The Institute for Regional Security

Australia's Defence Relationships with Pacific Island Nations

Submission to the Defence Sub-Committee of the Joint Standing Committee on Foreign Affairs, Defence and Trade

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The author is committed to The Institute for Regional Security's mission to promote the peace, stability and prosperity of the peoples of the Indo-Pacific, including through research, policy advice and advocacy.

This brief submission complements an up-coming submission to the Joint Standing Committee for Foreign Affairs, Defence and Trade Sub-Committee on Foreign Affairs on strengthening Australia's relations in the Pacific.

For clarity, in this submission the 'region' in question is the area covered by Pacific Island Forum (PIF) and 'island states' and regional 'members' are the Members thereof.

In Summary

The submission articulates a long-term strategic goal for the region, recommends the creation of the Pacific island Treaty Organisation as the medium term strategic action towards that goal, and touches briefly on a number of related issues: illegal, unreported, unregulated fishing; mapping of island states; creation of a Pacific Island Regiment; and humanitarian and disaster relief.

Background - 2016 Defence White Paper

The key concepts and themes of Australia's 2016 Defence White Paper² regarding Pacific island states are as follows:

- A secure nearer region, the threat of foreign military power seeking to influence in ways that could challenge the security of maritime approaches, transnational crime;
- Stability in the South Pacific;
- Being the principal security partner with island states and deepening our security relationships;
- Strengthening island states' ability to manage internal, transnational and border security challenges, including natural resource protection, and build resilience to natural disasters;
- Limiting the influence of any actor from outside the region with 'inimical' interests.

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² Department of Defence (2016), 2016 Defence White Paper, pp 69, 74, Commonwealth of Australia, Canberra.

Underlying Approach

Consistent with these themes and concepts, I adopt the following approach to the role of Defence policy, capabilities and activities:

- 1. Defence policy and ADF capabilities and activities play a key role in the broader geo-political and diplomatic strategies for the region;
- 2. Defence policy, strategy, alliances and capabilities should seek to shape operational environments in the Region in favour of Australia and island states and to enable ADF and island state forces to deter, deny and defeat threats or attacks in those environments;
- 3. Current threats and capabilities to be addressed include both 'regular' and 'irregular' warfare. The latter concept includes grey zone strategy and tactics and political and information warfare in a time of 'total competition'³;
- 4. A longer-term, strategic approach is required that draws disparate initiatives and programs together to secure the region and the interests of its members.

I adopt the following view of 'strategy': strategy involves, in the context of limited and constrained resources and contested environments, and in the face of opposition or competition, the choice and leveraging of resources (material, human and immaterial), of terrain or domain, and of actions to maximise advantage in pursuit of clearly articulated end-points or end-states.

The Long-Term Goal

The longer-term goal for the region should be the creation of a formal regional community based on shared political, cultural and economic interests and mutual defence of those interests, with such strong ties and capabilities that no external, antithetical power is able to establish itself or operate successfully in the region. The members' affinity and allegiance with and to such a community must have deep roots within their respective societies and polities.

Australia has considerable political and cultural capital in engaging regional states in this regard. It, like them, operates as a democracy. A primary cultural foundation for Australia has been Christianity, as it has been for island states. Australia shares with island states a love of sport and football in particular. Australia has championed and honoured self-determination in the post-colonial era, freely giving up in 1975 the control of Papua New Guinea it had been given in 1906 and sustaining it as an independent state since. It provided the key military support needed to establish and protect the freedom and stability of Timor Leste and the Solomon Islands respectively. It has played a crucial role in establishing the region's key institutions, the South Pacific Forum in 1971, now the Pacific Island Forum, and the Pacific Island Forum Fisheries Agency in 1979. Australia is the largest provider of development assistance to the region – greater than the US or China – and has now in place significant export and infrastructure financing facilities (EFIC, AIFFP) to supplement that development assistance. Australia has opened its economy to island states, operating a large surplus in their favour⁴, and has begun to liberalise access to its labour market from island states. Australia's Defence Cooperation Program in the region, and in specifically its patrol boat program, has been a vital element in the increasing effectiveness of island state defence of their economic exclusion zones, and fishing stocks in particular.

Professor Blaxland has made the argument in a submission to the Committee for Australia to offer and establish a 'grand compact of association' with island states within the region. Such a compact should be the long-term (ie, 10 year) goal of Australian diplomacy. At this time, however, there is an increasing sense of autonomy and collective power for island states, as reflected in the establishment and success of the Pacific Small Islands Developing States (PSIDS) bloc in the UN. Notwithstanding its political and cultural capital outlined above, Australia will need to tread cautiously in proposing any integration initiative that could appear to involve loss of sovereignty (a compact of association giving up defence and foreign policy) or economic absorption (labour and brain drain through migration programs). A strategy of confidence building is required to achieve the goal articulated in the first paragraph of this section, and Defence policy, capability and posture will be crucial to that confidence building.

