



CENTRE FOR AIR POWER STUDIES (CAPS)

Forum for National Security Studies (FNSS)

INDO-PACIFIC NEWSLETTER



A Monthly Newsletter on Security and Strategic Issues on Indo-Pacific Region from Centre for Air Power Studies

From the Editor's Desk

This month a defence multilateral exercise was conducted, the Malabar exercise 2022 from November 8 to November 18 on the seas of Japan among the Quad member countries and was hosted by Japan Maritime Self-Defence forces (JMSDF). The aim of this exercise has been to uphold the objectives of maintaining a free and open Indo-Pacific region. This month witnessed several significant summits pertaining to the Indo-Pacific development and security. The 19th summit of ASEAN and India was held in Cambodia on November 12 to celebrate the 30th anniversary of their dialogue relations. ASEAN and India reaffirmed their commitment to work towards India's Indo-Pacific Oceans Initiative (IPOI) and ASEAN'S Outlook on the Indo-Pacific (AOIP) for a secure and stable Indo-Pacific. The 17th East Asia Summit was also held on November 13 wherein India highlighted the importance of a free, open and inclusive Indo-Pacific with freedom of navigation and overflight. Moreover, the Indo-Pacific regional dialogue 2022 was held in New Delhi from November 23 to November 25 which is a regional strategic dialogue of the Indian Navy. Canada has also unveiled its new Indo-Pacific strategy to respond to China's expansionist behaviour.

Jai Hind

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QUOTE

"The Indo-Pacific region remains important for the economic development of not only the regional but also the wider global community"

- Rajnath Singh

Opinions/Review/Expert View

India's ASEAN Challenge

Source: Harsh V. Pant, ORF

<https://www.orfonline.org/research/indias-asean-challenge/> 17 NOVt 2022.



Last week, India and ASEAN countries gave a new vigour to their ties by establishing a comprehensive strategic partnership at the 19th ASEAN-India Summit in Cambodia. This year also marks the 30th anniversary of ASEAN-India relations and is, therefore, being celebrated as the ASEAN-India Friendship Year. In his remarks, Vice President Jagdeep Dhankhar, underlined the “great value” India places “on ASEAN as an important pillar of regional, multilateral global order.”

ASEAN centrality has been a central theme in India's Indo-Pacific policy and outreach. This was also reiterated by the Vice President when he said that “India supports ASEAN centrality in the evolving architecture in the Indo-Pacific.” The India-ASEAN joint statement while they acknowledging the deep

In the face of geopolitical turmoil and a Chinese exit, India must negotiate its Indo-Pacific trade ties with caution

The India-ASEAN joint statement while they acknowledging the deep civilisational linkages, maritime connectivity, and cross-cultural exchanges between the two geographies, further tried to galvanise this partnership by focusing on enhancing cooperation in the digital economy, smart agriculture, city-to-city partnerships.

civilisational linkages, maritime connectivity, and cross-cultural exchanges between the two geographies, further tried to galvanise this partnership by focusing on enhancing cooperation in the digital economy, smart agriculture, city-to-city partnerships. Against the backdrop of the Covid-19 pandemic, the two sides also decided to “strengthen healthcare for their people by increasing collaboration in public health, including in areas of research and development and public health emergency.” In an important intervention, President Ferdinand Marcos Jr. of the Philippines argued that ASEAN countries must not “miss the opportunity of having the ‘pharmacy of the world’ as our close neighbor and partner” and urged them to “work closely with India in ensuring that our region has access to a sufficient volume of affordable, high-quality medicines and vaccines.”

India-ASEAN partnership has certainly grown and today encompasses a wide set of issues ranging “from connectivity to climate change, security to space, education to ecology and technology to trade.” There is a greater appreciation of India's growing role in the wider Indo-Pacific among the ASEAN members and there is a new momentum in India's outreach to the a geography critical to ensuring the ever so elusive balance in the emerging maritime confluence between the Indian and Pacific oceans.

Bu the regional geopolitics and geoeconomics is undergoing a fundamental transformation at a pace that most actors are finding difficult to adapt quickly. The major power contestation of today is putting pressure on the ASEAN in ways it has not experienced since its very inception. For long, the assumption of China as primary economic partner and the US as the primary security guarantor has been at the heart of the ASEAN balance. Today, that balance is falling apart and the Russia-Ukraine war has further aggravated this tension. This sharpening of major power rivalry is threatening the underlying stability on which rested the regional growth and prosperity over the last several decades.

