[69]

While in prison, where he spent many years until he was executed in 1966, Qutb wrote several influential texts, outlining his concept of the world and the

need for a return to pure Islamic values analogous to the early years of the religion, which have subsequently been influential in the modern development of militant *jihad*. In his writings, Qutb argued that the world existed in one of two states: the period of pre-Islamic ignorance known to all Muslims as *al-jahiliyya*, or a true Islamic existence under the sovereignty of Allah, excluding all other modes of belief and governance. As argued by Qutb, it could be:

> Either Islam or *jahiliyya*. There is no intermediate state half-Islam and half-*jahiliyya* that Islam can accept. Islam clearly indicates that the truth is one, not multiple, that everything that is not truth is perdition, and that the two cannot be mixed. Either God's government or *jahiliyya* government. Either God's *Shari'a* or human caprice [*hawa*].[70]

This passage is significant in that Qutb's framing is a classic expression of the concept of monotheism which, as shown previously, is the central tenet of Salafism and one of the five pillars of Islam more broadly. Furthermore, Qutb's monotheistic position and its binary expression create an argument for the controversial Islamic concept of *takfir*, or the declaration of religious infidelity. It is striking to note the similarity in Qutb's position with that of Ibn Taymiyya, whose *fatwa* on the ruling Mongols (discussed earlier) has also provided Salafi-jihadists with an influential justification for *takfir* (and thus *jihad*) against modern Muslim rulers.

Despite the fact that the Mongols were publicly converts to Islam, Ibn Taymiyya had made a hypothetical case for rebellion where the exercise of governance was un-Islamic—although he advocated the view that 'life under a tyrannical ruler was better than civil strife'.[71] Muhammad ibn 'Abd al-Wahhab followed this precedent, believing that 'obedience to rulers is obligatory, even if they are oppressive or sinful … and their commands should be followed as long as they do not contradict the rules of religion'.[72] Qutb's Islamic revivalism can also be seen as a re-expression of this early ruling: according to his argument, any Muslim who subscribes to any system of governance other than that exemplified by the 'unique Qur'anic generations' (in other words Mohammad and his early followers) is an apostate and therefore an enemy of the Islamic project.

Thus, from his understanding of the comprehensive, comprehensible and rational basis of Islamic doctrine, Qutb outlines a concept of *jihad* that rejects the apologetic elements evident in al-Banna's ahistorical conception. Islam exists as a social and political system that places realistic demands on its congregation. Its jurisprudential system flows from the basis of Qur'anic exegesis to define the clear conditions, stages and authorities required to engage in and escalate the various forms of *jihad*, such that 'there is a logical progression from peaceful proclamation, to warfare on a limited scale, to revenge for wrongs done to the Muslims, to the final stage of unlimited warfare'.[73]

Qutb's unequivocal advocacy of offensive *jihad* in the pursuit of Islam means that he 'clearly arrogates the right to interfere anywhere in the world in which Muslims are not allowed to proclaim Islam freely', arguing that:

> It is the right of Islam to move first, because Islam is not the belief of a [single] group, nor the system of a state, but the way of life of God and a system for the world. *Thus it has the right to move to destroy impediments, whether systems or circumstances, that rob the person of the freedom to choose*. It does not attack individuals in order to compel them to embrace its creed, but it attacks systems and circumstances in order to liberate the individuals from false influences that corrupt the innate nature [of man] and prevent freedom of choice.[74]

Qutb's conception of *jihad* in the restoration of Islamic glory is a licence to engage in war on the basis of any perceived impediment, whether to Muslim practice or Muslim dominance. In practice, however, the revolutionary *jihad* that occurred in the period between the publication of Qutb's ideas and the Russian occupation of Afghanistan had the characteristic of local, internalised conflict or terrorism in places like Egypt and Palestine. It was the later work of another Muslim Brotherhood member that was to draw together influences including Qutb, Ibn Taymiyya and canonical sources that became the touch-paper for the strategic threat of internationalised Sunni terrorism.

The emergence of the Salafist-jihadis

Sayyid Qutb's writings and death had a powerful impact on the intellectual and political development of a Salafist scholar who was to play the key role in the transition of political Salafism into global Salafi-jihadism. Abdallah Azzam (1941–89) was a Jordanian-Palestinian scholar who had engaged in guerrilla warfare against the Israelis in the late 1960s, and was a member of the Muslim Brotherhood. Azzam studied twice at Al Azhar University in Cairo, obtaining a masters degree (1969) and a doctorate (1971–73) in Islamic law.

During these periods, Azzam immersed himself in Islamic activist society in Egypt, developing close connections with Sayyid Qutb's family. From 1973 to 1980, Azzam worked briefly in the Jordanian Ministry of Religious Endowments, before entering academia where his classes became increasingly politicised and critical of the government. This raised his profile amongst Islamists but brought him to the attention of the security services. Realising that his position in Jordan was untenable, he moved to a position at the King Abdul Ibn Saud University in Saudi Arabia.[75]

This transition coincided with the Russian occupation of Afghanistan (1979–89), an event that was to transform contemporary Muslim consciousness regarding the obligation to *jihad*. The Muslim Brotherhood played the initial role in

mobilising young Saudi men to assist the Afghan *jihad* against the Russians, and it was the intersection between the Brotherhood's activism and Azzam's Islamic legal credentials that accelerated the flow from a trickle in the years before 1984 to a significant contribution to the Afghan campaign in 1989.

In 1981, Azzam had a chance meeting with the brother-in-law of Sayyid Qutb, Kamal al-Sananiri, who was engaged on a mission to explore greater Muslim Brotherhood involvement in the Afghan campaign. On transit in Jedda to conduct pilgrimage, al-Sananiri met with Azzam and convinced him to travel to Islamabad to assist with this mission. In Islamabad, Azzam established the Services Bureau (*makhtab al-khidmāt* or MAK) to facilitate the flow of Arab jihadists to Afghanistan. It was '[t]hrough MAK … [that a network of] fighters was built that included Osama bin Laden and Ayman al-Zawahiri … [which] would later serve as the basis of what has become known as al-Qa'ida'.[76]

Over the next few years, Azzam engaged in teaching and activism in support of the *jihad* and wrote several articles and books that were both controversial and pivotal to the transition to a globalised form of *jihad*. In 1984, Azzam issued a *fatwa* in his book *The Defence of Muslim Territories*, arguing on a doctrinal basis that the *jihad* in Afghanistan was an individual duty (*fard 'ayn*) that applied to all Muslims. At the time of the Afghan campaign, mainstream scholarly consensus was that the Afghan *jihad* was an obligation for Afghans only, and Islamic extremist legal consensus also was focused on localised revolutionary activity.

As Thomas Hegghammer notes in his history of *jihad* in Saudi Arabi, Azzam's *fatwa* 'essentially advocated universal private military participation in any territorial struggle pitting Muslims against non-Muslims…. As such Azzam's classical jihadist doctrine represented no less than a paradigmatic shift in the history of radical Islamist thought'.[77] To understand how this 'paradigmatic shift' came about, it is insightful to analyse the text of *The Defence of Muslim Territories*.

In Azzam's *fatwa*, there is a synthesis of the Islamic influences and doctrine discussed previously. This incorporates numerous references from the Qur'an and Prophetic *hadith*, references to Ibn Taymiyya and later Salafist scholars, such as the 20th century Albanian Muhammad Nasiruddin al-Albani (1914–99), and appeals to Islamic history and identity.[78] Using these juristic tools, Azzam points to the early glorious conquests of Islam, linking them to the singular and exemplary nature of Mohammad and his monotheistic mission, and setting up

the possibility of a reversal of the humiliation Muslims had suffered at the hands of infidels, asserting that:

> The Prophet said, in an authentic hadith reported by Ahmad and Tabarani: 'I was sent before Judgement Day, so that God alone would be worshipped, with no associates. He placed my livelihood in the shadow of my spear and promised humiliation to those who oppose me'.[79]

Azzam calls Muslims to heroism through a rejection of the restraints imposed by their trivial secular fears. In doing so, he echoes the call articulated by al-Banna and Qutb, discussed earlier, which is linked to a rejection of influences that have corrupted Islam. This is advocacy for a return to the obligation of *jihad* which, through the citation of canonical sources, has become the standard cliché echoed by modern-day jihadists that '[w]e love death more than you love life'.[80] Azzam argues that:

> One of the most important obligations and the main duties forgotten is jihad, which has disappeared from the lives of Muslims. This is how they came to resemble detritus borne by the flood…. They said: 'What is weakness, O messenger of God?'. 'Your love of life', he replied, 'and your hatred of war'.[81]

Building on the cultural shame of cowardice that is written into Islamic canon, Azzam sets a rhetorical example that has been followed by Salafi-jihadi ideologues. By citing Ibn Taymiyya's *fatwas* on *jihad*, Azzam draws a link between a failure to fight and the loss of honour, of rewards in the present and penalties in the hereafter, noting that Ibn Taymiyya said:

> Since the wealth of human beings in their life on earth and their religion depends on courage and generosity, God has shown (may he be exalted!) that he who turns away from jihad of the self will be replaced by someone else. Unless you go forth, He will punish you with grievous penalty, and put others in your place.[82]

The duty to fight for Muslim territory, even for distant Muslims, is developed logically by Azzam, flowing from local circumstances, linked to individual obligations, into a global call to arms:

> As we have seen, it is clear that if a stretch of Muslim territory is attacked, jihad is an individual duty for those who inhabit that territory and those who are neighbours. If there are too few of them, or if they are incapable or reticent, then this duty is incumbent upon those who are nearby, and so on until it spreads throughout the world.[83]

In this *fatwa*, Azzam defines the failure of Muslims to heed the call of *jihad* as a sin, 'graver than the sin committed by former generations who allowed former Muslim territories to fall', reasoning that 'sin increases according to power, possibilities, and capabilities; so the *ulema*, leaders, and preachers who are eminent members of their societies are then considered greater sinners than the masses and the people'.[84] Muslims, and especially powerful Muslims in the modern age, have the capability to act—to neglect *jihad* in these circumstances becomes the basis of their apostasy.

It is a classically-constructed *fatwa* with a compelling argument built upon theological exegesis, linked to present-day realities. This is unsurprising considering Azzam's credentials and career in Islamic law. Azzam's intellectual lineage in constructing this ruling draws a straight line back through history from Sayyid Qutb, Hassan al-Banna and the Muslim Brotherhood, through the Wahhabist framing of monotheism in the 18th century, via the Hanbalist interpretation of Ibn Taymiyya in the 13th century, to its origins in the traditionalist school of the *ahl al-hadith* in 8th century Arabia.

Azzam's *fatwa* remains persuasive to many Muslims because of its lucid and logical reasoning, its supporting evidences from the canonical sources, including authenticated *hadith*, and its appeal as a strong corrective to the perceived historical humiliation suffered by Muslims at the hands of the infidels. Steeped in authentic Islamic exegesis, it marks the transition point between localised *jihad* and legitimised international *jihad*. Abdallah Azzam's contribution provides the credentialed scholarship that links the political call for *jihad* in the 20th century back to its Islamic basis—and it stands as a refutation to the ahistorical assertion that Salafi-jihadism has nothing to do with Islam.

Conclusion: Strategic value in proving the link between Islam and Salafi-jihadism

A key principle in policy formulation is to strip away impediments to honest discourse. As one scholar of comparative religion has noted, '[i]t is one thing to create a set of noble lies to correct prejudices; however, it is something entirely different to distort the manifold and diverse local traditions that have both synchronically and diachronically gone by the generic term "Islam"'.[85] Attempts to uncouple Salafi-jihadism from Islam are not only intellectually dishonest, they have consequences strategically. The more obvious issue is that a failure to identify the problem impedes an ability to address it.

In studying its lineage, it is clear that Salafi-jihadism has a deep Islamic heritage. Salafi-jihadism echoes the ancestralist and conservative approach adopted by the 8th century *ahl al-hadith* movement and which was mirrored by the four major *madhahibs* (schools) to a greater or lesser degree, along a spectrum of interpretation. Thus, while it is true to say that Salafists and Salafi-jihadists adopt increasingly strict approaches to Sunni Islam, the converse is true. The forms of Sunni Islam that exist on the spectrum alongside Salafism adopt a relatively less strict approach drawn from the same core theology. Like Salafists, all Sunni Muslims strive to live in a manner faithful to Islam's monotheistic precepts, viewed through the example of the Prophet Mohammad.