Medium-Term: PITO

³ See the discussion of 'total competition' by Patrick Cronin at https://cimsec.org/chinas-bid-for-maritime-primacy-in-an-era-of-total-competition/43146 and https://www.cnas.org/publications/reports/total-competition, accessed 13 March 2020.

⁴ See the graph produced by Dhenghua Zhang in "China in the Pacific and Traditional Powers' New Pacific Policies: Concerns, Responses and Trends" in the forthcoming issue of *Security Challenges*, Vol 16 No 1, p 87.

Australia should consult with PIF Members on establishing the Pacific Island Treaty Organisation (PITO).

A number of key programs and initiatives exist upon which to build PITO:

- the Defence Cooperation Program, and in particular the Pacific Maritime Security Program and Pacific Maritime Boundaries Project;
- the Pacific Fusion Centre;
- the Quadrilateral Defence Coordination Group and the FRANZ Arrangement;
- the Pacific Transnational Crime Coordination Centre;
- the Australia Pacific Security College.

Australia gives significantly from its Treasury and ADF capability to strengthen and aid the security of island states. The key question – from the perspective of island states whose affinity and allegiance we seek – is whether Australia would be willing to commit forces in defence of that security. If Australia is not willing to commit itself in this way, why should it expect island states to put themselves at risk in defence of Australia's interests? Australia should state that it would be willing through PITO to consider an armed attack on any island state to be an attack on Australia; the breach of their sovereignty and economic exclusion zones to be a breach of its sovereignty; the subversion of an island state, including by organised crime, to be a subversion of Australia's and the region's law-based political order. It should state that it would, where invited by a PITO member state, deploy its resources and forces in defence of that state's security.

A requirement and key element of PITO would be agreement not to allow the establishment of military bases or programs by or with non PITO Members. It is unlikely that Australia could prevent investment approvals by island states for foreign companies in infrastructure, ports or commercial activities – it should not expect island states to forego what it has sought for itself, with the Darwin Port the prime example. But PITO would preclude military bases and military programs, and PITO associated intelligence programs would seek to deter, or identify and neutralise, use of businesses and commercial assets for intelligence, influence or 'immersion missions'⁵.

The PITO Members would establish an integrated and jointly governed maritime and air operational command. Whilst Australia would contribute major assets and capabilities to the Command, the burden would be shared with other potential developed state members such as Japan, the US and France. The creation of a 21st century integrated command will also favour heavily the use of long-range UAVs, UUVs, drones and satellites to provide effective but lower cost ISR and interdiction. I support the recommendations by Northrop Grumman in its submission to the Committee in this regard. They would also establish a PITO Information, Intelligence and Communications Command focused on effective political and cyber warfare in the region⁶. PITO headquarters and bases would be based within the region and not in Australia.

PITO could immediately focus on two projects (both of which stand as priority confidence building defence measures apart from the proposed PITO):

<u>IUU Fishing</u> – The Committee will be aware of the statistics regarding the island states' economic exclusion zones (EEZs). As one example to highlight the issue, Kiribati becomes the 12 largest country in the world if its maritime boundaries are taken into account⁷. A key issue for island states is the enforcement of their EEZs, not least against illegal, unreported and unregulated (IUU) fishing boats. The Head of the Office of the Pacific, Ewen McDonald, has noted that access fees paid by fishing vessels to Pacific island states "amount to around US\$350M, but could be as much as 40 per cent higher if IUU fishing were eliminated". Professor Wallis in her submission to the Committee references Forum Fishing Agency figures suggesting that the value of tuna caught in the western and central pacific rose from US\$ 3.04 billion in1997 to \$US\$5.78 billion in 2014⁹. Chinese

⁵ For an example of this threat, see the recent discussion of China's use of Philippines Offshore Gaming Operations for immersion missions and to establish influence and control in the Philippines, in the article by Jason Castaneda on the Asia Times site, https://asiatimes.com/2020/03/china-quietly-filling-us-vacuum-in-the-philippines/, accessed 13 March 2020.

⁶ For insights into the nature of the political warfare to be addressed, see the two volumes by Ross Babbage (2019), *Winning Without Fighting: Chinese and Russian Political Warfare Campaigns and How the West Can Prevail*, Center for Strategic and Budgetary Assessments, Washington, DC and especially the case studies on the Western and South Pacific in Volume Two.

