# Comment

# The Pacific Islands in the 'Indo-Pacific'

# Brendan Sargeant

How do the Pacific Islands fit into Australia's region of strategic interest, the Indo-Pacific?

Perhaps a good starting point for this question is to reflect a little on the emergence of the Indo-Pacific as an idea in Australian defence and strategic policy. It is an idea still in formation and the reality of the Pacific Islands draws attention to the need for it to evolve further. The Indo-Pacific is as much a policy construct as it is a geographical reality, so how it evolves further will in part depend on how policy and academic communities build and use the idea.

#### What is the Indo-Pacific?

There are many versions of the Indo-Pacific. Where the Indo-Pacific begins and ends, and what it looks like, depends partly on perspective. It is a term that has quite subtle but different shades of meaning depending on particular national or policy perspectives. It is not, for example, a term welcomed by China.

It is possible to argue that the Indo-Pacific, considered as a strategic environment, embodies economic forces that are driving integration. This makes it useful to consider it as an emerging and coherent strategic system. But a countervailing reality is that the political dynamics that structure the Indo-Pacific are volatile and not necessarily convergent. The nature of the overarching strategic order is being contested, particularly through the current US-China strategic competition. The development of an Indo-Pacific order that supports Australia's national interests is the most important strategic challenge facing Australia.

# Subsystems in the Indo-Pacific

Considering the Indo-Pacific as a whole, we can identify a number of different subsystems. From a policy perspective, those subsystems have a set of problems and concerns that, while relevant to the Indo-Pacific as a whole, have a particular regional focus.

In some areas these problems amount to a slow-moving crisis. Subsystems include:

- the north-east part of the Indian Ocean and its littoral states;
- the very complex North Asian strategic system, of which the current central challenges are North Korea and Taiwan;
- the Southeast Asian strategic system, of which a focus of attention and activity is disputed territory in the South China Sea; and
- the arc of Pacific Islands stretching from Papua New Guinea around to New Zealand.

Each of these subsystems has its own dynamics and particular challenges. But each part fits within and contributes to a larger whole. The challenge for policymakers is deciding what this whole should become in the future. The current political struggle that plays out across the Indo-Pacific is the search for a future, stable strategic order. The Pacific Islands are part of that struggle, which is why the question of how they fit in the Indo-Pacific is important and urgent.

#### The 2013 Defence White Paper

The 2013 Defence White Paper was the first Defence document to use the term Indo-Pacific.¹ This White Paper was the work of many people, but I had a role in its development as principal author and was involved in many of the debates concerning its framing of Australia's strategic environment. At the time, there was an internal debate about whether the Indo-Pacific was appropriate as a way of framing Australia's strategic environment. This debate was heightened by the reality that this framing painted quite a different picture of the region to that which was presented in the 2009 Defence White Paper, which used the term Asia Pacific and was very US alliance focused in its discussion of Australia's strategic environment.

This point is important because the Indo-Pacific is a policy idea about the nature of our environment, an idea concerned as much with what policy and decisions might create, as with what might exist. It is an idea that can be and is contested.

When the 2013 Defence White Paper was under development, one of the underlying ideas behind the Indo-Pacific as a framing device, or enabling metaphor, was that it returned Australia's strategic focus to the archipelago to the north. In some ways it was a return to an older, more traditional framing of Australia's strategic environment. Its implicit argument was that for Australia, the capital of the Indo-Pacific is Jakarta.

<sup>1</sup> Department of Defence, Defence White Paper 2013 (Canberra: Australian Government, 2013).

#### The Pacific Islands in the Indo-Pacific

To ask the question of how the Pacific Islands fit into the Indo-Pacific is, perhaps, to ask the wrong question.

Australia has been an important friend to the Pacific Islands and a major contributor to their development and sovereignty. This contribution has also been important and valuable in establishing the extensive people to people connections between the Australian community and those of the Pacific Islands.