It is self-evident that understanding the legitimate jurisprudential sources of Salafism and Salafi-jihadism is central to the shaping of counter-ideological strategies both politically, and in policing and counter-terrorism. Additionally, a failure to acknowledge the Islamic legitimacy of this ideology has the potential to further frustrate Muslims seeking to give expression to their political concerns. The issue here lies in the complementary attempts by Western political elites to favour the legitimisation of progressive expressions of Islam over traditional forms. This is done by politicians in well-intentioned efforts to calm community tensions and to favour behaviours and traditions that are considered more likely to be assimilated or tolerated. Such characterisation is also championed by Muslim apologists seeking to distance their religion from the excesses of competing sects and to privilege themselves over rival groupings.

Islam is and has always been contested. This is illustrated by the influence of the *ahl al-hadith* movement, the controversy over *ijtihad*, and the development of Sunni Islam. It is illustrated by the ownership claims made by Salafists and progressive Muslims alike, springing as they do from similar justifications. Even in these attempts to exclude Salafism from Islam, we see a shared genealogy, as Muslims seeking to derive Western liberal concepts from the same canonical sources make 'the pretty standard claim of progressive Muslims more generally, namely, that there was a pristine and egalitarian message preached by Muhammad that was somehow corrupted by later generations'.[86] This is again an expression of an ancentralist ideal, no different from the conceptual starting point of Salafism.

This does not mean that politicians should not champion progressive, Western liberal interpretations of Islam. Rather, they should do so in a manner that is fully informed. They should do so knowing that they are advocating reform, not orthodoxy. Policies that advocate for a revisionist, subjective view of history will always lack credibility—especially regarding the history of a religion of which the authors have no membership or apparent knowledge. Policy, if it is to have any chance of success, must be informed by reality. The unfortunate reality now faced by Western political strategists is that Salafi-jihadism has a great deal more to do with Islam than they had previously claimed.

Notes

1 See Quintan Wiktorowitz, 'Anatomy of the Salafi movement', *Studies in Conflict & Terrorism*, Vol. 29, 2006, pp. 207-39; also Joas Wagemakers, *A Quietist Jihadi: The ideology and influence of Abu Mohammad al-Maqdisi*, Cambridge University Press: New York, 2012.

2 National Geographic, 'Inside the world of Egypt's Salafist Muslims', *National Geographic* [website], 25 November 2015, available at <http://news.nationalgeographic.com/2015/11/151124-salafists-muslims-egypt-photography0/> accessed 12 July 2016. The unattributed author of this piece, an interview with a photographer who lived among purist Egyptian Salafists, draws this figure from an Institute for National Strategic Studies paper published in 2009, noting that more recent figures are unavailable.

3 See, for example, Baladas Ghoshal, 'Arabization: the changing face of Islam in Asia', *India Quarterly*, Vol. 66, No. 1, 2010, p. 88, asserting that '[t]here is also an urgent need for moderates to break their deafening silence against the tyranny of the small minority who are bringing shame and bad name to the religion and shed their inertia and fear of being branded as "not good Muslims" by their perverted radical minority'.

4 Karen Yourish, Derek Watkins, Tim Giratikanon and Jasmine C. Lee, 'How many people have been killed by ISIS attacks around the world?', *New York Times* [website], 1 July 2016, available at <http://www.nytimes.com/interactive/2016/03/25/world/map-isis-attacks-around-the-world.html?_r=1> accessed 3 July 2016

5 The full list from the search is as follows: 313 Brigade; Abu Sayyaf Group; Al Jama'a Al-Islamiya; Al Murabitoun; Al Qaeda; Al Qaeda in the Arabian Peninsula; Al Qaeda in the Indian Subcontinent; Al Qaeda in the Islamic Maghreb; Al Qaeda Kurdish Battalions; Al Shabaab; Boko Haram; Haqqani Network; Harkat-ul-Mujahedeen; Islamic Movement of Uzbekistan; Islamic State; Jabhat al-Nusra; Jaish-e-Mohammad; Jemaah Islamiyah; Lashkar-e-Jhangvi; Lashkar-e-Jhangvi Al Alami; Lashkar-e-Taiba; Lashkar-e-Zil; Moroccan Islamic Combatant Group; Mujahideen Army; Tehreek-e-Taliban; and The Taliban: Stanford University, 'Stanford University's Mapping Militant Organizations Project', *Stanford University* [website], available at <http://web.stanford.edu/group/mappingmilitants/cgi-bin/> accessed 10 July 2016.

6 The full list from the search is as follows: Abu Sayyaf Group; Al Qaeda (core); Al Qaeda in the Arabian Peninsula; Al Qaeda in the Islamic Maghreb; Ansar al-Islam; Ansar al-Shariah (Tunisia); Bangsamoro Islamic Freedom Fighters; Boko Haram; Caucasus Emirate; Free Syrian Army; Islamic Movement of Uzbekistan; Islamic State - Sinai Province; Jabhat al-Nusra; Jemaah; Anshorut Tauhid; Jemaah Islamiyah; Jund al-Khilafah; Jundullah; Tehreek-e-Taliban Pakistan; The Islamic Front; The Islamic State; and The Taliban: see Stanford University, 'Stanford University's Mapping Militant Organizations Project'. Note that Hizbollah is included as a militant rival of ISIS, as is the Free Syrian Army.

7 Al Jazeera, 'UN: ISIL committing genocide against the Yazidis', *Al Jazeera* [website], 17 June 2016, available at <http://www.aljazeera.com/news/2016/06/isil-committing-genocide-yazidis-160616112202399.html> accessed 13 July 2016.

8 See, for example, Andrew Zammit, 'Australian foreign fighters: risks and responses', *Lowy Institute* [website], April 2015, p. 4, available at <http://www.lowyinstitute.org/files/australian-foreign-fighters-risks-and-responses.pdf> accessed 13 July 2016.

9 See, for example, Middle East Media Research Institute video, 'ISIS spokesman calls on Muslims in the West to kill Americans, Europeans, Australians, Canadians', 23 September 2014, available at <https://www.youtube.com/watch?v=aGxPYTcBOnI> accessed 13 July 2016; also Paul Maley, 'Neil Prakash, ISIS terrorist, "tried to crowd source my murder"', *The Australian* [website], 12 March 2016, available at <http://www.theaustralian.com.au/life/weekend-australian-magazine/neil-prakash-isis-terrorist-tried-to-crowdsource-my-murder/news-story/1a2a4e4452769fd0dbf3801116e41234> accessed 13 July 2016.

10 See, for example: Ashley Killough, 'Strong reaction to Obama statement, "ISIL is not Islamic"', *CNN* [website], 11 September 2014, available at <http://edition.cnn.com/2014/09/10/politics/obama-isil-not-islamic/> accessed 13 July 2016; also Geoff Dyer, 'ISIS is not about Islam, says Obama', *Financial Times* [website], 19 February 2015, available at <http://www.ft.com/cms/s/0/d2977822-b85c-11e4-b6a5-00144feab7de.html#axzz4EFWwD0Yv> accessed 13 July 2016; and Lauren Markoe, 'Muslim scholars release open letter to Islamic State meticulously blasting its ideology', *Huffington Post* [website], 24 September 2014, available at <http://www.huffingtonpost.com/2014/09/24/muslim-scholars-islamic-state_n_5878038.html> accessed 16 July 2016.

11 Irfan Khawaja, 'Essentialism, consistency and Islam: a critique of Edward Said's orientalism', *Israel Affairs*, Vol. 13, No. 4. October 2007, pp. 689-713; Herbert S. Lewis, 'The influence of Edward Said and orientalism on anthropology, or can the anthropologist speak?', *Israel Affairs*, Vol. 13, No. 4, October 2007, pp. 774-85; and Aaron W. Hughes, 'Prisoners of Said', in Aaron W. Hughes (ed.), *Islam and the Tyranny of Authenticity*: *An inquiry into disciplinary apologetics and self-deception*, Equinox: Sheffield, 2015, pp. 37-55.

12 David Cook, *Understanding jihad*, University of California Press: Berkeley, 2005, p. 38.

13 Cook, *Understanding jihad*, p. 43.

14 Adam Walker, 'You only need to read these passages from the Koran to realise that there's nothing "Islamic" about the Islamic State', *The Independent* [website], 20 February 2015, available at <http://www.independent.co.uk/voices/comment/you-only-need-to-read-these-passages-from-the-koran-to-realise-that-theres-nothing-islamic-about-the-10056772.html> accessed 16 July 2016.

15 There are countless examples available in the news media. The following, by an Australian Muslim academic, is representative of a more measured call for honesty in the public debate: Milad Milani, 'Islam, actually: telling the truth about religion and violence in the wake of the Sydney siege', *ABC* [website], 29 December 2014, available at <http://www.abc.net.au/religion/articles/2014/12/29/4155401.htm> accessed 16 July 2016.

16 Muhammad Muhsin-Khan and Muhammad Taqi-ud-Din Al-Hilali, *Interpretation of the meanings of The Noble Qur'an in the English language*, Darussalam: Riyadh, 2011, p. 757.

17 While Muslims believe there is only one Qur'an, published variations differ and discoveries of aberrant fragments—including the Sanaa manuscript, a palimpsest showing textual variation—suggest the Qur'an developed over time: see, for example, Toby Lester, 'What is the Koran?', *Atlantic Monthly* [website], January 1999, available at <http://www.theatlantic.com/magazine/archive/1999/01/what-is-the-koran/304024/> accessed 10 July 2016.

18 Aaron W. Hughes, *Theorizing Islam*, Acumen: Durham, 2012, p. 15.

19 Muhsin-Khan and Al-Hilali, *Interpretation of the meanings of The Noble Qur'an in the English language*, p. 750.

20 Shahada, as per Al-Bukhari, reads, 'Narrated Ibn 'Umar: Allah's messenger said: "Islam is based on (the following) five (principles): 1. To testify that *La ilaha ill-Allah wa anna Muhammad-ar-Rasul Allah* (none has the right to be worshipped but Allah and Muhammad is the messenger of Allah). 2. *Iqamat-as-Salat* [to offer the (compulsory congregational) prayers dutifully and perfectly]. 3. To pay *Zakat* (i.e. obligatory charity). 4. To perform *Hajj* (i.e. Pilgrimage to Mecca) 5. To observe *Saum* [fasts (according to Islamic teachings)] during the month of Ramadan"': The Book of Faith, entry 1, as interpreted by Muhammad Muhsin Khan, *Summarized Sahih Al-Bukhari*, Darussalam: Riyadh, 1994, p. 59.

21 *Hadith* derives from the root verb ha-da-tha, literally 'a thing done'. The *hadith* are thus the record of the Prophet Mohammad's actions and utterances, his implied or explicit approvals and disapprovals.

22 See, for example, 'He [the Salafist] adheres to the Prophet's, peace be upon him, way in his life and the way of his Companions after him. The Prophet, peace be upon him, said: "I am leaving you two things and you will never go astray as long as you cling to them—they are the Book of Allah and my Sunnah": quoted by Al-Haakim-Sahih, 'The principles of Salafiyyah', *salafipublications.com* [website], <http://www.salafipublications.com/sps/sp.cfm?subsecID=SLF02&articleID=SLF020001&pfriend> accessed 5 July 2016. Writing for *Huffington Post*, and in contrast to Salafism, an imam from Duke University interprets the same *hadith* in support of modern liberal values: see Abdullah Antepli, 'The last sermon of the Prophet Muhammad', *Huffington Post* [website], 4 April 2012, available at <http://www.huffingtonpost.com/imam-abdullah-antepli/the-last-sermon-of-prophe_b_1252185.html> accessed 05 July 2016.

23 Quoted in Jonathan A.C. Brown, *Hadith: Muhammad's legacy in the medieval and modern world*, Oneworld: Oxford, 2009, p. 7.

24 Shia Islam interprets the injunctions in the Qur'an via four major *hadith* collections: see, for example, Brown, *Hadith*, p. 131. However, this paper focuses on the strategic threat of Salafism, a Sunni movement. See also Khan, *Summarized Sahih Al-Bukhari*, p. 18

25 Brown, *Hadith*, p. 3.

26 Brown, *Hadith*, pp. 1-3.

27 Portal of the General Presidency of Scholarly Research and Ifta', 'Fatwas of Ibn Baz: 126 - Ruling on letting the beard grow and Hadith-ul-Ahad, *General Presidency of Scholarly Research and Ifta'* [website], available at <http://www.alifta.net/Fatawa/fatawaDetails.aspx?languagename=en&View=Page&PageID=5021&PageNo=1&BookID=14> accessed 3 July 2016.

28 Wiktorowitz, 'Anatomy of the Salafi movement', p. 209; also Sunan Ibn Majah, '36 – Tribulations: (17) Chapter, the division of nations', *sunnah.com* [website], available at <http://sunnah.com/ibnmajah/36/68> accessed 10 July 2016.

29 *Islam question and answer* [website], available at <https://islamqa.info/en/90112> accessed 10 July 2016.