The geopolitical tensions are also producing geoeconomic consequences where issues of trade and technology cooperation as well as supply chain resilience are being examined through a lens that was considered outdated till a few years back. And this is happening at a time when ASEAN remains a divided organisation internally on how to manage these challenges. The grouping remains fractured in its response to the Russian invasion of Ukraine, on managing the US-China contestation, and closer to home on dealing with the military junta in Myanmar and China's aggression in the South China Sea. ASEAN will lose its relevance if it continues to be a divided house, unable to forge consensus on critical regional and global issues.

And this matters because all major powers, including India, have ASEAN centrality at

the core of their Indo-Pacific vision. ASEAN centrality will have no meaning with a fractured region unable to come to terms with the changing realities around its periphery. With a fragmented ASEAN, Indo-Pacific will continue to exude the instability and tensions that the world is trying to come to grips with at the moment.

This is already evident in the way external powers are projecting their interests in the region. In order to isolate and put pressure on the Myanmar junta, Washington has placed sanctions on the on the regime as well reached out

The major power contestation of today is putting pressure on the ASEAN in ways it has not experienced since its very inception.

to the opposition National Unity Government. On the other hand, Russia and China have been trying to do the opposite and even supplying weapons to the junta. In the midst of this, ASEAN's response has been confusing and muddled. The initiative it seems is with outsiders rather than with the region and that's not a great message about ASEAN centrality.

And then there is the big question about China's massive economic footprint in the region that gives Beijing a distinct advantage. Other powers have not been able to come up with a viable strategy. Even in the face of South China Sea onslaught, ASEAN members have not been able to push back given China's role as the primary trading partner of the region with bilateral trade of around \$880 billion. But with the US-China confrontation looming, the balancing is likely to become rather difficult. After the setback of Covid-19 pandemic, China is now seeking to revive the Belt and Road Initiative (BRI) and last week

announced a number of new infrastructures projects in Southeast Asia. Under pressure with global supply chains being restructured, Beijing has also announced negotiations on ASEAN-China Free Trade Area “Version 3.0.”

India, therefore, will have to up its game significantly in order to remain relevant in a part of the world that is viewed as critical to the future stability and prosperity of the Indo-Pacific. Trade and connectivity will be critical in order to enhance its profile in the ASEAN region. But there should also be a concerted attempt by New Delhi to develop strong bilateral partnerships with like-minded partners within ASEAN. This is the age of minilaterals and India should not be shy of exploring them even in Southeast Asia as ASEAN will continue to struggle with its internal cohesion for the foreseeable future.

China is now seeking to revive the Belt and Road Initiative (BRI) and last week announced a number of new infrastructures projects in Southeast Asia.

If Indo-Pacific Strategy Falters, it'd be 'our Country's Future that is Being Stolen'

Source: Shawn Barber, *The Globe And Mail*

<https://www.theglobeandmail.com/business/commentary/article-canada-indo-pacific-strategy-national-security/> 28 Nov 2022.



Minister of Foreign Affairs Melanie Joly and Minister of Public Safety Marco Mendicino announce Canada's Indo-Pacific strategy in Vancouver on Nov. 27

Canada's new Indo-Pacific Strategy offers an opportunity for the federal government to take the urgent action required to respond to the threats

China poses to our economic security, particularly our innovative technology sector. But while it is a good start, it's not enough.

Canada's strategy needs to go much further. Failure to act now could not only have dire consequences for our national security but also erode our long-term economic competitiveness. As Canadian Security Intelligence Service director David Vigneault said in 2021 about Chinese industrial espionage: "It is our country's future that is being stolen."

The Chinese drive for global technology supremacy began in earnest with a strategic pivot by President Xi Jinping almost a decade ago with the adoption in 2015 of a state-led industrial policy called Made in China 2025. Its objective is to achieve dominance in 10 advanced manufacturing

sectors, including artificial intelligence, by 2049, the 100th anniversary of the founding of the People's Republic of China. A companion initiative called Military-Civil Fusion seeks to use these technologies to make the Chinese military the most advanced in the world, able to exert the will of Beijing's leaders in geopolitical conflicts such as the future of Taiwan.

In addition to its own formidable capabilities, China is using state-owned enterprises, individuals and entities linked to its military to acquire cutting-edge technology under development in startups, government laboratories and universities around the world, including Canada. Its methods are well known. These include foreign investment, cyberespionage, programs to recruit scientists and professors, the manipulation of exports and imports, forced technology transfers from foreign firms operating in China, and research partnerships with academics and universities.