⁷ Joanne Wallis and James Batley (2020), "How Does the 'Pacific' Fit into the 'Indo-Pacific'? The Changing Geopolitics of the Pacific Islands", forthcoming issue of *Security Challenges*, Vol 16 No 1, p 12.

⁸ Ewen McDonald (2020), "Realising the Pacific's Vision for Stability, Security and Prosperity', speech at the ANU in June 2019, published in the forthcoming issue of *Security Challenges*, Vol 16 No 1, p 17.

⁹ For up-to-date data from the Forum Fisheries Agency go to https://www.ffa.int/node/425

fishing fleets pose a significant threat in this regard¹⁰. China's is the world's largest distant-water fishing fleet, and as an example of its activities in the Pacific, its tuna-fishing fleet in the western-central Pacific grew from 244 vessels in 2014 to 418 in 2016¹¹. The threat Chinese fishing fleets pose is compounded by the incorporation of maritime militias into the fleets¹². Increased deterrence and enforcement of EEZs by ADF must be seen as a priority for both island state security and economic development. PITO would develop doctrine and rules of engagement focused both on enforcing EEZ rights and on grey zone tactics involving IUU.

Mapping – The Permanent Secretary of the Solomon Islands Ministry of Foreign Affairs, Colin Beck, has noted ¹³ that the Pacific Ocean 'is being dealt with in silos and on a piecemeal basis' with nothing being done 'deep enough to make an impact'. As an example, he states that the 'coastal waters of most of the Pacific countries are not mapped'. A commitment to funding or undertaking such mapping must be seen as both a security and economic development priority by Australia.

The Case for PITO

A major piece of regional defence architecture commensurate to the threat and goal: The establishment of a military base in the region by a power with 'interests inimical to ours' would constitute a very significant strategic setback and threat for Australia and its allies which would be difficult to undo. Prevention of such an outcome must be seen as the major objective of Australian policy and strategy. PITO would ensure no such base would be established.

<u>The interests of island states</u>: In promoting PITO to island states, two arguments would be made. The first would be that PITO would be the best development of institutional architecture in the region to meet the objectives of the Boe Declaration and of section 9 of the Declaration in particular¹⁴. The second would be that only states committed in the structure of their polities and in their governance to the principles underpinning the Biketawa Declaration¹⁵ and reaffirmed in the Boe Declaration would be considered for PITO membership.

Collaboration to meet limited resources: Australia, as an island continent with limited economic and defence resources, faces the challenge of maritime security in the Pacific, Southern, and Indian Oceans and in the Island chains and straights to its north. Its overall strategy must be built on hard-nosed, long-term regional strategies. To secure the region to its north-east, in a way that does not draw maritime and air resources from its other regions and theatres of operation, it must strengthen, adapt and build alliances – alliances that prevent the establishment of regional presence by competitors. In 2020, those alliances must be with the island states and its allies and partners in the Pacific. PITO would draw those alliances and partnerships into a strategic alliance block.

The burdens of being a major regional power: The proposal for Australia to propose and enter into a formal mutual defence and security pact with Pacific island states might be seen as involving too great a commitment of its resources and too great a constraint on its independent decision-making. To which I would reply:

- 1. the nature and significance of the threat the risk and likelihood of a maritime base being established in the region by a foreign power with inimical interests warrants such a strategic action and commitment, as intimated above;
- 2. the PITO proposal is consistent with and best addresses all the key concepts and themes identified in the 2016 White Paper at the start of this submission;
- 3. Australia, as a developed and major power in the region, must develop a hard-nosed realism about what is involved in securing its region. Brands and Edel¹⁶ have written recently of the 'tragic sensibility' that must be at the heart of US foreign policy, a sensibility that properly understands the nature of, and is willing to bear the burdens of, a great power's defence of the liberal democratic global order. Australia

¹⁰ See Matthew Carney's (2018) article https://www.abc.net.au/news/2018-09-30/china-super-trawlers-overfishing-world-oceans/10317394, accessed 13 March 2020.

¹¹ Michael Wesley (2020), "Oceania: Cold War Versus the Blue Pacific", *Strategic Asia 2020: U.S.-China Competition*, The National Bureau of Asian Research, Washington DC, p 211.

¹² See the Stratfor (2016) article on China's arming of fishing fleets at https://www.stratfor.com/api/v3/pdf/269654/Stratfor_WorldView-why-china-arming-its-fishing-fleet and Nguyen Khac Giang's (2018) article https://www.eastasiaforum.org/2018/08/04/vietnams-response-to-chinas-militarised-fishing-fleet/ accessed 13 March 2020.

¹³ Colin Beck (2020), "Geopolitics of the Pacific Islands. How Should the Pacific Islands States Advance Their Strategic and Security Interests", speech at the ANU in June 2019, published in the forthcoming issue of *Security Challenges*, Vol 16 No 1, p 14.

