

POLICY BRIEF

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Dr Thomas S. Wilkins is currently a Senior Visiting Fellow at the Japan Institute for International Affairs in Tokyo. He is normally based as a Senior Lecturer in International Security at the University of Sydney, Australia. He specializes in security issues in the Asia Pacific region and has published on this subject in journals such as *Review of International Studies*, *International Relations of the Asia Pacific* and the *Australian Journal of International Affairs*, among others.

Australia and Japan facing “disruptive” challenges to the rules based order in the Indo-Pacific

Dr Thomas S. Wilkins

The 32nd annual Asia Pacific Roundtable (APR), held by Malaysia’s Institute for Strategic and International Studies (ISIS) in Kuala Lumpur, is an important Track II dialogue that complements the much more high-profile Track 1.5 Shangri-La dialogue, hosted by IISS-Asia in Singapore each summer. And while analysts’ attention at the Shangri-La was captured by the need to parse every utterance (or omission) by senior political and military figures – with the mantras of “Free and Open Indo Pacific” (FOIP) and “Belt and Road Initiative” (BRI) jousting for prominence - the slightly more low-key APR assembled a range of expert panels and plenary sessions that probed into the deeper structural dynamics behind the rhetorical grandstanding of Shangri-La. The theme of the 2018 APR was “Disruption” (“People, Technology, Power, Security”).¹ Under this apt unifying motif, the content of the APR discussion ranged across: regional domestic politics, foreign policy, strategic updates, global order, ASEAN resilience, battlefield technology, violent extremism, and regional economic arrangements.

This paper runs with these intersecting themes of disruption to outline some of the key challenges faced by the Asia Pacific (or, more fashionably: “Indo-Pacific”) region, and how Australia and Japan, as closely aligned strategic partners, can respond to them and contribute to the preservation of a stable and rules-based order. Though the following analysis primary rests with the author, an intellectual debt to the wide range of expertise on display at the APR must be acknowledged. The first section draws attention to how influential states in the region are acting in disruptive ways and embracing disruptive methods to achieve their strategic goals, thus highlighting the unpredictable and dangerous security environment in which Australia and Japan must operate. The following section then looks specifically at what Australia and Japan have done, by leveraging their bilateral Strategic Partnership, to respond to such challenges.

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¹ <http://www.isis.org.my/thirty2-apr.html>

1. *Disruptive challenges*

“Disruptive” activities or other processes in international politics can take many forms in a globalised and digital era. While many manifestations of disruption are time-worn familiar aspects of statecraft and world politics, since at least the 9/11 terrorist attacks on the US in 2001, new sources of instability and new techniques have emerged to threaten peace and security, and these processes have only accelerated with the relentless advance of technology. Space limitations prohibit a detailed investigation of every conceivable aspect of disruptive activity, but briefly these encompass: disruptive state and non-state actors, (including disruptive leaders), disruptive strategies/tactics, and disruptive technologies (disruptive environmental change could also be added). In many cases these aspects combine to form nexus of disruption that potentially incites danger, instability, and even chaos, across the regional system. This Policy Brief concentrates primarily of *state-based disruptive challenges*, since despite the empowerment of non-state actors in contemporary affairs, states remain the primary and most powerful actors in international politics, and present the most serious challenges to the rules-based international order. Taking a broad geopolitical view, this section will now outline a selection of the most prominent state-based challenges that face the Asia Pacific region, before the second section considers how Australia and Japan, as closely-aligned strategic partners, can respond to them.

North Korean provocations:

First, as the archetypical “rogue regime”, *North Korea* (Democratic People’s Republic of Korea: DPRK) has always exemplified the model of “disruptive” state actor in the Asia Pacific region. Its acquisition of a credible nuclear weapons and missile-delivery capability is profoundly destabilising to the regional security equilibrium. The bellicose rhetoric of its

internationally-disruptive and paranoid regime threatens regional peace, with a possibility of military or other provocations in the future being more successful due to its newfound ability to use “nuclear blackmail” against South Korea, Japan, and the US. Indeed, the DPRK has a long track record of initiating diplomatic and even military provocations to shock and destabilise its opponents, carefully calibrating such actions to avoid triggering the activation of US-defense alliances or a full-scale allied retaliation (so-called “hybrid provocations”). Add to this its proven cyber capabilities and its support for transnational criminal activities, coupled with a deplorable human rights record, and the menace of North Korea cannot be gainsaid.