But another strand in Australian strategic policy towards the Pacific Islands has been, over decades, instrumental in its focus—the islands have been seen as objects that can be shaped and used in various ways to enhance Australia's strategic position. Offshore detention centres are a recent manifestation of this instrumentalism—the countries are a means to an end—in this case, a place to put people Australia does not want.

Defence cooperation has been described in terms of understanding the environment where we might need to conduct military operations in the future, of shaping policing and military capabilities in ways that support those countries' needs, but also enabling an appropriate infrastructure and interoperable capability for the ADF. And, of course, to influence defence and strategic policy thinking in those countries. So, important projects like the Pacific Patrol Boat Program and its successor, the Pacific Maritime Security Programme, are not only directed at providing much needed capabilities, but are also concerned with building a worldview about the nature of that strategic environment, a worldview created in Canberra.

Attention has waxed and waned, with increasing or decreasing focus depending on circumstances. So, when nothing is happening, Canberra turns its attention to the north or to the wider world—in recent times the Middle East. Then there is a crisis and a lot of attention flows back. We are now in a situation where the scale and scope of China's activity through its Belt and Road Initiative across the Indo-Pacific and beyond is being seen as, and feels like, a slow-moving crisis gathering pace, and not the sort of crisis that we have had to deal with in the past.

In this context, we might ask whether Australian policy has got the balance right in the Pacific Islands. Has it really thought through what a strategic policy relevant to the Pacific Islands might mean within a broader framing of the Indo-Pacific idea?

# Some Ideas Nascent in the 2013 Defence White Paper

The 2013 Defence White Paper argued for the proposition that the Indo-Pacific was an emerging strategic system. Because it was an Australian defence policy document, it focused on Australia's strategic interests and tried to bring the archipelago to Australia's north into a much stronger policy focus. It emphasised the strategic reality that the archipelago straddles the north of Australia and links the Indian and Pacific Oceans. It identified forces that were driving integration. Along with geostrategic and economic forces, it also identified major strategic challenges such as climate change that will affect all countries in the Indo-Pacific. It recognised that while the relationship between the United States and China was still the major factor in shaping the future strategic order,

other countries were emerging that would also exercise a major influence. The emergence of the Indo-Pacific strategic system implied the beginnings of a redistribution of power across the system, not just between the United States and China. In doing so, the White Paper also suggested the emergence of a community built on shared interests across the Indo-Pacific. It did this by emphasising the challenges that would affect all countries and advocated the need to find collective solutions. In paragraph 2.51, it observed that: "An important task for all Indo-Pacific nations will be to develop the security structures in our region to help ensure cooperation rather than competition."

The idea of the Indo-Pacific was therefore not simply a reaction to China's rise or perceptions of United States decline. It was a recognition that this emerging strategic system would be larger than both those major powers. The central question was how the community of nations within that system—including China and the United States—might cooperate to ensure strategic stability and security into the future.

But the other idea implied by the emergence of the Indo-Pacific idea was the question of what sort of institutions are likely to best facilitate its emergence in ways that support security and strategic stability. How should this evolving strategic order be managed? At the time there was considerable discussion in policy circles about the rise of China. The central policy problem that started to emerge was: how should Australia engage with the Indo-Pacific in the context of China's potential future role?

A future world, which now seems to be emerging, and which the Indo-Pacific idea, at least implicitly, argued against, was one where the strategic order was bifurcated between China and the United States. To frame our strategic environment as the Indo-Pacific was to ask a different question. It was not asking who was going to dominate the strategic system Australia is part of, or how that strategic system might be bifurcated between the two major players, but rather, what sort of community could we build and how should that community govern itself?

The White Paper did not advance specific proposals, partly because it was focused on defence and strategic policy. However, it advocated the development of security structures that built cooperation rather than competition. Implicit in this approach is the recognition that regional institutions and security structures tend to develop in response to particular problems or needs of the time and in aggregate emerge as a regional architecture. The White Paper was perhaps implying that community building needed to be more deliberate and that traditional approaches were not sufficient to the rate and scale of change, or the transnational nature of strategic challenges.

