

# **Putting AUKUS in its place: Australia's submerged Indo-Pacific strategy**

*The 2024 Vernon Parker Oration*

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I pay respects to the elders of the Ngunnawal and Ngambri people, traditional custodians of the land where we meet.

I extend that to other peoples across indigenous Australia for their long custodianship and care for country - lands and waters alike.

I'm pleased to acknowledge Chief of Navy Vice Admiral Mark Hammond AO and Rear Admiral Justin Jones, Deputy Chief of Joint Operations.

Congratulations on your promotion to Vice Admiral and your forthcoming appointment as Chief of Joint Operations.

Particular thanks to the Australian Naval Institute, and especially Commodore Peter Leavy, for this occasion, and for inviting me to speak.

My appreciation also to other distinguished guests including representatives of the diplomatic corps.

## **To begin**

It's a honour to be invited to deliver the 2024 Vernon Parker Oration.

Commodore Vernon Parker's life and work speak to us of enduring service and professional dignity, and of the values and interests of our nation.

It also speaks of deep appreciation for the true worth of knowledge – affirmed by his vision towards the establishment of what became the Australian Naval Institute, and his influential roles in Navy education and training.

Education and the development of our nation's human capability – that's my day job, as Head of the National Security College at the Australian National University.

Some of my colleagues are here this evening, and I commend them and the whole NSC team for all their work in national capability uplift, engaging minds for a secure Australia, in keeping with the need of the times and our University's founding vision.

But I am here this evening to draw on long experience in another capacity.

As an observer and voice in our national voyage of strategy and statecraft – with a destination of a secure future for Australia in a prosperous and stable Indo-Pacific.

Government is becoming too cautious in consistently naming Australia's home – our place on the map, between two or indeed three oceans.

But the Indo-Pacific remains an unchangeable grounding point for strategy.

And whatever else one can say about the ambition to acquire nuclear-powered submarines under the AUKUS arrangement, they constitute foremost a capability that suits our geography.

We will come back to that.

### **Talking to Navy**

Now, I confess to feeling a certain imposter syndrome before an audience of maritime practitioners.

As Desmond Woods has generously noted, I've worked in diplomacy, intelligence, think tanks, academia and journalism.

My friends like to remind me I've never had an honest job.

I know you won't tell this to the College's friends and stakeholders in the other services - or indeed in the cyber and space domains.

But I retain a special respect for the ethos of naval command, and the particular qualities of leadership and resourcefulness it shapes and demands.

Why?

Maybe it's because Navy is no stranger to diplomacy alongside deterrence.

Building and looking after your people can be as decisive as a technology edge.

And at sea every game is a long game.

Or it's because over many years I have gained from the guidance of the nation's leading naval thinkers, notably the late Rear Admiral James Goldrick, and from the openness and patience of next-generation leaders such as Justin Jones, Pete Leavy and Lee Goddard.

Thank you my friends.

Or maybe I've just read too much Patrick O'Brian.

Or maybe my interest in sea power is that I've been captured through the secret weapon of welcoming civilians on board for sea riding and the chance to know Navy's work at first hand.

Or perhaps I just spend too much time looking at maps.

Of course, the facts on the ground, the facts in the water, are that Australia has an overwhelmingly maritime strategic environment.

These should not translate to a Navy-only or Navy-first defence policy.

Rather, the right answer is a strategy where all domains of military power are integrated, and combined with all levers of statecraft, to secure and advance our interests in that Indo-Pacific setting.

And especially – but not exclusively – in the inner arc of our maritime approaches: archipelagic Southeast Asia, the northeast Indian Ocean and the southwest Pacific.

This is what the Defence Strategy Review defined as our primary area of military interest, our 'immediate region' – in other words, our neighbourhood.

These geographic reflections are not new.

They have been broadly consistent across our defence thinking for some years now, at least since 2009, and through a few changes of government.

But as a nation we are still coming to terms with the reality that our strategic geography is the very opposite of a backwater.

Like it or not, the Royal Australian Navy's workplace is of worldwide consequence.

Much of our immediate region, especially maritime Southeast Asia and the straits connecting it to the Indian Ocean, is also the core Indo-Pacific. And the Indo-Pacific is the global centre of strategic gravity.

### **What are we protecting?**

Before I go further with grand geopolitical assertions, let's go back to some basics.

What are we here to protect? Everything else in strategy must flow from that.

The answer is a triangle of Australia's interests, values and identity.

Our interests are tangible things, including the security of our borders, the sovereignty of our decision making, the strength of our institutions, the safety of our citizens, and the conditions for our sustainable prosperity – notably our lifelines to the world.

But these overlap with, reinforce and are reinforced by our values as a liberal and multicultural democracy, where the equal rights of all are respected under the rule of law.

Those values inform our national identity.

So social cohesion and the integrity of our institutions are simultaneously vital to values, identity and hard national interests.