The spectacle of the American presidential meeting in June 2018 with Kim Jong-Un in Singapore changes none of these facts, as nothing of substance was agreed, and no serious efforts to implement any meaningful form of denuclearisation on Pyongyang’s part seem likely to eventuate from this. Alarmingly, President Trump appeared to promise the discontinuation of vital bilateral military exercises with its South Korean ally (and hinted at US military withdrawal at some unspecified point in future), thus seriously undermining the alliance relationship and with-it perceptions of Seoul’s national security. Pyongyang’s persistently disruptive behaviour was therefore seen to pay rich dividends. Whatever gains in calming initial fears of war on the peninsula - which the American President himself precipitated, primarily through the disruptive use of social media to stoke conflict with Kim - the long-term trajectory remains unchanged - perhaps even worse than before since the DPRK regime has temporary endorsement and a welcome respite from the pressures of US power.

Chinese assertiveness:

The DPRK’s only ally, *The Peoples Republic*

of China (PRC: or China), has according to most perceptions, done little to rein-in the Pyongyang regime, perhaps viewing it as a useful proxy for destabilising the US and its key northeast Asian allies, Japan and South Korea. Not only does the urgent focus on the persistent and growing North Korean threat fixate and dislocate such countries, but it also furthers Beijing's disruptive "wedge strategy" aimed at creating divisions in, and hence weakening, the US Asian alliance system – which is already under duress (see below). While attention is focussed upon the disruptive actions of the DPRK meanwhile the PRC furthers its own plans to revise the global and regional order and effect its creeping expansion into Eurasia and annexation of the South China Sea (SCS). Again, China's asymmetric tactics fit the pattern of reconfiguring the regional order in Beijing's favour, undermining the status quo through employment of "hybrid" techniques. The exploitation of the so-called "grey-zone" for instance, through the use of commercial fishing fleets, backed by Chinese Coast Guard patrols, and with naval vessels poised over the horizon, to effect intrusions into disputed territorial waters in the East China Sea (ECS) and SCS, is a case in point. By intimidating or otherwise destabilising target states with whom Beijing claims territorial/maritime disputes, such as Japan, or other SCS-claimants such as Vietnam and the Philippines, Chinese strategists seek to "normalise instability" in these areas and shift the facts on the ground, whilst suppressing any confrontation below the level of the kinetic use of force in response. (Interestingly, the Chinese Coast Guard even goes on *Weibo* social media to advertise to the Chinese public when it intrudes into Japanese territorial waters).

These tactics are reinforced by the gradual expansion and militarisation of the Chinese physical presence in the disputed waters of the SCS. Some years ago Beijing officials hotly denied that any serious land reclamation was underway or that the newly fortified artificial features would be used for military purposes.

Fast forward to 2018, and now a significant military infrastructure is in place including missile batteries and fully-supported combat aircraft deployments. Interestingly, in a classic example of such disruptive tactics, a bomber squadron was surreptitiously landed at Woody Island whilst attention was distracted by Trump holding his much-ballyhooed summit with Kim Jong-Un in Singapore. These deployments are aimed at building up the ability of the Peoples Liberation Army (PLA) Air Force to eventually exercise aerial control over the entire area claimed under the ill-defined "nine-dashed line", effectively extending its Anti-Access/Area Denial (A2AD) strategy outwards, by tapping into the latest conventional military technologies (such as drones and super-sonic missiles). Even as it disrupts the status quo in this volatile area, it defies International Law – such as the Permanent Court of Arbitration's ruling in favour of the Philippine's claim to contested islands in the SCS – whilst repudiating such burdensome international norms with the declamation: "-whose rules?".

Moreover, in order to re-write the "rules" to its national tastes, Beijing, in recent years has launched a series of initiatives such as the Belt and Road (BRI), Asian Infrastructure Investment Bank (AIIB) and others, and continues to create and support a range of regional institutions such as the Shanghai Cooperation Organisation (SCO), which abide by its preferred forms of governance, and which it can dominate. These portend the imposition of a more Sino-centric regional order and will largely come at the expense of the existing rules-based order currently based upon the hegemonic stabilising role of the US, and complimented by the suite of ASEAN-plus institutions (such as the East Asian Summit and ASEAN Regional Forum, among others). Indeed, the phenomenal rise of a potential Chinese superpower, and one that is dissatisfied with the existing arrangements of the international/regional system, is perhaps *the* most disruptive element in the geopolitical order, writ large. That this power has specialised

in harnessing all the tools and techniques of disruption to advance its national interests amplifies this objective fact.