30 Khan, *Summarized Sahih Al-Bukhari*, p. 59.

31 Muhsin-Khan and Al-Hilali, *Interpretation of the meanings of The Noble Qur'an in the English language*, pp. 426-7.

32 Wiktorowitz, 'Anatomy of the Salafi movement', p. 209

33 Ayman al-Zawahiri, *The Bitter harvest: the Muslim Brotherhood in sixty years*, translated by Nadia Masid, Cairo: 1991.

34 Raymond Ibrahim (ed.), *The Al Qaeda reader*, Doubleday: New York, 2007, p. 128. The passage Zawahiri quotes is from Qutb's *In the shade of the Koran*.

35 Wiktorowitz, 'Anatomy of the Salafi movement', p. 209

36 Baladas Ghoshal, 'Arabization: the changing face of Islam in Asia', *India Quarterly*, Vol. 66, No. 1, 2010, p. 72.

37 Hassan Mneimneh, 'The spring of a new political Salafism?', *Current Trends in Islamist Ideology*, Vol. 12, 2011, p. 28.

38 'Abd Allah Salih Al-'Uthaymin, *Muhammad ibn 'Abd al-Wahhab: the man and his works*, I.B.Taurus: London, 2009, p. 136.

39 Al-'Uthaymin, *Muhammad ibn 'Abd al-Wahhab*, p. 137

40 Wiktorowitz, Anatomy of the Salafi movement, p. 207

41 See, for example, Ibrahim, *The Al Qaeda reader*, pp. 130-6.

42 'Believing that labelling believers in different ways only leads to unwelcome divisions within Islam, some Muslims I call Salafis have argued that they should really be seen as followers of *al-salaf al-sālih*, the *ahl-al-Sunna wa-l-jamā'a* (the people of the Sunna and the community) or simply as Muslims': Wagemakers, *A Quietist Jihadi*, p. 7. As Wagemaker notes, this all boils down to the same thing—emulation of the earliest Muslim community (*al-salaf al-sālih*), leaving Salafism as an accurate term for scholarly analysis of this movement and the one adopted in this paper.

43 Hans Küng, *Islam: past, present & future*, Oneworld: Oxford, 2009. p. 265

44 *Musannaf* literally means 'classification'. The collections were to become characterised by their thematic drawing together of various elements: legal discourse, prophetic *hadith*, rulings of companions and so on.

45 Brown, *Hadith*, p. 25.

46 Küng, *Islam*, pp. 265-7

47 *Hadith*, p. 25.

48 Harold Rhode, 'Can Muslims reopen the gates of Ijtihad?', *Gatestone Institute* [website], 5 June 2012, available at <http://www.gatestoneinstitute.org/3114/muslims-ijtihad> accessed 17 July 2016.

49 Wael B. Hallaq, 'Was the gate of Ijtihad closed?', *International Journal of Middle East Studies,* Vol. 16, No. 1, March 1984, pp. 3-41.

50 Wiktorowitz, 'Anatomy of the Salafi movement', p. 211.

51 Henri Lauzière, *The Making of Salafism – Islamic reform in the twentieth century*, Columbia University Press: New York, 2016, p. 7.

52 Yahya Michot, *Ibn Taymiyya: Muslims under non-Muslim rule*, Interface Publications: London, 2006, p. 27.

53 Article 45 of the Saudi constitution sets the Qur'an and the *Sunna* as the basis for legal rulings; Article 48 sets the same basis for court rulings, and the implementation by the courts of laws not in conflict with the Qur'an and *Sunna*: University of Minnesota Human Rights Library, 'Basic Law of Governance – the constitution of Saudi Arabia, *University of Minnesota Human Rights Library* [website], available at <http://hrlibrary.umn.edu/research/saudiarabia/saudi-constitution.html> accessed 6 July 2016; see also Steve Coll, *Ghost wars: the secret history of the CIA, Afghanistan, and Bin Laden, from the Soviet invasion to September 10, 2001*, Penguin: London, 2004.

54 The full tribal designator 'Al ash-Shaykh" indicates the person is a member of the 'clan of the shaykh', a reference to Muhammad ibn 'Abd al-Wahhab. Along with other tribes who form lesser known alliances with various elements of the Al Saud, the it is very common, up to the present day, to encounter members of the Al ash-Shayk in senior positions in a range of ministries, not merely those with religious responsibilities: see, for example, Ben Hubbard, 'A Saudi morals enforcer called for a more liberal Islam. Then the death threats began', *The New York Times* [website], 10 July 2016, available at

<http://www.nytimes.com/2016/07/11/world/middleeast/saudi-arabia-islam-wahhabism-religious-police.html?_r=0> accessed 17 July 2016.

55 Al-'Uthaymin, *Muhammad ibn 'Abd al-Wahhab*, p. 114.

56 Al-'Uthaymin, *Muhammad ibn 'Abd al-Wahhab*, pp. 121-47.

57 'History of the Cemetery of Jannat al-Baqi', *al-islam.org* [website], available at <https://www.al-islam.org/history-shrines/history-cemetery-jannat-al-baqi> accessed 17 July 2016.

58 Lauzière, *The Making of Salafism – Islamic Reform in the Twentieth Century*, p. 7.

59 Ana Belen Soage and Jorge Fuentelsaz Franganillo, 'The Muslim Brothers in Egypt', in Barry Rubin (ed.), *The Muslim Brotherhood: the organization and policies of a global Islamist movement*, Palgrave Macmillan: New York, 2010, p. 39.

60 Cook, *Understanding jihad*, p. 93.

61 Soage and Franganillo, 'The Muslim Brothers in Egypt', p. 40.

62 Lauzière, *The Making of Salafism – Islamic reform in the twentieth century*, p. 5.

63 Ghaffar Hussain, *A Brief history of Islamism*, Quilliam: London, 2010, p. 2, available at <http://www.quilliamfoundation.org/wp/wp-content/uploads/publications/free/brief-history-of-islamism.pdf> accessed 10 July 2016.

64 Cook, *Understanding jihad*, p. 98.

65 Cook, *Understanding jihad*, p. 98.

66 Cook, *Understanding jihad*, p. 102.

67 Thomas W. Lippman, *Saudi Arabia on the edge*, Potomac Books: Dulles, 2012, p. 180.

68 Soage and Franganillo, 'The Muslim Brothers in Egypt', p. 41.

69 Cook, *Understanding jihad*, p. 102.

70 Sayyid Qutb's *Milestones*, cited in Soage and Franganillo, 'The Muslim Brothers in Egypt', p. 42.

71 Wagemakers, *A Quietist jihadi*, p. 60.

72 Al-'Uthaymin, *Muhammad ibn 'Abd al-Wahhab*, p. 144.

73 Cook, *Understanding jihad*, pp. 103-4.

74 Sayyid Qutb in Cook, *Understanding jihad*, p. 105. This is Cook's translation of a passage from *Milestones*. Note that the freedom to choose here [emphasis mine] is not the Western concept of freewill but a Muslim idea of predestination. People liberated from the impediments of *jahiliyya* will naturally 'choose' to submit to Islam.

75 Thomas Hegghammer, 'Abdallah Azzam, the Imam of Jihad', in Gilles Kepel and Jean-Pierre Milelli (eds.), *Al Qaeda in its own words*, Belknap Harvard: London 2008, pp. 81-9. Regarding Azzam's relationship with Qutb's family, Hegghammer reveals that Azzam's interest in Qutb predates Qutb's execution, saying that '[w]hile he was in Cairo, Azzam also attracted the attention of the Egyptian security forces, in part because of his relations with Egyptian Islamists and in part because the authorities were investigating him as the possible author of an anonymous telegram sent from Palestine to the Egyptian government in 1966 deploring the execution of Sayyid Qutb. They were right: Azzam had sent such a telegram but the Egyptian authorities were unable to prove it, and he was never detained in Egypt'.

76 Wagemakers, *A Quietist jihadi*, pp. 14-5.

77 Thomas Hegghammer, *Jihad in Saudi Arabia – violence and Pan-Islamism since 1979*, Cambridge University Press: New York, 2010, pp. 39-42.

78 The latter including Abu Bakr Ahmad ibn Husayn al-Bayhaqi (d. 994), Abu Dawud al-Sijistani (d. 889), Abu al-Qasim Tabarani (d. 971) and Ahmad (Ahmad ibn Hanbal), among others.

79 Kepel and Milelli, *Al Qaeda in its own words*, p. 103.

80 See, for example, BBC News, 'Islamic State "We love death as you love life"', 23 May 2015, available at <https://www.youtube.com/watch?v=zlfagPS6490> accessed 12 July 2016.

81 Kepel and Milelli, *Al Qaeda in its own words*, pp. 105-6.

82 Kepel and Milelli, *Al Qaeda in its own words*, p. 104.

83 Kepel and Milelli, *Al Qaeda in its own words*, pp. 106-7.

84 Kepel and Milelli, *Al Qaeda in its own words*, p. 107.

85 Hughes, *Islam and the tyranny of authenticity*, p. 3.

86 Hughes, *Islam and the tyranny of authenticity*, p. 65.

The struggle for self-determination in Scotland and Bougainville

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Abstract

This paper analyses and compares elements of the political, economic and socio-cultural environments of Scotland and Bougainville as they relate to their respective self-determination movements. While the geographic and socio-economic environments of the two are literally a world apart, the paper argues that the drivers of nationalism and ideological goals are similar.

The paper accordingly contends that Scotland's successful referendum in 2014 provides a useful case study to identify aspirational structures, strategies and processes that could apply to the forthcoming referendum on Bougainville, planned to be conducted before 2020. Drawing on the lessons from Scotland, the paper highlights the potential opportunities for a legitimate, democratic and violence-free referendum on Bougainville within the next three years.

Introduction

The Bougainville self-determination referendum, due to be held before 2020, is increasingly the focus of observers, academics and the government machinery in both Papua New Guinea (PNG) and Bougainville, as well as countries in the region, notably Australia and New Zealand. There are significant issues that remain to be negotiated before the referendum is held. Accordingly, and given the history of violent conflict on Bougainville, and ongoing tensions on Bougainville and between Bougainville and Port Moresby, it is useful to consider what might be learned from other recent referendums.

In September 2014, for example, a peaceful referendum was successfully conducted on the question of whether Scotland should become independent from the UK. The issue had been the source of both violent and non-violent conflict for centuries—and it is probably no coincidence that the referendum was scheduled soon after the 700th anniversary of the legendary battle of Bannockburn in which the Scottish defeated the English during the bloody First War of Scottish Independence.[1]

Throughout the late 20th century, deep-seated economic and identity issues in Scotland, which underpinned the enduring but largely peaceful nationalist movement, developed further momentum, leading to the establishment—through a referendum held in 1997—of a semi-autonomous Scottish Parliament.[2] This led to a demand, agreed in 2012, for a referendum on independence.[3] While the majority of Scottish people voted in 2014 against independence from the UK, the referendum left a significant political legacy which is likely to result in further constitutional turmoil for the UK.[4]

The referendum in Scotland was both 'historic and precedent setting'.[5] Such referendums are often fiercely-contested events in which the legitimacy of the process can be widely and, at times, violently challenged. While the Scottish referendum has not dissolved the desire for greater autonomy and power distribution within the UK, it was conducted peacefully, the outcome has been accepted as legitimate, and there is no indication that the independence movement has been violently radicalised as a result. This establishes it as a useful case study, particularly given that PNG and its neighbours—as well as the people of Bougainville—will be keen to ensure that the Bougainville referendum is just as peaceful, democratic and legitimate.

As in the UK, notably in Northern Ireland, secessionist-related violence has been an unfortunate feature of PNG since its own independence from Australia, with Bougainville the epicentre of a bloody war from 1989 to 1998. The conflict, largely between the Bougainville Revolutionary Army and the PNG security

forces, has been described as 'the deadliest, bloodiest, and most destructive … in the South Pacific since World War 2'.[6] A process of post-conflict peace building has been underway since 1997 but is not complete and remains fragile.[7] The final element of the 'Bougainville Peace Agreement', signed in 2001, is for a referendum on self-determination to be held before 2020, the result of which requires ratification by the PNG government.