All the sea power in the world will be a Maginot line if we are not also strengthening and building our nation at home.

That includes preparedness for crisis in every sense.

Yet values and identity matter abroad as well.

They are reflected in our determination to defend and advance an international system of rules and coexistence, where might is not right, where small and middle powers have their interests respected, and where coercion is not rewarded.

And those values and that sense of identity define who we are in the world.

This is just as important as where we are in the world, our territory, in determining what we need to protect if we are sincere about the mission of national security.

I don't mean all this as just philosophy. The point is to help us internalise why the maritime dimension of our security does not begin or end 12 or 200 nautical miles off our coastline.

And why we need capabilities and partnerships to suit the wide horizons of our geography and international connectedness.

But of course, a middle power with finite and stretched capabilities cannot single-handedly protect its expansive interests, values and identity.

In capability terms, our limited ability to shape region-wide outcomes encourages an emphasis on our near neighbourhood, our maritime approaches.

Even though the region that affects our interests is so much larger.

### **The Indo-Pacific paradox**

Call it the Indo-Pacific paradox.

The constraints of capability have not stopped us recognising the scale and complexity of our regional system.

It's worth recalling for a moment how and how fast the Indo-Pacific story has progressed.

Until little more than a decade ago, the term was largely academic and obscure.

The Asia-Pacific concept was used in the late 20th century to make sense of the commercial and security linkages between East Asia, North America and Oceania.

But it had a kind of flat earth quality, as if the Indian Ocean neither existed nor mattered, and as if Australia diplomats were at risk of falling off the map if they strayed west of Perth.

Even by the 1990s, and with the rise of China and India, there were the contours of something larger and more inclusive but also more fluid and complex, painted in shades of maritime grey: the Indo-Pacific.

The Indo-Pacific means connectivity and contestation across two oceans, joining together the Indian and Pacific oceans as a single strategic system.

And because those sea lanes have become critical to global trade, energy supply and digital connectivity, what occurs across them – for instance in the South China Sea - is every nation's business.

At one level, the Indo-Pacific is a practical description.

The Indo-Pacific is multipolar, and the centre of gravity for global economic and strategic weight.

It is a region defined by the interests of many substantial countries, and not only the rivalry between the United States and China.

Crude bipolarity is the narrative Beijing prefers to tell because it helps to legitimise the false argument that, if only America would depart Asian waters, all would be happy and peaceful.

The reality is that rising Chinese power, authoritarian influence and coercion across the Indo-Pacific have brought friction with the interests and sovereignty of many countries, including Japan, India, Vietnam, the Philippines, Malaysia, Indonesia, the Republic of Korea and Australia.

And, of course, the most troubling potential flashpoint for major armed conflict in the Indo-Pacific is across the Taiwan Strait.

In this context, the Indo-Pacific is also useful because it explains the dilution of Chinese power through an array of partnerships across distance and collapsed geographic boundaries.

It is a metaphor for collective action to prevent China dominating the region, incorporating a powerful China in the regional order when it respects the rights of others but balancing against it when it does not.

We are now at what I would call the end of the beginning of the Indo-Pacific era.

Some of the details are changing, but the pattern of region-wide connectivity and contest is set.

The Indo-Pacific has become something of a new orthodoxy.

Many countries and institutions have seen value in making use of it.

Indeed, oddly, Australia is now one of the quieter voices on the very framework that matches our geography.

Australia was the first to officially name this our region of strategic interest, in the 2013 Defence White Paper, and we still do in the recent National Defence Strategy.

We were instrumental in encouraging other nations to reimagine their geopolitics in this way.

Diplomatic histories will tell that Indonesia, ASEAN, the Europeans, Britain, South Korea, even Japan and the United States, were quietly influenced in their Indo-Pacific thinking by Australia as an early mover and activist.

Yet those players now all have their openly declared Indo-Pacific policy documents – outlooks or more fulsome strategies - while Australia does not.

It won't surprise you that I believe Australia is long overdue for a declared Indo-Pacific strategy, and one not only about defence.

Why do we not have such a public strategy?

I assume there are diplomatic and political sensitivities at play, such as concerns that our friends in the Pacific equate the term Indo-Pacific with the strategic rivalries they would rather avoid.

But government is foregoing the opportunity to tell a consistent and integrated story – to our people, to all the arms of government and to our partners – about how to find our way in the broader region.

And explaining all the elements of national power we are using, and how they must truly fit together to give us the best chance of security in a region where strategic risk is accumulating and accelerating.

If that means we need to be more forthright about risks and threats and their origins, so be it.

This is not to say that our foreign policy and security community is not doing many of the right things – across defence, development, diplomacy, intelligence and more.

We have many of the elements of an Indo-Pacific strategy, but the risk is that parts of our system and our polity don't see the whole picture and where their contribution fits.

And, among other things, the place of AUKUS is therefore not well enough understood.