This was a frame that tried to establish the idea that all countries have a stake in the Indo-Pacific and its future and that there was much greater benefit in some form of strategic order management that was rules-based and collaborative. It recognised that managing the changing power relativities between the United States and China was the most urgent and consequential strategic challenge for all countries.

# The Pacific Islands as an Arena for Strategic Competition

The Pacific Islands are starting to emerge as an arena for strategic competition—China's Belt and Road Initiative is an enormous and blunt force that is reshaping infrastructure across the Indo-Pacific and beyond. Though China's Belt and Road is not as evident in the Pacific Islands, it seems to have coloured perceptions about China's strategic intent

with the infrastructure initiatives it is taking. Chinese investment, however badged, is not the only economic and political force operating in our region; nor is it, when one considers the intensifying effect of climate change, perhaps the largest. But, more than any other, it has heightened anxiety in Australia about its role and position in relation to the Pacific Islands.

Of particular focus for policymakers has been the question of what it might mean for our strategic and security interests if China were to establish a military presence in this part of the world as an extension of its infrastructure engagement.

There is a danger of responding in a way that reinforces the old idea that the Pacific Islands are only a site for potential great power competition, or that they should be seen simply as being within Australia's sphere of interest and therefore subordinate to Australian strategic goals. This is the policy approach of seeing the Pacific Islands primarily as a means to some greater strategic end, rather than as key participants in a larger Indo-Pacific community.

#### The Role of Policy

Policy is as much about creating future worlds by describing them as it is about bringing those worlds into being through strategy. There is, when a new idea is being born, the very real danger of allowing traditional policy frameworks to overwhelm the possibilities inherent in that new idea. The challenge that the Indo-Pacific as a new, enabling idea presents to policy and strategy is to realise the potential inherent within it.

For Australian policy, this means that strategic thinking needs to step beyond seeing the Pacific Islands in an instrumental way and as an arena for future potential conflict. This is not to say that we should not consider these possibilities and plan for them. History tells us that we have seen conflict there in the past. But beyond this prudent caution, Australia needs to move towards a sense of strategic community in which participation enables capability and strengthens that community in multiple ways that add up to a more secure strategic environment. The quality of Australia's relationships with its Pacific Island neighbours has a direct bearing on Australia's security interests and the security of the wider neighbourhood.

So perhaps Australia needs a larger vision of the Indo-Pacific as a community in which the broader strategic goal is directed towards building shared community interests. The government has made some steps towards this in the past, and recent government moves in its Pacific 'Step Up', including the Pacific Fusion Centre, the Australian Pacific Security College, the Blackrock Camp project in Fiji, along with other major initiatives in infrastructure financing, labour mobility and in education are excellent initiatives in this direction.

But much of our strategic discourse has worked against the idea of a community of nations with shared interests and challenges that are of greater importance for the future than purely national concerns. Perhaps the Indo-Pacific idea gives us the opportunity to rethink our policy and the positioning of the Pacific Islands in Australian strategic discourse. This might be a more productive long-term framing of the Indo-Pacific idea in the context of the Pacific Islands, rather than just seeing them as an arena for an emerging strategic competition between major powers.

Brendan Sargeant is Honorary Professor, Strategic and Defence Studies Centre, Coral Bell School of Asia Pacific Affairs at the Australian National University. He retired from the Department of Defence in October 2017. From September 2013 to October 2017, he was the Associate Secretary of Defence. Prior to that appointment he was the Deputy Secretary Strategy. As Associate Secretary, he was responsible for oversight of the implementation of the First Principles Review, a major reform of Defence organisation and enterprise governance, planning, performance and risk management. He was principal author of the 2013 Defence White Paper.