What happens in Bougainville is important to Australia. While the peace process has been widely lauded as successful—and Bougainville has not since seen a repeat of violence on the scale experienced during the 1990s—the final 'crunch' in the process poses some risk of re-igniting violent conflict.[8] As PNG's closest neighbour and most significant security partner, any such recurrence would have direct implications for Australia and its relationship with other countries in the region.[9]

Potentially-useful comparisons between Bougainville and Scotland may not be immediately apparent to the casual observer. The two are literally a world apart both geographically and in socio-economic terms, as well as in their respective political histories. However, as this paper will demonstrate, while the geographic and socio-economic environments are different, the drivers of nationalism and ideological goals are similar. With that in mind, Scotland's successful referendum provides an opportunity to identify aspirational structures, strategies and processes that could assist in ensuring the upcoming Bougainville referendum is as peaceful and legitimate as Scotland's. The fact that the risk of violent secessionist conflict is far greater in Bougainville than in Scotland only serves to underscore the importance of understanding how violent conflict may be avoided.[10]

This paper will analyse and compare elements of the political, economic and socio-cultural environments of both Scotland and Bougainville as it relates to their self-determination movements. It is structured in three parts, followed by a short conclusion. Part 1 analyses the basis of nationalism in both places and establishes the case for comparison. Part 2 examines some of the systems, processes and structures that were established to manage the referendum process in Scotland, and compares them with preparations for Bougainville. It also outlines the relevant roles of key actors. Part 3 then discusses the implications of identified gaps, drawing also on other case examples. The paper concludes by highlighting the potential opportunities that exist for a legitimate, democratic and violence-free referendum on Bougainville within the next three years.

Part 1: The case for comparison

Marc Helbling has described democracy and nationalism as 'mutually dependent logics'.[11] Nationalism is commonly defined as a desire by a large group of people who share the same culture, history and language, for example, to form a separate and independent nation of their own.[12] Democracy is a system in which people contest ideas of how best to organise themselves, which includes questions about what constitutes a nation, how cultural and territorial boundaries should be drawn and, ultimately, who is allowed to participate in a particular nation's democratic system. Within such democracies, referendums have increasingly been used as an instrument to redefine these boundaries.[13] It is, therefore, important to understand the drivers of nationalism when seeking to optimise a democratic referendum process.

The basis of Scottish nationalism

Scotland's union with England is now over 300-years old and some ten generations of Scottish people have been born into this union. Yet the desire for independence is strong enough to have forced the recent referendum on the issue.

Bloody conflict has been a strong feature of the relationship through the centuries, beginning with invasion by the Romans in 80AD. The wars between the two countries have also produced some legendary heroes, such as Robert the Bruce, who famously defeated the English at Bannockburn, and William Wallace, a Scottish landowner who was one of the main leaders during the Scottish Wars of Independence. These characters of the late 13th century have since become icons of nationalism in Scotland.

The Act of Union in 1707 established the current union between the two countries on the basis of the economic advantages it would provide to Scotland. However, it was not a peaceful event and the Jacobite rebellions that followed over the early part of the 18th century ended with the bloody defeat of the Scottish at Culloden in 1746. This defeat was supposed to have marked the end of Scottish independence. However, the aftermath of the battle and subsequent crackdown on Jacobitism in Scotland by the English victors was brutal and continues to arouse strong feelings of nationalism today.

Interestingly, one of the many myths of this event is that it was a purely Scottish versus English affair, when in fact far more Scots supported and fought on the English side than on the side of the Scottish Jacobites. This lack of unity among the Scottish people on the issue of independence is also a feature of today's nationalist movement. However, these events also demonstrate the enduring

impact that bloody conflict and oppression can have in perpetuating nationalist sentiment.

In the 18th, 19th and early 20th centuries, secessionism waxed and waned, with some significant forces working against it. These included the expansion of the Protestant movement into Scotland, the shared threat of France, and the commercial opportunities provided through unity.[14] It also seems likely that sentiments regarding the success or otherwise of the union were clouded by the impact of the two world wars in the first half of the 20th century.[15] For example, Scotland's heavy industries benefited from the manufacturing-related demands of the wars, while the interventionist and centralised style of the Westminster-based government improved social conditions and development in Scotland, with the government in London delivering what mattered most to the Scottish people—jobs, wages and welfare.[16] Indeed, the creation of the 'modern welfare state' was a key factor in holding the UK together, and correlated directly with a decline in support for independence in this period.[17]

However, in the decades following the end of World War 2, there was renewed support for the independence movement that culminated by the end of the century in the UK agreeing greater autonomy for Scotland. The movement was fuelled by electoral dismay with the industrial decline of Scotland as its industries (coal, shipping and steel) became less competitive under the weight of union power and increasing globalisation. Nevertheless, at a referendum in 1979, the movement failed to re-establish a Scottish Parliament, despite a majority of voters agreeing, as the percentage of people voting was insufficient to achieve the constitutional threshold of 40 per cent support from all registered voters. Eighteen years later, a further referendum resulted in the re-establishment of the Scottish Parliament in 1998.

Margaret Thatcher, who served as Prime Minister of the UK during the 1980s, is credited by many with inspiring the essential idea that lies behind the contemporary independence campaign, reviving the notion that 'Scotland is ruled by a foreign government that it has not elected'.[18] Despite the fact that some sectors of the economy in Scotland flourished during this period, the devastation of the industrial part of Scotland's economy under her tenure dominated politics and fuelled the independence movement.[19]

The Scotland Act 1998 was legislated to appease the demands of Scotland by devolving some powers and creating a separately-elected Scottish Parliament and Executive, however, it had only a temporary impact on stemming secessionist sentiment.[20] The Scottish Parliament's powers were limited and, subsequently, the desire grew for more Scottish influence over a range of

decisions.[21] Once the Scottish National Party formed a majority government in 2011, it was able to ensure that a referendum on independence became a political and legal reality through the Edinburgh Agreement, signed in October 2012 between the Scottish Government and the UK Government.

Naturally, a significant degree of interdependence between Scotland and the rest of the UK has also developed over the three centuries since the union was formed. There is also evidence to suggest that Scottish identity and sentiment has, in fact, been decreasing gradually since the advent of devolution, reflected by data indicating that the sense of 'Britishness' in Scotland has never been higher than at the time of the referendum in 2014.[22] Observers have concluded that many Scots have developed a sense of British identity that coexists with their Scottish identity.[23] Importantly also, commentators assess that political decision-making in Scotland is being decided not on the basis of national identity but rather on pragmatic evaluations about economic prospects, trustworthiness and political personnel.[24]

The basis of Bougainvillean nationalism

Imperialism, invasion, bloody battles, suppression and violent secessionism are also features of Bougainville's past. Although its written history is not as ancient as Scotland's, Bougainville is known to have been inhabited for at least 2000 years.[25] It was given its name by the French explorer Louis Antoine de Bougainville, who explored it in the late 18th century. Germany subsequently annexed the island in 1885, as well as others in the Solomon Islands archipelago, before Britain and Germany split the archipelago between them in 1899.

It was this decision that contributed to the nationalist sentiment in Bougainville today, as it separated the inhabitants from their culturally and ethnically-aligned neighbours in the Solomon Islands, instead placing them as part of PNG, with which they do not share the same connections. Britain established the first colonial station in 1905, and both Australia and Japan subsequently occupied Bougainville for parts of the first half of the 20th century. The Japanese occupation of Bougainville in World War 2 was the source of particularly fierce fighting.[26] Although these events are not in the living memory of most of those actively involved in the pro-independence movement today, these historical grievances have been used to fuel the contemporary nationalist movement in Bougainville.[27]

Although they have adapted to changing circumstances, the traditional social structures on Bougainville are still predominant today.[28] Bougainville society is made up of more than 20 different language groups and is distinctly tribal, with the population living mostly in small rural villages or

settlements, with subsistence farming and fishing still the predominant sources of livelihood. However, Bougainville society (like much of the South Pacific) is not homogenous, as its languages, culture, land-holding status, religion and politics are relatively diverse.[29]

Despite these social divergences, there are also features of Bougainville that unify and set it apart from other parts of PNG. These forces have contributed to what is referred to as a 'pan-Bougainville' identity that has emerged from the colonial era. Bougainville's cultural practices are distinct from the rest of PNG in that its society adheres to a matrilineal tradition of inheritance and succession.[30] Land ownership has a 'customary' basis, and an individual's identity and status are closely linked to maternal clan lineage and land lineage. The sense of identity and connection with the land is qualitatively different to European notions of land ownership and is an important element of the contemporary nationalist sentiment.[31]

Other features that have influenced secessionist tensions are the traditional societal notions of 'balanced reciprocity' and the absence of centralised political structures.[32] A highly-visible point of difference between Bougainvilleans and other Papua New Guineans is their skin colour. This point of difference is commonly drawn upon in the narrative and rhetoric of the nationalist movement. Jill Nash and Eugene Ogan cite the example of 'redskins' of mainland PNG dubbing 'black skin' Bougainvilleans as *bilong sospen*, which translates as 'the burnt bottom of the cooking pot'.[33]

The prominence of Bougainville in the national and international agenda for PNG does not correlate with its relatively small size and population. Bougainville is comprised of two mountainous islands (Bougainville and Buka) and a number of smaller atolls, and is geographically remote from the mainland of PNG. It is 1000 kilometres from the capital of PNG and only around 4 per cent of the total landmass of PNG, and 2 per cent of the population.[34] However, it was the wealth of natural resources in Bougainville that provided PNG with an 'economic lifeline' in the 1970s and 80s, and earned it recognition by PNG as a place of special significance.[35]

Much of the literature associates the current secession movement on Bougainville with the violence that erupted between 1988 and 1997. However, conflict over independence was not new to Bougainville, with earlier movements dating back to the 1950s.[36] Certainly, in the 1970s, violence erupted over a failed bid for self-determination at the UN, which was largely a reflection of local grievances over the Panguna mine (which had been established at the behest of Australian colonial authorities, who viewed it as the best way to financially underwrite PNG's forthcoming independence). A negotiated settlement in 1976 resulted

in Bougainville being provided increased self-governance powers, as part of a wider establishment of provincial governments. Secessionism was temporarily placated (or at least suppressed below any significant level of violence) by these increased autonomy arrangements.

The leaders of Bougainville's secessionist movement have obviously not had the international or Hollywood profile of the legendary medieval characters of Scotland (particularly William Wallace and Robert the Bruce). In 1988, what became known as the 'Bougainville crisis' erupted when the simmering anger of a group of militant landowners transformed into a violent campaign against the Panguna mine, which subsequently led to a PNG military intervention. Francis Ona emerged as the leader of these uprisings and took on local hero status. He declared the independence of the 'Republic of Me'ekamui' in 1990 and later himself as 'King of Me'ekamui' in 2004.

It was during this period that there was a convergence of historical grievances with the contemporary grievances that stemmed from land and environment mismanagement, as well as what was perceived as inequitable distribution of royalties from the mining enterprise in Bougainville.[37] The initial conflict in 1988 evolved into a complex web of clashes not only between the Bougainville Revolutionary Army and PNG security forces but also among factions within Bougainville.

This lasted until a truce and ceasefire were agreed in 1998.[38] The costs of the conflict were substantial, not just in terms of lives lost but also in terms of the damage to civil society, infrastructure and the personal toll on the population. A lengthy process of peace negotiations occurred between 1997 and 2001, culminating in the Bougainville Peace Agreement.

This agreement established two core provisions: the establishment of Bougainville as an autonomous region with its own constitution and government within PNG, and a referendum on the issue of its statehood to be deferred until 10 to 15 years following the establishment of an Autonomous Bougainville Government. The constitution of what became known as the Autonomous Region of Bougainville was adopted in 2004, and the first Autonomous Bougainville Government was elected in 2005, meaning that the referendum is scheduled to be held before 2020.

Despite the Bougainville Peace Agreement and the widely-lauded success of the peace process so far, the underlying contributing factors to the violent secessionism that occurred in the 1980s and 90s remain unresolved—and are continuing to fuel secessionist sentiment. The promised autonomy package has been slow to materialise, with the PNG Government being slow to transfer funding, powers and functions to the Autonomous Bougainville Government.

This has stifled Bougainville's development progress. Grievances relating to the Panguna mine also remain. Its closure negated the underlying basis for the violence but the debate continues—and is likely to escalate—on the issue of whether it should be reopened on economic grounds.[39] In addition, issues such as high rates of unemployment in young men, and a lack of unity within Bougainville regarding independence are still present, and add to the risk of violence should tensions escalate.[40]

Part 2: Referendum arrangements

This part of the paper examines some of the systems, processes and structures that were established to manage the referendum process in Scotland, and compares them with preparations for Bougainville's referendum. It will also discuss the relevant roles of key actors.

The political environment

The autonomy arrangements for Scotland enacted in 1998 did not sufficiently address all the desires for greater independence. *The Scotland Act* provided for a parliament elected by a system of proportional representation, with primary lawmaking and limited tax-raising powers, but funded largely through a system of grant allocation from London. The limitations of these powers began to frustrate elements within Scotland who perceived that the incumbent governments were slavishly following the priorities set by London. The Scottish National Party eventually harnessed these frustrations and won power in 2011. Interestingly, this victory was largely based on competence to govern and not on a platform of secession from the UK.[41]

The political environment in the UK at the time of the Scottish referendum was highly complex. Democracy was not an issue. However, a number of unresolved issues heralded a potentially-significant period of change within just a few years in relation to the UK's borders and constitution, and also in regard to its global economic status. There had been no clear winner in the general election of 2010, and the incoming government had only been able to form government through a coalition arrangement.