Some observers seem to think it will crowd out other parts of our statecraft – engagement with Asian partners, or the use of levers other than defence.

Others warn it could crowd out other defence capabilities.

And other voices – politically powerful ones – give the impression it is largely about jobs and industry, whereas that is a secondary consideration.

It remains entirely within the gift of government to ensure that none of these perceptions is true.

### **AUKUS in its place**

That momentous September morning in 2021 that AUKUS was announced, my instant reaction was “They'd better be serious”.

We'd better be serious.

There's no question that the three nations - ours, the United States and the United Kingdom - share exceptional qualities of trust, likemindedness, capability and will.

But when it comes to cost, risk, complexity, diplomacy – I confess to mixed feelings.

One can support wholeheartedly the strategic endeavour while being concerned about enterprise risk - indeed, if you care about the outcome you should care deeply about getting there.

I don't need to belabour the many concerns raised in the public domain, even if I think it is worth amplifying the recent message from CDF calling for a sense of national can-do.

And the galvanisation of the machinery of government has been an important first step.

But let's go to politics.

We will need political buy-in across multiple governments across three countries – like-minded democracies to be sure, but minimising partisan point-scoring will be key. And there are some rather important elections coming up.

And this means a premium on informing political players – including legislators in all three countries - and respecting their concerns in good faith. On AUKUS, there will be no rewards for political complacency, at any point.

On the question of tempering ambition with small-r realism: while I admire the ambition of the optimal pathway, I take the view we do not need 100% success for AUKUS to have a transformative impact.

I am persuaded of the viability of leasing Virginia Class submarines from the United States.

And it's important not to be stuck in a negative parochialism of the moment each time there's a political or bureaucratic hurdle in the US system, each of which so far has been overcome. It's strange how the doomsayers determined to see AUKUS fail fall silent each time a supposedly terminal obstacle is addressed.

I am confident of the viability of developing the expertise and workforce base we need in Australia – and it is heartening that my sector, the university sector, is so keen to engage, which suggests we care about national security after all.

The National Security College is playing its part - so far we have provided courses to hundreds of officials taking their essentials first steps in submarine and nuclear literacy.

As for the advanced-tech Pillar 2, I've touched on it already – the point of is about opening the gates to wide-ranging experimentation and collaboration.

So acceptance of risk will be crucial to success.

And we should not wait too long to bring in additional partners, Japan and beyond.

Pillar 2 is the part of AUKUS that even the critics accidentally like.

As my colleague Justin Burke has pointed out, capabilities that some see as substitutes for nuclear-powered submarines - for instance uncrewed platforms and autonomous systems - will be a focus of Pillar 2, so AUKUS has inadvertent champions among its critics.

Where there will remain significant scepticism in some quarters - and scepticism is there to be allayed - is the prospect of Australia, with Britain, building a whole new class of nuclear-power submarines.

This will require singular persistence of political will and regular re prosecution of the strategic case.

As for the diplomacy of AUKUS, it does not require me to say that initially it was somewhat ragged, to say the least.

But it's impressive how well we've advanced through it.

Impressive, and to the particular credit of the current government and our diplomatic professionals.

Indeed, it's a reminder that Australia benefits when our statecraft can be confident, audacious, patient and persistent.

And a reminder that the alliance with the United States is not at odds with our engagement with Indo-Pacific partners, who variously accept, understand or welcome what we are seeking to do.

Turning again then to the SSN capability, it makes strong sense for Australian security and in the context of our somewhat unspoken, dare I say submerged, Indo-Pacific strategy.

Some critics argue AUKUS constricts us – as if the submarines are good for one scenario only, or some ploy to bind us to Washington.

In fact, nuclear-powered submarines can help Australia get beyond the Indo-Pacific paradox – with range and reach in deterrence and surveillance, to reduce the tyranny of distance.

In that sense, the capability could mark a coming of age for Australia as a serious power – albeit, yes, within an alliance, an alliance of our choosing.

## **Security with Asia**

In closing, I offer a reflection of how a strong and credible Australian Navy – with SSN its apex capability – can reinforce rather than cut across the imperative of Australian diplomatic engagement in a multipolar Indo-Pacific.



Some critics of Australian power projection make a case that we should somehow seek security *in* Asia (echoing a certain former prime minister) yet without the military reach that could actually help our Asian friends in the event of a strategic crisis.

It makes little sense to be saying to an Indo-Pacific partner country – for instance, in southeast Asia - we are your close partner, think of us almost as an ally.

But then, in the same breath, sorry friend, the deliberately short reach and range of our capabilities means we can't actually be at your side.

It's neat rhetoric, but Australia's choices are not artificially between seeking security in Asia or security from Asia.

Instead, the Indo-Pacific answer is about seeking security *with* Asia – and not only with Asia, but with a wide array of partners and allies across this globally pivotal region.

And AUKUS is a significant part of the way we can do it.