Russian revisionism:

President Vladimir Putin's *Russian Federation* (Russia) appears to have hitched itself to China's rise through the Russo-Chinese Strategic Partnership (from 1996), which has provided valuable backing as it has sought to restore its former glory through a series of international adventures and other disruptive activities. The annexation of the Crimea, and interference through "hybrid warfare" in the Eastern Ukraine have resulted in a redrawing of the maps in Europe (as China has sought to achieve in the SCS). Likewise, in Asia, Russian combat patrols persistently circle Japanese airspace to maintain pressure on Japan; a country that seeks to recover its lost North Territories (Etorofu, Kunashiri, Shikotan and Habomai). Indeed, Etorofu has also seen increased Russian military deployments, including anti-ship missiles and fighter jets, in recent months. In addition, Russia has been forward-looking in using related techniques of disinformation, espionage and cyber warfare to infiltrate and manipulate the political system in the US to its advantage.

Despite economic sanctions, partly due to its economic relations with China and other Eurasian countries, it has retained (at significant cost) powerful conventional and nuclear capabilities. These still formidable capabilities are not only a danger to NATO members (as General Shirreff outlined in his recent book *War with Russia*), but provide a backstop to Chinese expansion across Eurasia (in tandem with Moscow), as well as facilitating Russia's own return to the Asia Pacific ("Russia's Asian Pivot"). The Russian Pacific Fleet has enhanced its presence through regular military drills, including joint manoeuvres with the PLA Navy (which have occurred at the same time as heightened tensions with the DPRK). Such joint military exercises known as "Peace Missions",

also occur under the banner of the SCO, sending a signal which leaves no doubt that the geopolitical "heartland" of Central Asia belongs in the Russo-Chinese sphere of influence. With these two powers also cooperating in the UNSC and mobilising across Eastern Eurasia, NATO, the EU, and US-Asian allies face serious challenges to the maintenance of peace and stability in their respective regions.

2. Australia and Japan: responding to disruption

The disruptive challenges above present serious difficulties for US allies in the Asia Pacific such as Australia and Japan. Evidence that these countries are fully cognizant of the potential disruptive effects of states, technologies and other factors can be found throughout major policy documents such as Australia's 2016 *Defence White Paper* and 2018 *Foreign Policy White Paper*, and Japan's 2017 *Diplomatic Bluebook* and the 2018 *Defense of Japan*, to name but a sample. While responding to these dangers at a national level is the first point of departure for Canberra and Tokyo, increasingly they are pooling their efforts through the means of their bilateral Strategic Partnership to meet these challenges, not only in parallel, but in combination.

In the case of disruptive challenger states – the DPRK, PRC and Russia (with qualifications: noted below) – both countries have demonstrated a united diplomatic position. Canberra and Tokyo have both individually and through joint declarations – resulting from annual Leader's Summits or "2+2" Foreign and Defence Ministers Meetings – condemned *North Korea's* nuclear tests, multiple ballistic missile launches and proliferation activities. They have consistently urged Pyongyang to cease its provocative actions and comply with the range of UN Resolutions appertaining to the cessation of its nuclear ambitions. Moreover, they have jointly pushed for the DPRK to improve its Human Rights situation, including

the satisfactory resolution of the Japanese abductees issue. Naturally, Japan's proximity to North Korea has required defensive responses such as missile-defence systems and created renewed interest in the potential acquisition of dedicated strike capabilities to meet the threat posed by the DPRK. Australia is fully in accord with such efforts to further Japan's defence strengthening, though distance from any potential combat zone limits any direct contribution by Australian forces in terms of providing immediate assistance in a conflict scenario. As non-nuclear weapons states, Australia and Japan have reiterated their commitment to non-proliferation and nuclear disarmament and have worked towards these ends in a variety of fora. At the same time, they remain reliant upon their US ally to provide extended deterrence against North Korea through its own nuclear capabilities.

Both Australia and Japan are acutely aware of the implications of *China's* continued rise to power in the Asia Pacific. And while both economies are deeply intertwined with that of the PRC, this has not prevented them in expressing their displeasure at more recent assertive behaviours on the part of Beijing. Moreover, in response, they have also sought to strengthen their own bilateral economic relationship through the 2014 Economic Partnership Agreement (EPA), and to diversify their over-dependence upon the Chinese economy. As well as individual statements opposing the various Chinese measures occurring in the SCS described above, they have used their Strategic Partnership as a platform to jointly condemn Beijing's policies. They have repeatedly expressed serious concern about the situation in the SCS by emphasizing self-restraint and their opposition to any unilateral or coercive actions which increase tensions. They have also expressed their joint concern for similar activities in the East China Sea, where China disputes Japan's claim to sovereignty over the Senkaku Islands.