This made leadership more tenuous and created an environment in which political compromises were common, driven by the strong desire of the incumbents to quell domestic political frictions. Among the compromises that ensued was the 2012 agreement to hold an independence referendum on Scotland and a further pledge in 2013 to hold a referendum on the question of whether Britain should remain within the EU by 2017.[42]

The referendum in Scotland has been described as 'remarkable' and 'precedent setting' for good reasons.[43] Despite the massive ramifications that a break-up of the UK could have both domestically and internationally, it was remarkable that the two governments worked so productively to agree that the referendum would be conducted, and then to ensure it was conducted legitimately and peacefully. This has been attributed by many to the high levels of public engagement in the process and the inclusive style of politics that existed at the time.[44]

For Bougainville, the success of the 'final crunch' in the Bougainville Peace Agreement (the promised referendum on self-determination) will depend on the propitious political desires of both the Autonomous Bougainville Government and the PNG Government, as there is still much left to provide for and to negotiate.[45] The UN-backed Lincoln Agreement (on Peace Security and Development on Bougainville) that was signed in January 1998, and the subsequent Bougainville Peace Agreement of August 2001, provided for a political solution to the bloody conflict but were only the first steps in a long process of resolving the tensions between Bougainville and PNG.[46]

While there has been some progress in implementing the requirements of the Bougainville Peace Agreement, most commentators agree that the governance capacity of Bougainville (and PNG) is weak, under-performing in the delivery of essential public services such as health and education, and severely constrained by inadequate funding allocations.[47] The Autonomous Bougainville Government's 3rd House of Representatives was inaugurated in June 2015, with President Momis heralding that Bougainville is:

> [On the] threshold of perhaps the most important, and portentous, five years in [its] history and that to achieve all that is necessary in that period will require great unity, a tremendous sense of purpose, intense energy and an unwavering commitment to the course.[48]

Momis went on to outline a very full agenda for his new government, much of which was aimed at contributing directly to the preparation, legitimacy and transparency of the referendum process. However, while the Autonomous Bougainville Government was set up with much wider powers than were established for Scotland in 1998, delays in the transfer of these powers, together with the necessary funding, have constrained true autonomy for Bougainville.[49]

Peter Jennings and Karl Claxton contend that the PNG Government's failure to fulfil its responsibilities under the Bougainville Peace Agreement, which are now significantly in arrears, is fuelling Bougainvillean resentment of the PNG central government.[50] As Joanne Wallis identifies, the PNG Government's tardiness may be motivating secessionist sentiment,[51] with Momis hinting that the lack of progress may be a deliberate ploy to provide reason for the PNG Government not to ratify the referendum outcome, asserting that:

> When the National Parliament comes to make its decision on implementation of the referendum outcome, [and] if there are serious weapons disposal and good governance [concerns], they will be free to argue that it will not be safe for the people of Bougainville if independence is considered.[52]

Mining and the issue of fiscal self-reliance present both a significant opportunity and challenge to the referendum process. At present, Bougainville's internally-generated revenue accounts for only around ten per cent of its annual budget.[53] The Bougainville Peace Agreement supported Bougainville's long-term goal of fiscal self-reliance and the subsequent tax law provisions placed significant aspects of potential mining revenue under the direct control of the Autonomous Bougainville Government. Momis has also identified that the timeline for the referendum is placing significant pressure on the requirement for more rapid growth in the economy, with the re-opening of the Panguna mine seemingly the only realistic option to meet the required timeframe.[54]

While there appears to be significant public support on Bougainville for the re-opening of the mine (albeit with considerably revised financial arrangements), Anthony Regan considers it an unlikely outcome.[55] He contends that the Autonomous Bougainville Government has inadvertently generated a 'new political economy' in Bougainville in which outside 'spoilers' are significantly undermining efforts to re-open the mine, including by talking up the risks of reigniting violent conflict. However, without a mining-generated boost to its economy, the transition arrangements for independence would probably need to be lengthy, which would likely be problematic as the public would be expecting a rapid transition in the event of a 'yes' outcome.

Like in Scotland, Bougainvilleans are also not united in their views on the levels of autonomy required. The crisis left Bougainvilleans roughly divided between those for who nothing short of complete secession from PNG will suffice (pro-independence) and those who desire autonomy but wish to remain within the nation state of PNG (pro-integration). Extensive reconciliation and nation-building efforts have ensured that both camps support the need for Bougainvilleans to be given a real choice through a genuine referendum process.[56] However, the followers of Francis Ona present a particular challenge to the reconciliation process as they intentionally remained disengaged from the peace and constitution-making processes, and have established their own government institutions, including security control of the area in the vicinity of the Panguna mine area.

The death of Ona in 2005 and a subsequent change in leadership has enabled elements of Me'ekamui to become more involved in the peace process and more engaged with the Autonomous Bougainville Government. A 2013 study of the security situation in Bougainville has concluded that the Me'ekamui group

no longer poses as significant a threat to peace and stability as previously.[57] Continuing engagement in the peace process by such dissenting groups—and more broadly with the Autonomous Bougainville Government—is important to ensure the political legitimacy of the Autonomous Bougainville Government, regardless of Bougainville's future within or outside of PNG.

It is perhaps a sign of significant optimism for continued peace in Bougainville, and for the referendum arrangements, that Momis was re-elected President of the Autonomous Bougainville Government in 2015 by a significant margin. His electoral platform included support for re-opening the Panguna mine. He is also perceived by most as being pro-integration. It was also significant that Momis had the publicly-declared support of Me'ekamui's leadership, who are the main potential spoilers of both a re-opening of the mine and the referendum process.[58]

Finally, it is important to consider the concerns of PNG that secessionism in Bougainville would catalyse demands from other provinces for independence, an important issue given PNG's relative fragility as a nation.[59] Nation states which experience the challenges of accommodating the secessionist demands of regions are understandably fearful that it will have a motivating impact on other regions or provinces. However, fears of a domino effect from secessionist movements are arguably exaggerated, and the independence of Eritrea, Timor-Leste and Kosovo are examples where there has been no resultant spread of secessionism.[60]

Fundamental provisions for a referendum

Legal authority

The signing of the Edinburgh Agreement in October 2012 confirmed the Scottish Parliament's power to deliver a referendum, which has been praised as a significant example of effective democratic dialogue and conciliation.[61] The Scottish National Party's majority government brought the question to a head in January 2012 with the announcement of its intention to hold a referendum towards the end 2014. Initially, there was some discussion as to whether the UK Government might challenge the legal basis on which the Scottish Parliament could pass the requisite legislation. However, a pragmatic assessment of the potential backlash from Scottish voters ensured that course was not pursued.

The process of determining the requirements of the referendum process involved multiple levels of government in both the UK and Scotland, and was of fundamental importance in ensuring that the result would be accepted regardless of the outcome.[62] The Edinburgh Agreement established that the referendum would be involve a single question, that the rules would be

set by Scottish-elected institutions, and that it should be conducted in a fair, transparent and legitimate way so as to command the confidence of stakeholders and deliver a result that would be respected.[63]

Authority was then formally devolved to the Scottish Parliament to legislate the detailed rules. Two pieces of legislation were accordingly enacted: *The Scottish Independence Referendum (Franchise) Act* in August 2013 and the *Scottish Independence Referendum Act 2013* in December 2013.[64] The latter established the statutory responsibilities for the Convenor of the Electoral Management Board for Scotland (appointed as the Chief Counting Officer) and the UK Electoral Commission.[65] Responsibility for the conduct of the referendum (poll and vote counting and participation) was assigned to the Chief Counting Officer, and responsibility for regulation, governance and reporting of the campaign to the UK Electoral Commission.

In Bougainville, there is a solid legal basis for the conduct of a referendum, although there is still much to be resolved. The referendum was guaranteed in the Bougainville Peace Agreement, which was given effect by amendments to PNG's Constitution and the 2003 *Organic Law on Peace-Building in Bougainville*.[66] As in Scotland, consultation and cooperation have been central to the development of these legal instruments and should ensure that there is broad and enduring acceptance of the legal basis for the referendum.

However, there were many issues that could not be determined at the time, which were deliberately left for later determination or negotiation. To that end, a Joint Referendum Working Group, as mandated by the Bougainville Peace Agreement, was established in 2009 to progress these unresolved issues.[67] Despite some progress, significant impediments exist.

In March 2015, President Momis provided an update on preparations for the referendum.[68] The recent decision of both governments to appoint an independent institution to conduct the referendum resolved the most important issue and will further legitimise the process. However, four critically-important (and many other substantive) issues remain to be resolved, namely the date of the referendum, the wording of the question(s), the development of a charter for conducting the referendum, and the rules for qualification for voter registration of non-resident Bougainvilleans.

Momis went further to stress that failure to adequately deal with the issues of good governance and the disposal of unlawful weapons will undermine the ability of both governments to resolve these issues, and ultimately degrade their ability to ensure Bougainvilleans are provided the promised opportunity of a free, fair and legitimate referendum process.

The achievement of good governance and the disposal of weapons are not pre-requisites for the conduct of the referendum, although the issues were specifically listed in the Bougainville Peace Agreement as conditions that need to be taken into account in determining when the referendum will be held.[69] There is some evidence to suggest the PNG Government is considering whether the lack of progress on one or both would provide a basis on which to challenge the right of Bougainville to hold the referendum or to exercise its right of veto of the result. However, Momis inferred that he would consider any such action to be a breach of the peace agreement, saying that:

> Suggestions at the national level that the referendum could be delayed beyond 2020 on the grounds of weapons [disposal] … or [good] governance are a matter of grave concern for the Autonomous Bougainville Government.[70]

The referendum question

The UK Government had taken special interest in the question to be posed in the 2014 Scottish referendum and signed the Edinburgh Agreement on the condition there be only one question.[71] It is likely that polling and other sources of electoral survey available to the incumbent UK government were influential in persuading the demand for a one-question referendum.[72] Indeed, Alexander Nicoll identified political advantage in ensuring that options for greater autonomy were reserved for potential future negotiation, rather than including them in the referendum.[73]

However, the polarising of the referendum question as a binary choice (vote for status quo or independence) had a particular impact on the campaign in Scotland due to the known fact that the electorate had consistently shown most support for increased autonomy over either independence or the status quo.[74] It meant that those in favour of greater autonomy became the primary target or 'battleground' of campaigners on both sides.[75]

For Bougainville, it is a requirement of the peace agreement that the question or questions to be included in the referendum must be agreed by the PNG Government and the Autonomous Bougainville Government—but also must include the choice of independence for Bougainville, and be formulated to avoid dispute or an unclear result. Beyond that, there has been no official discussion of the options although, as Nicole Haley and Anthony Regan have identified, the obvious additional ones deserving of consideration are status quo, higher autonomy, free association and graduated independence.[76]

The referendum franchise

In Scotland, the franchise for the referendum was agreed with minimal controversy in the *Scottish Independence Referendum (Franchise) Act 2013*. Those eligible were determined on residency status rather than ethnicity, based on the franchise used for local and Scottish parliamentary elections (which is consistent with the approach taken in most constitutional referendums).[77]

For its part, the UK Government was reluctant to significantly vary the electoral franchise, with concerns it could undermine the process through perceptions that changes were being made to suit one side or the other. The only agreed exception was that the voting age would be reduced from 18 to 16 years, just for this referendum, after the Scottish Government argued that the participation of younger people was consistent with the level of rights and responsibilities expected of this demographic.[78] The opening up of the referendum to younger people is seen as significant in maximising their political participation and enriching the public discourse.[79]

On Bougainville, the 2003 *Organic Law on Peace-Building in Bougainville* made some provisions for defining the franchise of the referendum in line with national election eligibility. However, further decisions are still required, notably to define eligibility for non-resident Bougainvilleans. While the size and relevance of the diaspora remains unclear, the early resolution of voting eligibility is important as the state of existing electoral rolls is known to be very poor and requires a significant investment of time and money to remediate.[80]

Timing arrangements

In general there was very little complaint or controversy over the timings of the Scottish referendum. The *Scottish Independence Referendum Act 2013* established that a formal campaign period of 16 weeks in the lead-up to the vote, which was relevant in terms of formally regulating funding allocation and governance issues. However, as Stephen Tierney highlights, legislation confirming the referendum date was passed so far in advance that it provided for a lengthy period of unregulated campaigning with potential advantage for one campaign over another.[81] The *Act* also made provision for a statutory 'purdah' or moratorium period in the 28 days before the referendum, designed to prevent the release of any official material or information that might further influence voters.[82]

In its post-referendum report, the UK Electoral Commission contended that a relatively long period between the announcement of the referendum and its voting date provided the following benefits:

- Improved capacity of relevant bodies to comprehensively consider and assess proposals (including of the referendum question, for example), as well as facilitating the conduct of relevant surveys of the electorate and research on any particular issue;
- Improved capacity to ensure thorough preparation by campaigners, the Chief Counting Officer, electoral registration officers and the Electoral Commission. This is particularly important where any variation to the normal voting franchise is being considered; and
- Improved capacity to ensure the electorate is adequately informed and educated.[83]

For Bougainville's referendum, constitutional provisions require that the actual date be agreed between the PNG Government and the Autonomous Bougainville Government, taking into account the conditions of weapons disposal and good governance. As discussed earlier, there are considerable implications if the parties fail to resolve an agreed position on the interpretation of these provisions. It will also be necessary to improve the awareness in the electorate of the provisions, as the level of misunderstanding is currently very high.