 $^{^{14} \} See \ the \ Boe \ Declaration \ at \ \underline{https://www.forumsec.org/boe-declaration-on-regional-security/}, \ accessed \ 16 \ March \ 2020.$

¹⁵ See the Biketawa Declaration at https://www.forumsec.org/biketawa-declaration/, accessed 16 March 2020.

¹⁶ Hal Brands and Charles Edel (2019), *The Lessons of Tragedy: Statecraft and World Order*, Yale University Press, New Haven.

must develop a similar sensibility as the major power in its own region. Establishing PITO and accepting the responsibilities, burdens and constraints therein for the longer-term strategic goal is what is proposed.

PITO would be a significant confidence builder for island states considering the merit and integrity of any Australian overture to enter an eventual compact of association in the longer term. In the medium term, however, and indeed apart from any such compact proposal, PITO would provide one of Australia's primary strategic defence outcome in terms of hardening the region against hostile intrusion and influence.

Other Related Matters

Two other matters potentially related to Pacific defence relations are the creation of a Pacific Islands Regiment within the ADF and provision of humanitarian and disaster relief (HADR):

Pacific Islands Regiment – I endorse the proposal by Anthony Bergin¹⁷, supported by the Fijian Defence Minister¹⁸, to establish a Pacific Islands Regiment in the ADF. The creation of such a regiment would, to a significant degree, be part of geo-political efforts to build stronger relations between the islands communities from which members of the regiment would be drawn and Australia. In a submission to the recent independent review of Australia's aid program, I made reference to Bergin's proposal and recommended that residency and eventual citizenship be offered to those serving or having served in the Regiment and their family members. One of the aims of Australia's geo-political strategy should be the political and social integration of the Pacific community as intimated above, and having growing ex-patriot islander communities in Australia would contribute to such a strategy. In the context of the recommendation in this submission to establish PITO, a Pacific Island Regiment could be trained and allocated to be deployed into the region as part of PITO forces, drawing on its particular knowledge and connection to the region as part of its ethos and expertise.

<u>HADR</u> – Australia has an honourable and unequalled record of deploying the ADF to provide humanitarian and disaster relief to island states. As I indicated in my submission to the review on aid, such responses see deployment of expensive, sophisticated military assets for non-military purposes and can stretch ADF resources considerably and inappropriately. Australia and its neighbours expect to see increasing frequency and severity of natural disasters in the coming years. As the recent bushfires in Australia show, there will be increasing demand for ADF deployments to respond.

HADR should not be primarily a defence capability. It should be part of what Australia does because of its values and, from a more hard-nosed perspective, as part of its geo-political strategy. I proposed in my submission to the aid review that Australia establish a standing humanitarian and disaster response centre/command – as an international aid program – with dedicated maritime and air assets. It could be located in northern Queensland and be equipped with: a Multi Role Vessel¹⁹ designed to deploy and sustain ship-to-shore emergency humanitarian and medical assistance (including drones, helicopters, and landing craft); 2 heavy lift aircraft; 2 long-range UAVs; and a dedicated satellite capability. The Centre/Command would offer collaboration and integration in command, training and exercises, and operations with the armed forces and disaster response authorities in the region, including secondments into command and operations. It would house Australian-based stockpiles of relief items. It would also assume responsibility for the resourcing and coordination of AUSMAT and DART. It would identify and develop world's best planning, logistics, technological and operational capabilities in rapid and sustained disaster and humanitarian response. No other regional power would be able to point to equivalent disaster response capabilities dedicated to the region. Its disaster responses, and indeed even its simple MRV regional visitation and exercises program, would provide for very significant soft-power diplomacy – 'aid-boat' rather than 'gun-boat' diplomacy.

In terms of this submission, I would envision the standing HADR command/centre serving the greater Indo-Pacific. It would nevertheless be able to be deployed to underpin and/or complement ADF or PITO resources and forces in HADR missions in the Pacific region.

https://www.theaustralian.com.au/commentary/pacific-islanders-boots-would-help-defence-step-up/news-story/24d6ecd8d8619a832500d2a6cd38c9b8
https://www.theaustralian.com.au/nation/defence/fiji-seeks-pacific-regiment-in-australian-army/news-

¹⁸ https://www.theaustralian.com.au/nation/defence/fiji-seeks-pacific-regiment-in-australian-army/news-story/bd425f643a0e5bd3247f06bafccf4e27

¹⁹ See the discussion in a British context at https://www.savetheroyalnavy.org/the-plan-for-a-british-hospital-ship-gains-political-support/