But the centrepiece of their joint response has been their Free and Open Indo Pacific (FOIP) strategy. This entails a combined effort (alongside the US, and ideally: India) to uphold a rules-based international order. Key to this overall objective are a respect for international law and norms (particularly UNCLOS), to avoid continued disruption, instability, and potential conflict in this vital maritime region. The FOIP strategy also aims at providing maritime capacity-building to states in the SCS such as the Philippines, Vietnam and Indonesia, within a broader package of economic engagement aimed at increasing regional interconnectivity and providing quality infrastructure to offset growing Chinese preponderance (including the recently announced Trilateral Partnership on Infrastructure Investment in the Indo Pacific, alongside the US). Both Australia and Japan have reiterated their support for ASEAN's regional institutional role and have indicated that the organisation's "centrality" will be maintained in relation to the FOIP strategy. Strengthening cooperation with ASEAN is vital as it faces challenges to its professed neutrality as a result of Sino-US regional rivalry, as well as the danger of being marginalised by China's new range of regional institutions, which have created a newly emergent, and potentially competitive, security architecture for Eurasia and beyond. Bilateral regional engagement also extends to the increasingly significant South Pacific region in which Australia and Japan have always played a leading role. In order to offset rising Chinese influence in this sub-region, they have launched a dedicated Strategy for Cooperation in the Pacific (2016) to assist the island states of the South Pacific in economic and infrastructure development in sync with the FOIP.

Lastly, both countries have taken measures, both legislative and material, to reduce their vulnerabilities to disruptive or asymmetric threats. Japan in particular has reformed its crisis response mechanisms to bring them more in line with Australia's more flexible posture, and both countries now have dedicated National

Security Councils along the lines of the US and UK. They have also worked together on cyber and space security issues, and plan to expand cooperation in these areas (e.g. through the Japan-Australia Space Security Dialogue and Japan-Australia Cyber Security Dialogue). Again, Japan in particular has improved its readiness to respond effectively to grey zone incursions, such as a *coup de main* seizure of islands, and now equipped with a credible amphibious force (also mirroring Australia), whilst Australia has improved its legislative and technological resilience against domestic penetration (“influence operations”) by a hostile power. Thus, Canberra and Tokyo have closely coordinated on these joint challenges in terms of their individual and joint responses.

Bilateral responses to *Russian* disruption have been more complicated, and while in principle both countries are opposed to Moscow’s destabilising behaviour, in practice their approaches have noticeably diverged. Australia has been a vocal critic of Russian policy regarding Eastern Europe and has pressed for a satisfactory resolution of the Russian role in the downing of a passenger airliner carrying a number of Australian nationals over Ukrainian airspace in 2014. PM Abe, whilst joining economic sanctions alongside Australia, has been markedly less critical of Moscow and has sought in parallel to improve ties with Russia both as a means to recovering the Northern Territories, and retains a long-term interest in building some form of strategic partnership that could offset Chinese power and complicate Beijing’s regional strategic calculations (at present Moscow and Beijing are firmly aligned through their own Strategic Partnership, as noted above). Some building blocks toward this longer-term objective are already in place such as the crucial “2+2” mechanism, and Abe remains keen to affect some sort of rapprochement with Moscow in spite of the international opprobrium that Russia currently attracts. There is little prospect of close coordination on Russia policy between Canberra

and Tokyo on the issue of Russia at present.

One of the mutual challenges that Tokyo and Canberra face in overcoming the dangers to the international system posed by disruptive states is the need to coordinate effectively toward this purpose with an increasingly fractious US ally. Though both Australia and Japan have deepened their alliance relations with the US, the current Trump administration has arguably introduced a “disruptive” element of its own into bilateral strategic calculations. Though the US has formally endorsed the flagship FOIP strategy in which Japan and Australia have made great investments, the President’s actions in many cases have served to undermine perceptions of US credibility and resolve, and its commitment to the rules-based order that the FOIP represents. The “America first” policy, the rhetorical disparagement of allies, the withdrawal from the Trans Pacific Partnership (TPP), (thus potentially ceding US regional economic leadership to China), plus the compromising relationships between the President and Pyongyang and Moscow, have dislocated the fundamentals of their bilateral strategic positioning in the Indo Pacific. Nevertheless, the three countries continue to coordinate their responses to disruptive states above through the ongoing Trilateral Strategic Dialogue (TSD).