Communication: issues and actors

In Scotland, the electorate was actively engaged from the time the Scottish National Party-led Government first declared its intention to hold a referendum.[84] The *Scottish Independence Referendum Act 2013* placed specific responsibilities on the Electoral Commission in relation to the management of campaigners and promoting public awareness and understanding of the referendum, including of the question.[85]

The Electoral Commission approached its communication responsibilities on the basis that voters required two distinct sources of information. These were public information (on the mechanics of the referendum and how to register and vote) and campaign information (that provided the more detailed arguments for and against each outcome). The provision of the former was largely the domain of the Electoral Commission, although it was also supported and assisted by a number of partner organisations, and was delivered through a range of information channels.

Voter engagement and debate was encouraged and triggered through a range of mechanisms and began well before the rules of the referendum were formally established through the Edinburgh Agreement in October 2012

and the campaign formally commenced in May 2014. The Scottish and UK Governments both published a number of consultation and analysis papers. Government working groups and independent think tanks were also convened to consider and debate the issues and publish reports. Various government departments also issued position statements, and a number of public meetings were held.[86]

Government-issued papers provided an effective tool through which the public's attention and understanding of the issues was developed.[87] It was clear that the population (including young people) was deeply engaged with high levels of involvement in local campaigning and debates about the referendum. Peter Hopkins notes that there was 'something about the Scottish referendum [that] clearly captured the imagination of Scottish people'.[88]

There is good evidence that the provision of information to the electorate was very effective, with high voter registration and turnout. Libby Brooks asserts that 'people who were not exercised by any kind of politics [saw] it as an opportunity to change how we organise our society'.[89] Alan Convery and Malcolm Harvey concluded that:

> The numbers [of voter turnout and registration] here do not do justice to the democratic success of the independence referendum. Town hall meetings were packed, previously un-engaged citizens gave up their evenings and weekends to campaign and you couldn't enter a pub, shop or taxi without someone mentioning the referendum.[90]

The use of partner organisations—such as youth groups, universities and colleges, carer and disability organisations, homeless shelters and council housing authorities—assisted in ensuring that sectors of the population were not left out or excluded from being provided with essential information. The Electoral Commission provided a very detailed report on the range of initiatives and mechanism they used to achieve this, with particular interest being the joint statement by both Governments outlining the process that would follow as an outcome of either result.[91]

The various actors in the campaign were well established and organised, which helped to ensure that the voters were well informed and that there was a high level of inclusion.[92] The Electoral Commission provided an important regulatory responsibility over official 'campaigners' and it appears that this responsibility was executed well and that compliance levels were high.[93] The *Scottish Independence Referendum Act 2013* required campaigners to register in one of the two campaign groups. In the end, 42 campaigners were officially registered, with 21 groups on each side.

Each campaign had its own web site and associated social media sites. The major political parties also ran campaigns in support of one side or the other,

and made extensive use of online technologies. Both sides also worked hard to attract new voters, particularly given the extension of the voting franchise to younger people and the challenge of the reported 'missing million' unregistered voters.[94] In practice, campaign information was delivered from various different sources, with a number of groups involved that had no formal ties with the official campaign organisations.[95] Evidence of the success in maximising engagement is that close to 200,000 previously-unregistered voters did so for the referendum (excluding the 16 and 17-year olds who had not previously been permitted to register).[96]

The role of the media in the Scottish referendum was vital but not without controversy. This was likely the direct effect of some unique dynamics that were at play both in Scotland and in the referendum style of voting. The media was criticised heavily for perceived bias during the Scottish referendum.[97] It is interesting to note that some research suggests that the unique nature of a referendum campaign alters the relationship between the media and politicians in such a way as to increase the level of perceived media hostility.[98]

Despite the criticism and controversy, there is no doubt that the media is the main source of information for citizens and is therefore essential to the referendum process.[99] The Electoral Commission relied heavily on the media for its transfer of information.[100] It has also been demonstrated that the flow of arguments in the agenda-setting of a referendum campaign is a top-down structure that goes from the political parties to the media and finally to the public.[101]

It might be assumed that since the Scottish referendum was held at a time when the digital revolution was in full flow, social media would play a dominant role in how voters sourced information and engaged in public discourse on the referendum. However, research has demonstrated that voters in this campaign relied more heavily on the traditional modes of communication (newspapers, television and radio), which has been attributed to the format of social media not being conducive to knowledge exchange, broad participation and deliberative engagement.[102]

The various campaign actors were voracious consumers of poll results throughout the campaign and there are some significant instances where the polls had influence.[103] One occurred just prior to the referendum and had an impact beyond the campaign. Polls were reporting that the gap between the campaigns had narrowed significantly, despite the 'No' campaign having been consistently ahead throughout most of the period. In response, the three major UK parties made a tri-partisan public pledge to devolve more powers and money to the Scottish Parliament.

Subsequent analysis concluded that this vow did not significantly sway voters.[104] It did, however, significantly influence voters at the general election held only months later. This tri-partisan tactic is an example of how single-issue referendums can alter the political alliance dynamics that are in place. In this case, Labour voters felt 'betrayed' by their party's alignment with the opposition on this issue. As a result, the traditionally-dominant Labour party in Scotland suffered massive and surprising defeats at the national election with some forming the view that the political landscape in Scotland has 'changed forever'.[105]

Inclusion and consultation, while a Western value, is also a Melanesian value and an accepted democratic tradition.[106] However, the communication resources available in Bougainville are substantially different to those available in Scotland, and there are some significant but not insurmountable barriers to effective communication with the Bougainville electorate. For example, there has been no opinion polling conducted in Bougainville, which make it difficult for campaigners, the government and other stakeholders to gauge the reaction to public debates or the effectiveness of the information campaign. Most of the population lives in scattered rural communities, with limited road, transport and access to IT and media resources.

While more people are obtaining information by listening to the radio and watching TV, as well as there being increased use of mobile phones and SMS messaging, access to these forms of communications is fairly limited. Newspaper and radio coverage is currently restricted to less than 20 per cent of the region.[107] This provides significant barriers to both the distribution of information and the ability of people to attend public meetings and be engaged in a consultative manner.[108] Combined with limited transport infrastructure and a challenging geography, it also adds considerably to the costs of awareness/campaign work.

The more vulnerable elements of the community on Bougainville will also require special measures and greater investment in electoral and civic awareness programs in order to ensure their full participation. These include women, the elderly, people with disabilities and the less literate who are not only vulnerable to coercion and intimidation, but often face difficulties in accessing polling stations. Literacy levels across Bougainville are improving and adult literacy is higher than in PNG but is still well below the UN-established goals (not least because of the 'lost generation' demographic—those who missed out completely on education during the 10-year conflict).

The use of partner organisations along the lines used in Scotland may provide some opportunities to address the potential gaps in communications. The example of community engagement that was pursued by the Autonomous

Bougainville Government in exploring the level of community support for reinitiating large-scale mining in Bougainville would suggest it has the capacity to undertake a reasonable level of community outreach and communication.[109]

Consideration may need to be given to using a third-party intermediary to assist in ensuring ongoing commitment by the PNG Government and the Autonomous Bougainville Government to the agreed path to a referendum. As indicated in the previous discussion, there is a risk of deterioration in the constructive and cooperative style of communication that currently exists between the Autonomous Bougainville Government and the PNG Government, particularly since—unlike between Scotland and the UK—their relationship lacks a mature communications framework. The utility of third-party engagement has been proven already in Bougainville and the Solomon Islands in their respective peace negotiations. The Pacific Islands Forum is one option worth considering, where its role would also be consistent with its mantra of providing regional solutions to national problems.[110]

The voting system and process

Statutory responsibility for the conduct of the referendum in Scotland was assigned to the Chief Counting Officer, who was supported by the Electoral Management Board of Scotland (staffed by a suite of skilled and experienced counting and registration officers). The four priorities of the Chief Counting Officer were to ensure the accessibility, consistency, efficiency and integrity of the referendum. To that end, the Chief Counting Officer issued a consultation paper in November 2013 in which she sought to maximise voter engagement.[111]

Detailed instructions were also issued by her office to provide detailed guidance on how the vote was to be conducted.[112] A final element in the governance regime was a memorandum of understanding between the Electoral Commission and the Chief Counting Officer. This was important as each was tasked with responsibilities that varied slightly from their usual roles in previous elections. It particularly clarified areas where potential overlap or duplication might occur.[113]

Registration was conducted utilising the well-established and mature system of annual electoral 'canvass' used in Scotland. It was commenced almost 12 months prior to the poll date and allowed individuals to update their details as circumstances changed. Registration was closed 12 days prior to polling day. Although allowing registration to remain open closer to the polling day would likely have increased participation marginally, consideration needed to be given to ensuring that registration officials had sufficient opportunity to verify eligibility and support the legitimacy of the vote.

The opening of the franchise to younger voters also created some additional challenges in the registration process, with the requirement for separate forms and a register that protected their identities and personal details. Opinion polls showed very high satisfaction level with the registration process, and the number of registered voters for this referendum was the largest ever recorded, increasing by 6.7 per cent over the parliamentary elections conducted in the same year.

There were also high levels of satisfaction with the voting process, despite the large turn-out and some (but notably very minimal) reports of violence or intimidation. Some relevant features were that voting occurred at 2608 polling sites, chosen to maximise access by groups in the community. A larger-than-previous number of people elected to use postal votes (18 per cent). Postal votes also resulted in a larger return rate than polling station voters, and some 31,000 voters elected to nominate a proxy in advance of the vote. Of note is the predominant observation that the atmosphere at polling places was positive and engaged, in contrast to the feared civil unrest as anticipated by the media in the lead-up to the vote.[114]

Important factors that contributed to the overall validity and integrity of the vote related to the counting process, which included the selection of counting agents and observers, the counting process itself and the collation process. The 'mini-count' methodology was utilised, whereby voting papers within electorates were split into definable small bundles that could be readily re-checked if necessary. The Electoral Commission concluded that it contributed to the efficiency, accuracy and security of the count and has recommended that it be more broadly employed.[115]

More than 200 international observers registered for the referendum under the accreditation system and code of conduct mandated under the *Scottish Independence Referendum Act 2013*.[116] Participation by foreign observers can at times draw some interesting public responses from nations which use the opportunity as a platform on which to promote views about their own democratic processes and circumstances.[117] However, it is widely acknowledged that the presence of a range of international observers positively contributes to the legitimacy and democracy of such processes.

A key challenge for the Chief Counting Officer was managing expectations in regards to the timing of the announcement of the result. High levels of national and international interest fuelled the need for the Chief Counting Officer to ensure unrealistic guarantees were not made to the public. As a result, public statements were made cautiously while the high levels of early engagement and consultation on the process assisted in ensuring the public was well informed.

Post-referendum polling revealed that a relatively high level (34 per cent) of respondents believed that some degree of electoral fraud had occurred at the referendum. However, this perception did not match what actually happened, and is thought to reflect the powerful influence of the media and other actors in undermining the confidence of the voting public in the integrity of the electoral process, as well as the higher-than-usual participation rates and the emotive sentiment inherent in the nationalistic movement (with 'yes' voters a majority of those expressing such concerns).[118]

On Bougainville, while the required legal instruments for delivery of a referendum already exist, there are critical decisions yet to be made on the voting process. Most significant is selection of the agency to conduct the referendum, with the *Organic Law on Peace-Building in Bougainville* including a detailed schedule of provisions and rules, most of which require input from the responsible agency.[119]

A report from a joint government review, tabled in 2013, criticised the two governments for having failed to deliver on commitments relating to the referendum. The report clearly identified the significant and complex issues still requiring agreement, and assessed that it would be almost impossible for a referendum to be held within the planned timeframe, given the lack of progress. Given that these issues are still outstanding—and that two years has since past since this report was generated—an extraordinary and immediate cooperative effort would be needed for a free and fair referendum to be held before 2020.[120]

The existing resources of the Bougainville Electoral Commission are extremely limited, and the Commission lacks experience in the conduct of referendums, traditionally relying heavily on assistance from the PNG Electoral Commission and from Australia. Other potential sources of a lead agency may be through the UN or the Pacific Islands Forum. Regardless, failure to identify an appropriate lead agency could become a critical issue, linking to the integrity of the referendum and a potential trigger for further violence.

Another significant risk to the credibility of the referendum is the state of the electoral roll, which is known to lack integrity, compounded by flawed voter registration and verification processes. An additional complication is that the franchise for the referendum is slightly different to that applied for normal elections on Bougainville, which makes it even more important that sufficient time is allowed for voter registration.[121]

Integrity issues and announcement of the result

For Bougainville's referendum, issues surrounding the determination and announcement of the result may become crucial for both governments and, if managed poorly, could provide a trigger for further violent conflict. The fact that the result requires ratification by the PNG Government is a significant potential 'spoiler', particularly in the event of a 'yes' result. The PNG Government's right to ratify the result—effectively on the issue of PNG's sovereignty—was an important condition of the peace negotiations, and its inclusion was essential to obtaining PNG's agreement at that time. Nevertheless, as the example of Scotland demonstrates, there would be benefit in the PNG Government making an early declaration of its willingness to accept the result.

As discussed previously, a failure to achieve adequate weapons disposal and the provision of good governance pose a risk to the legitimacy of the outcome. Expectation management is also central. The 2013 report on autonomy arrangements provides a useful insight into the poor level of general understanding of the referendum purpose, process and consequences across the community.[122] It also evident that not much progress has been made since, suggesting that poor community engagement remains a significant risk to the process, exacerbated by the 'nationalist' profile of the incumbent president acting as a barrier to robust public debate.[123]

Part 3: Discussion

Should Bougainville be holding a referendum?

It is important to consider the purpose of the referendum and what can reasonably be expected from it. The lessons from other referendums have been analysed extensively in the literature and some relevant considerations are briefly outlined here.[124] A referendum has the advantage of narrowing public attention on a single important issue. As part of the referendum process, the issue can be deeply debated. A referendum also ensures that focus on the issue at hand is not diluted or distracted by the wide range of issues on which general elections are conducted. The direct decision-making process of a referendum also serves to strengthen the democratic process by confirming a decision as the direct will of the majority of the people.

The right of Bougainville to self-determine its political status is guaranteed in the legal structures that have been agreed. Despite such structures also accommodating the right for the Autonomous Bougainville Government to elect not to hold a referendum, this seems an extremely unlikely scenario given the level of public support for a referendum and the practical implications

involved in electing to pursue such an option.[125] As the case of Scotland has demonstrated, secessionist sentiment can be enduring even when autonomy arrangements and opportunities for self-determination have previously been provided.

If seeking a comparison with another country for which the right to a referendum was part of a post-conflict peace settlement, New Caledonia demonstrates also that secessionist sentiment is enduring despite relative stability and significant autonomy arrangements being in place.[126] A failure to hold a referendum in Bougainville is highly likely to result in a return to violent conflict. It would seem, therefore, that there is no choice but for a referendum to be held within the agreed timeframe. However, the risks and challenges require urgent remediation to minimise the risk of it not being free, fair and violence free.

Can the Scottish example offer some potential solutions?

In considering the Scotland referendum, the following three prevailing issues are considered to be the most obvious opportunities from which the preparations for Bougainville may benefit.

Third party engagement

Although a third party was not used in Scotland's referendum, there is good reason to consider it for Bougainville, especially given the lack of mature and well-trodden path of communication between the PNG Government and the Autonomous Bougainville Government, and more broadly the lack of trust on both sides and the weakness of institutions, including electoral commissions.

A third party would help to ensure that the respective governments continue to engage constructively in resolving key issues in relation to the referendum. Such an approach has been used previously to good effect on Bougainville, and should be considered as early as possible. An initial task for a third party would include resolving the paradoxical posture that the PNG Government appears to be adopting in relation to the transfer of powers and adequate funding to Bougainville, in order to facilitate its effective autonomy in accordance with the Bougainville Peace Agreement.

High levels of consultation and inclusion

As in Scotland, it is axiomatic that high levels of consultation and inclusive, cooperative engagement between the two governments, as well as increased levels of public engagement and understanding of the process, will be key elements to the success of the referendum on Bougainville. In Scotland,

these factors contributed directly to the transparency and legitimacy of the process by managing stakeholder expectations and subsequently supporting a peaceful outcome. While the environmental and geo-social factors on Bougainville may well necessitate an alternative approach, these factors are fundamental to the success of the referendum.

Preparation and planning

In the post-referendum assessment of Scotland's example, clear recommendations were made regarding the benefits of ensuring adequate time is provided for essential planning and preparation by key stakeholders across a number of areas. These included the referendum system and processes, stakeholder engagement and education and, most importantly, the issue of managing expectations.

The analysis of the situation on Bougainville has demonstrated that central to ensuring this time is provided are the early decisions that need to be made on the critical issues that have been identified by President Momis. In particular, serious attention is required on the issues of selecting an appropriate agent to conduct the referendum, and on weapons disposal and good governance provisions between now and the referendum.

What aspects do not apply and are there other relevant experiences?

The question

The issue of whether the wording of a referendum question can significantly impact the outcome has been debated at length but is of questionable relevance.[127] There are valid and aspirational democratic principles that underpin generally-accepted standards for a referendum question. These include that it should be easy to understand, concise, unambiguous and to the point; it also needs to be legal, fair and decisive, and must not lead the voter in one direction or another.[128] Some analysts have also observed that a binary choice provides a significant obstacle to the population being able to fully 'weigh and balance' the complexities of the constitutional options.[129]

Elisenda Adam, for example, has argued that excluding the possibility of a third option in the referendum makes the debate more limited, confusing, uncertain and unbalanced in favour of the 'No' side.[130] On the specific issue of whether there is a risk that inherent bias of a question will persuade the electorate, Matt Qvortrup identifies two case examples which demonstrated that voters are not necessarily persuaded by the use of positive language in a referendum question posed by their government; these were in East Timor in 1999 and Quebec in 1995.[131]

The franchise

Teirney has explored in some detail the influences and impacts of different approaches to the rules of franchise used in referendums.[132] Broadly, he demonstrates that there are two types of nationalism (ethnic and civic) on which franchise arrangements are determined. A detailed discussion of the concepts is beyond the scope of this paper, however, he suggests that there are specific circumstances of the current and historical contexts of a nation that need to be considered when determining the franchise rules.

Broadly speaking, civic nationalism ideas support the inclusion of voters based on whether or not they would be bound by the laws of a devolved administration and would contribute financially to the tax base of the country. Ethnic nationalism ideas support the inclusion of those who, through no choice of their own, should be entitled to vote while being out of country. Circumstances include, for example, where populations have been forcibly transferred, ethnic cleansing has occurred, or for people who are the descendants of such people.

In the case of Bougainville, these arguments tend to support the proposal that non-Bougainville residents should be entitled to vote, and also that non-resident Bougainvilleans have a right to vote but which might be determined, for instance, by placing a timeframe on when they last resided in Bougainville.

Consultation, voter education and security

While the case of Scotland demonstrates the potential benefits of providing sufficient opportunities and an inclusive approach for the full electorate (including minorities) to become informed, this lesson is perhaps better informed by other cases in which voters were not provided sufficient opportunities to be informed and in which minority groups were excluded.

Guatemala is a case in point. There, a referendum to ratify the constitutional reforms agreed during peace negotiations was held in 1999, in which 81.5 per cent of voters abstained from voting—which meant the reforms were unable to be ratified. The outcome, which significantly undermined the peace process, was attributed to the lack of an inclusive approach to consultation, a lack of voter education, and a general lack of security within Guatemalan society.[133]

Preparations for the aftermath

At the heart of the challenge of anticipating and then preparing for an independent Scotland was the fact that key decision-makers and influencers were strongly motivated to support arguments that independence would be complex and damaging. There is a wealth of literature that explores and

analyses the impact that independence would have had on Scotland's substantive interests.[134]

However, as Tierney points out, it is probably unrealistic to expect either the Scottish or UK Government to have been able to articulate, prepare fully or negotiate with relevant international bodies or nations the implications of independence, because there are simply too many vested interests that undermine that process.[135] An example is Scotland's potential new relationship with the EU and with regional neighbours, neither of which would want to encourage their own constituent parties to feel too comfortable about the prospects of independence.

In regard to preparations in the event of a 'yes' result, South Sudan may offer some more useful lessons and a more relevant comparison. It faced enormous economic and development challenges in the wake of a referendum requiring considerable international support and creating ongoing sources of tension and conflict. Roberto Belloni identifies that the period of time between the peace agreement and the referendum represented a missed opportunity for development investment by the parent nation.[136] This scenario resonates strongly with the situation on Bougainville, where PNG is significantly in arrears with its development funding. The lack of development in South Sudan has left it at significant risk of escalating internal conflict and a raft of 'scary' human development problems.

Conclusion

There is no doubt that significant differences exist between Scotland and Bougainville in historical, geographic, cultural and socio-economic terms. However, the demand for independence in both has its origins in identity and economic grievances that have not been adequately addressed by the devolution of powers already granted. Although autonomy arrangements have been in place for the last decade and a half in Bougainville and Scotland, nationalism provides a fusion of many similar issues in both.

Like the Scottish people within the UK, the people of Bougainville possess a distinctive identity that separates them from the rest of PNG. This identity is rooted in language, history and culture. Both groups mark their identities with their own flag, seal and anthems. Nationalism in both places has been characterised in history by bloody conflicts. Inequities in income distribution and other centralised economic and political structures have fuelled nationalist movements in both places, despite reasonably high levels of economic integration.

A point of difference is the role of cultural and ethnic identity in secessionism. For the Scots, this was historically stronger but has now become a secondary

issue to more important economic, foreign policy and political issues. For Bougainvilleans, it has developed greater importance as the sense of nationalism has matured. But it is still no more important than the fundamental economic, social and political priorities. A further point of difference is that the referendum agreement in Scotland was born out of a peaceful political negotiation, whereas in Bougainville it was born out of a negotiated peace settlement that ended a period of violent conflict. Most importantly, both Scotland and Bougainville share a common interest in supporting democratic values and minimising violent conflict.

This analysis and case study has by no means provided a comprehensive assessment of all the relevant and important elements to consider in preparation for the Bougainville referendum. More thinking is clearly needed. However, it is evident that time is a critical issue, reinforcing the need for decisions to made expeditiously to ensure further opportunities are not lost. In the end, it is clear that simple principles will prevail. These are good communication, transparency, inclusivity, preparation, planning and a willingness to negotiate and compromise. Continued lack of traction on issues like the transfer of power and resources is likely to continue to aggravate independence hard-liners in Bougainville and further compromise the prospects of achieving a free, fair and peaceful referendum.

Reaching an agreement on the interpretation of the conditions for the referendum, setting the date (including effective and transparent communications in this regard), and enabling Bougainville to exercise its autonomy must be immediate priorities for the governments of PNG and Bougainville alike.

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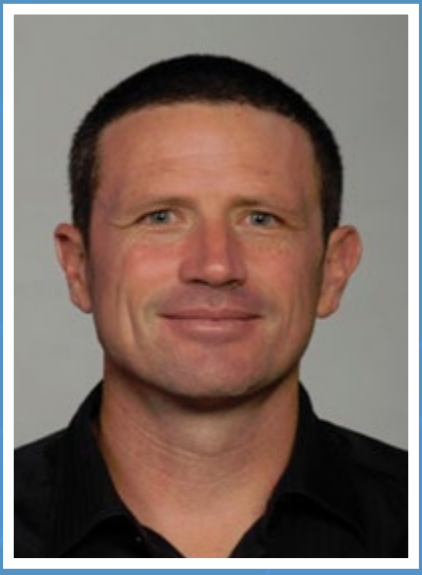
Biographical details



Shane Flanagan

Australian Department of Foreign Affairs and Trade

Shane Flanagan graduated from the Australian National University in 2000 with Bachelor of Economics and Bachelor of Asian Studies degrees. He was then engaged as a local employee at the Korean Embassy in Yarralumla, before joining the Department of Foreign Affairs and Trade (DFAT) as a graduate trainee in 2001. His early postings included a rotation to Bougainville in 2002, a posting to Tokyo to undertake Japanese language training (2003-04), and appointments at the Australian Embassy in Tokyo from 2004-07.