Despite the unpredictable and sometimes inflammatory behaviour of the incumbent President, Canberra and Tokyo have sought to manage differences and tensions, and attempted to engage more closely with the enduring “substructure” of US policy-making, through contacts with the State Department, intelligence agencies, the military, and thinktanks, in order to better coordinate policies whilst they await a return to normalcy and the expectation that the US will return to a more conventional stabilising role in the future. The fact remains that the US as an ally is the only country with the necessary strategic weight to secure the regional order that Canberra and Tokyo depend upon in the

face of the challenges outlined above.

However, even as they have sought to strengthen their engagement with the US and support it in their shared objective of upholding a rules-based international order based upon the perpetuation of US primacy in Asia, noticeable efforts at “hedging” toward a post-American future have emerged. Not only do Canberra and Tokyo (privately for the most part) deplore the range of seemingly disruptive policies initiated by Trump indicated above, but they are cognisant that in future American power in Asia must decline relative to rising powers such as China and India. The FOIP, despite the adhesion of the US, is as much an effort to diversify their security dependence upon the Americans by seeking to co-opt India into playing a more central role, even as a potential future “balancer” against China. Attempts to bring India into alignment through the so-called “Quad” (Quadrilateral Strategic Dialogue) are indicative of this strategy. Efforts to strengthen engagement with a range of other like-minded “middle powers” in the Asia Pacific such as Vietnam and Indonesia, alongside other key ASEAN states like Singapore (with whom they are building strategic partnerships) are further evidence of this diversification. Continued support for ASEAN centrality likewise works toward this purpose. With the diminution of US credibility under Trump, Australia and Japan have even reached out to partners in Europe to further buttress their international position. Both France and the UK have lent their support for FOIP, and Japan has signed a ground-breaking Strategic Partnership (including EPA) with the European Union in 2018. Moreover, when the US withdrew from the TPP, once the initial consternation subsided, Australia and Japan went ahead with nine other countries to forge the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPATPP) without US participation (though reserving the right to admit the US if circumstances change). All of these activities demonstrate that while Canberra and Tokyo ideally wish to have the US fully

engaged in the regional architecture, they will press ahead even in its absence, and are seeking to diversify and create new options at the same time.

Conclusions

The international system has always hosted disruptive actors – “revisionist” or “challenger” states – for example Revolutionary France or Wilhemine Germany, and these countries often practiced disruptive strategies and tactics – for example “revolutionary warfare” or “gunboat diplomacy”. But today, new battlefield technologies – highly advanced arms such as drones, super-sonic missiles, and stealth, plus ever-more sophisticated nuclear delivery systems – increase the destructive stakes for state-to-state conflict. This appears to have created a reluctance to initiate limited, let alone full-scale, war to achieve national objectives (though it has empowered states against terrorist/insurgent fighters). Instead, utilising technologies that are common place in the public realm such as cyber warfare, but more recently open social media (Twitter, Facebook etc.), married with the threat of, but not actual engagement of, conventional or nuclear arms in the background (as deterrence), new spaces have opened up for “hybrid warfare” or the exploitation of “grey zones” below the level of kinetic military exchange. Not only this, but such technologies combined with more traditional techniques of espionage and propaganda have been employed across borders to penetrate domestic political systems by spreading disinformation in order dislocate decision-makers or otherwise sow disruption among the public, especially in democracies (as was seen in the 2016 US election). All these tools have been developed to a high pitch by authoritarian/revisionist states, who concomitantly shield their own systems and public from such dangers through censorship and restricted access to social media (including the “social trustworthiness” credit system in the PRC).

Finding themselves in the predicament of being challenged by revisionist states and losing confidence in their superpower ally (whilst hoping for a return to “normalcy” post-Trump), Australia and Japan have accelerated their efforts both to step-in to support the rules-based liberal international order, with or without(?) the US. Through their Strategic Partnership they have provided mutual diplomatic support, closely coordinated security policies, and developed a range of joint strategies and capabilities, including improvements in military interoperability, crisis management, and collaboration on defence, cyber, and space technologies. The FOIP led by Japan with close support from Australia, alongside the US (and

India) frames their overall joint response to a range of disruptive states/activities in the Asia Pacific. But the FOIP, as well as the CPATPP shows a willingness to proceed with or without US support. In effect the strategic partners are “hedging” against US decline and unreliability by taking a more autonomous leadership role themselves and seeking to diversify security dependence away from the US (albeit at this stage, to a limited degree), as well as searching for new and trustworthy partners such as India, ASEAN, and key European powers, that share their vision of a rules-based international order to be protected against disruptive challenger-states.