In 2007, Shane returned to Canberra and joined a newly-formed Afghanistan section, where he worked closely with the Department of Defence and other agencies to prepare policy on Australia's engagement in Afghanistan. In 2010, he was posted as the Deputy Head of Mission in Harare (Zimbabwe). On his return to Australia in August 2013, Shane was appointed Director of the Consular Information Section. In August 2014, he was posted to Kabul as Deputy Head of Mission.

Shane returned to Australia in August 2015 and commenced duties in the Executive Branch on a project to cut red tape and embed a culture of innovation in DFAT. He is currently attending the Defence and Strategic Studies Course at the Centre for Defence and Strategic Studies at the Australian Defence College.

Group Captain Lindley (Jim) Ghee, OAM

Royal Australian Air Force

Group Captain Lindley ('Jim') Ghee joined the RAAF in 1986. His early postings included No. 33 Squadron and No. 36 Squadron. In 1988, he participated in No. 84 Wing's detachment to Kuwait in support of Operation SOUTHERN WATCH. During 2002, he deployed with No. 84 Wing's detachment to Kyrgyzstan, in support of operations in Afghanistan.

In 2003, Group Captain Ghee completed Australian Command and Staff Course, and continued as directing staff throughout 2004. In late 2005, he assumed command of No. 33 Squadron. Later postings included Headquarters Air Lift Group, Director of Joint Project 160 Transition Team, Director Plans/Operations at Headquarters Air Command, and Officer Commanding No. 84 Wing.

Group Captain Ghee has a Bachelor of Science from the University of NSW, and a Masters of Management in Defence Studies from the University of Canberra. He attended the Defence and Strategic Studies Course at the Centre for Defence and Strategic Studies at the Australian Defence College in 2015, completing a Master of Arts (Strategic Studies) from Deakin University. He is currently the Director C-27J (Battlefield Airlifter) Transition Team in Air Force Headquarters.

Midshipman Izaak Gurney

Royal Australian Navy

Midshipman Izaak Gurney joined the Royal Australian Navy in 2013 as a Maritime Warfare Officer, and later served on HMAS *Newcastle*. In 2014, he joined the Australian Defence Force Academy, where he is currently completing his final year in a Bachelor of Science, majoring in Geography and Information Systems.

Brigadier Andrew Harrison, DSO, MBE

British Army

Brigadier Andrew Harrison joined The Parachute Regiment in 1990. His early postings included operational tours to Northern Ireland, service with the UN in Iraq, exchanges to 2/1 Royal New Zealand Infantry Regiment in New Zealand and 3rd Battalion, The Royal Australian Regiment in Australia, an instructor at the Royal Military Academy Sandhurst, and in the Ministry of Defence's Directorate of Military Operations. Later postings included to Sierra Leone as a UN Military Observer, service in Iraq with The Parachute Regiment, and Chief of Staff of 20 Armoured Brigade, which included further service in Iraq.

He was then posted to the UK's Permanent Joint Headquarters for Middle East operations, finishing his tour with a secondment to 3 Commando Brigade in Afghanistan. In 2009, he assumed command of the 2nd Battalion of The Parachute Regiment, which included service in Afghanistan. In 2011, he became military lead of the Ministry of Defence's Afghanistan planning team. He was promoted Brigadier in 2013 and, until 2015, was the Brigade Commander in NATO's UK-led Allied Rapid Reaction Corps, which included deployment to the Baltics.

Brigadier Harrison is a graduate of the UK Joint Staff College and the UK Higher Command and Staff Course, and has an undergraduate degree in Economics, and a Masters Degree in Defence Administration. He is currently attending the Defence and Strategic Studies Course at the Centre for Defence and Strategic Studies at the Australian Defence College.

Colonel Rupert Hoskin

Australian Army

Colonel Rupert Hoskin entered the Australian Defence Force Academy in 1988, and graduated from the Royal Military College Duntroon in 1991. His regimental career has included several postings in 3rd Combat Engineer Regiment, most recently as Commanding Officer, as well as in Headquarters 3rd Brigade. He has undertaken a range of engineering and project management appointments, including working for private industry on the North West Shelf, and on the Jubilee Line Extension Project in London, and delivering major infrastructure projects for Defence. In 1998, he worked for the UN as a water-engineering consultant in Niger. In 2000, he served with NATO in Bosnia and, in 2002, with the Australian battle group in East Timor.

In 2011, Colonel Hoskin served in Parliament House as the Defence Adviser to the Joint Standing Committee on Foreign Affairs, Defence and Trade. In 2011/2012, he served in NATO headquarters in Kabul as the lead planner for the handover of security leadership to the Afghan National Security Forces. From 2013 to 2015, he was Defence Attaché Paris, with non-resident accreditations to Morocco and Algeria.

Colonel Hoskin has a Bachelor of Maritime Engineering with Honours from the University of NSW/ADFA, a *Diplôme approfondi de langue française* (higher diploma of French) from the French Ministry of State Education, a Masters of Defence Studies from the Canadian Forces' Command and Staff College, and a Masters of Business Administration from Latrobe University. He is a Chartered Professional Engineer and a Fellow of the Institution of Engineers Australia. He is currently attending the Defence and Strategic Studies Course at the Centre for Defence and Strategic Studies at the Australian Defence College.

Colonel Mark Jennings, DSC

Australian Army

Colonel Mark Jennings graduated from the Royal Military College Duntroon in 1992. His early postings included 2nd/4th Battalion, The Royal Australian Regiment (RAR), 6 RAR, the Western Australian University Regiment, the Royal Military College and 2RAR. During this period, he deployed to Rwanda as part of UNAMIR II, served in East Timor, and was deployed to the Solomon Islands for the initial rotation of Operation ANODE.

Colonel Jennings attended the Australian Command and Staff College in 2004, followed by a posting to I (US) Corps. On his return to Australia, he was posted to Headquarters 1st Division. In December 2008, he deployed to Afghanistan as Deputy Commander of the US Afghan Regional Security Integration Command-South. In 2010, Colonel Jennings was appointed as the Commanding Officer of 6 RAR, which included deployment to Afghanistan as the Commanding Officer of Mentoring Task Force 1.

In 2013, Colonel Jennings was appointed as the Director Integrated Soldier Systems Development. Colonel Jennings has a Master of Arts (International Relations) from Deakin University and a Masters in Management (Defence Studies) from the University of Canberra. He is currently attending the Defence and Strategic Studies Course at the Centre for Defence and Strategic Studies at the Australian Defence College.

Superintendent Craig Riviere

Australian Border Force

Superintendent Craig Riviere is a sworn officer of the Australian Border Force. His most recent position has been as Director, Counter-Terrorism Operations within the National Security Branch. Prior to that, he was seconded to the multi-agency team that undertook a review of Australia's counter-terrorism machinery, which was led by the Department of the Prime Minister and Cabinet and which reported to the Government in January 2015.

Superintendent Riviere joined the Australian Public Service (APS) as a research assistant with the Commonwealth Ombudsman's Office in 1994 and, during his APS career, worked as an intelligence analyst in the Australian intelligence community, policy officer at the Department of Immigration, and lawyer at the Attorney-General's Department. A career highlight was representing Australia at the OECD, in a series of legal negotiations in Paris in 2007 and 2008.

Superintendent Riviere has a Bachelor of Arts, a Bachelor of Laws with honours and a Graduate Diploma in Legal Practice. He is currently attending the Defence and Strategic Studies Course at the Centre for Defence and Strategic Studies at the Australian Defence College.

Lieutenant Colonel Brendan Robinson

Australian Army

Lieutenant Colonel Brendan Robinson is a logistics officer in the Australian Army. He began his career planning maintenance and logistics support to Army units and has continued this support at Army's Logistic Training Centre and staff postings to the headquarters of Army's force-level logistics brigade and special operations, and the Capability Acquisition and Sustainment Group. He has deployed to Solomon Islands and Iraq.

Lieutenant Colonel Robinson is a graduate of the Australian Defence Force Academy, the Royal Military College Duntroon, and the UK's Command and Staff College. He holds a Bachelor of Engineering degree (Mechanical) and Master's degrees in Business (Technology) and Arts (Defence Studies). In 2015, he was assigned as a staff officer within Headquarters Forces Command, and subsequently promoted to his current role of Infrastructure Planner.

Commodore Sarah Sharkey, CSC

Royal Australian Navy

Commodore Sarah Sharkey was appointed as an Undergraduate Medical Officer in the RAN in 1992. She completed her internship at the Gold Coast Hospital in 1994 and then spent two years as a Resident Medical Officer in the UK before commencing full-time service in the RAN in 1997. Her early appointments included postings to HMAS *Penguin*, HMAS *Stirling*, and HMAS *Melbourne* when deployed to the Solomon Islands.

From 2008, Commodore Sharkey served for four years as Fleet Medical Officer in Fleet Headquarters. In late 2011, she was posted as the Director Clinical Governance and Projects in Joint Health Command. Commodore Sharkey attended the Defence and Strategic Studies Course at the Centre for Defence and Strategic Studies at the Australian Defence College in 2015. She is currently the Director General Navy Health Services and Director General Garrison Health Operations in Joint Health Command.

Andrew Wimhurst

Australian Attorney-General's Department

Andrew Wimhurst graduated from Australian National University in 1994 with an Honours degree in English literature. He joined the Attorney General's Department in 1995, initially working on foreign policy matters. Andrew was seconded to the Department of Defence in 2001, before returning to the Attorney-General's Department to work on security policy development.

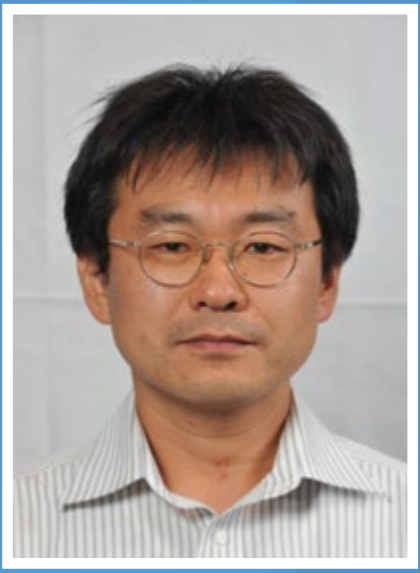
From January 2007, Andrew worked as a Director managing several policy advice sections across a range of areas, focusing on legislation development and implementation advice, and social cohesion policy advice. Andrew has studied Arabic in Jordan, Syria and Saudi Arabia. He is currently attending the Defence and Strategic Studies Course at the Centre for Defence and Strategic Studies at the Australian Defence College.

Vanessa Wood

Australian Department of Foreign Affairs and Trade

Vanessa Wood has worked for the Department of Foreign Affairs and Trade for 20 years in a range of Canberra-based policy roles, including on nuclear policy, Southeast Asia, regional architecture, the World Trade Organization and the South Pacific. Overseas, she has served in the Australian Embassies in Manila as Second Secretary and Hanoi as Deputy Head of Mission.

Vanessa has a law and arts degree from Adelaide University and post-graduate qualifications from Monash University and the University of South Australia. In 2015, she attended the Defence and Strategic Studies Course at the Centre for Defence and Strategic Studies at the Australian Defence College, graduating with a Masters of Arts (Strategic Studies) from Deakin University.



Koji Yoshino

Japan Ministry of Defense

Mr Yoshino joined the Japan Defense Agency (JDA) in April 1995, after graduating from Kyoto University. He worked initially in the Minister's Secretariat and Planning and Programming Division in the Bureau of Defense Policy. From 1998 to 2000, Mr Yoshino was temporarily transferred to the Economic Planning Agency, where he participated in drafting the long-term economic plan for Japan. On his return to JDA, Mr Yoshino served in the Bureau of Equipment, before being temporarily transferred to the Ibaraki Prefectural Police, where he was assigned as Director of Traffic Management and Control Division.

After completion of this transfer, Mr Yoshino served again in JDA in the Bureau of Finance and Equipment from 2003 to 2005, and in the Bureau of Operational Policy from 2005 to 2007. Later appointments in the Ministry of Defense (which transitioned from JDA), have been in the Bureau of Defense Policy, where he drafted the mid-term Defense Program (FY2011-FY2016), and as Principal Deputy Director of Local Cooperation Planning Division in the Bureau of Local Cooperation. He is currently attending the Defence and Strategic Studies Course at the Centre for Defence and Strategic Studies at the Australian Defence College.

VICE CHIEF OF THE DEFENCE FORCE

Australian Defence College

Centre for Defence and Strategic Studies

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