Canada's open and vibrant innovation ecosystem is an appealing target. The Stanford University 2022 AI Index ranks Canada fourth in the race to innovate and develop artificial-intelligence technologies, behind the United States, China and Britain and ahead of South Korea, Germany, Australia and Japan. Yet policy makers in Ottawa have only recently grasped the seriousness of this threat, and Canada's innovation ecosystem remains extremely vulnerable.

These same threats have prompted robust responses from our most important trade and security partners. The recent passage through the U.S. Congress of the CHIPS and Science Act, a US\$52-billion initiative to restore American

dominance in the semi-conductor industry, is just the latest example of the rare bipartisan cooperation in Washington to confront these threats. Within the past five years all our Five Eyes security partners have understood the gravity of this challenge and made significant policy shifts to confront it. In Canada, we've tinkered at the margins.

From an economic competitiveness and national security perspective, this is not a contest Canada can afford to lose. The Indo-Pacific Strategy announced by Foreign Affairs Minister Mélanie Joly offers an opportunity to act now to better protect our economic security. Here are three broad areas that need urgent attention.

The Chinese drive for global technology supremacy began in earnest with a strategic pivot by President Xi Jinping almost a decade ago with the adoption in 2015 of a state-led industrial policy called Made in China 2025.

First, we need better policy tools, starting with the development of a public list of sensitive technologies critical to our competitiveness and national security. The Minister of Innovation, Science and Industry, François-Philippe Champagne, must strengthen the Investment Canada Act including with a requirement for the preapproval of foreign investments in these key technologies, as is the practice in the U.S. and Britain. A review of the Patent Act is required to determine how we can ensure transparency and awareness when sensitive IP is transferred out of Canada. Ms. Joly needs to work with the U.S., the European Union and Japan to ensure new co-operative approaches on export controls for key technologies. We also need a national data strategy to set the rules to govern ownership, access to and use of the vast quantities of data that will power the connected, artificial-intelligence-driven economy of the future.

Second, the federal government needs to enlist the active support of all domestic stakeholders if the magnitude and complexity of these threats are going to be met. Focused partnerships with universities and provinces are critical to share information and establish rules on research security. Progress on this front is happening too slowly and without the active participation of the provincial authorities who have jurisdiction. Similarly, the federal government must use its existing Economic Strategy Tables and its array of innovation support programs including the new \$1-billion Canada Advanced Research Projects Agency (CARPA) to ensure entrepreneurs and technology startups are engaged and aware of the risks posed by external threat actors.

Finally, Canada needs to robustly engage in international diplomacy to avoid being left behind. In key forums where these issues are being discussed including the Quad (U.S., India, Australia and Japan), the AUKUS defence partnership, and the EU-US Trade and Technology Council, Canada is on the outside looking in. We need to ensure that our voice is heard and our interests are defended. A regular bilateral consultative forum with the Americans at the ministerial level could be a good place to start.

Canadians have established themselves at the forefront in many of the most important emerging technologies including AI, quantum computing, biotechnology, and advanced materials manufacturing. If we are to ensure that can continue, we need to act now.

Three Association of Southeast Asian Nations (ASEAN) countries will host these three summits consecutively. While the ASEAN-related summits featuring the EAS are held annually on a rotational basis in Southeast Asia, with Apec hosted in the region every other year, the G20 is a rare occurrence because Indonesia is its only ASEAN member.

After all, 2049 is not that far away.

Examining the Geopolitical Takeaways from the Southeast Asia Summits

Source: Thitinan Pongsudhirak, Irrawaddy

<https://www.irrawaddy.com/opinion/guest-column/examining-the-geopolitical-takeaways-from-the-southeast-asia-summits.html> 26 Nov 2022



Chinese President Xi Jinping's wife Peng Li Yuan (left) shows her appreciation after Thai Prime Minister Prayut Chan-o-cha (second right) and his wife Naraporn Chan-o-cha (second left), present her with a cake to celebrate her birthday as Xi (right) looks on. / Thai Government House photo via Bangkok Post

Southeast Asia's summit season has come and gone with takeaways that concurrently eased geopolitical tensions and underlined risks that could lead to future global conflict. The three major summits—the East Asia Summit (EAS) in Phnom Penh, the G20 in Bali, and the Asia-Pacific Economic Cooperation (Apec) in Bangkok—also demonstrated that the COVID-19 pandemic of 2020-21 has been practically overcome as in-person meetings are back in full force. Overall, the three hosts came away with mixed highlights.

To be sure, it will be many years, if ever

again, that three Association of Southeast Asian Nations (ASEAN) countries will host these three summits consecutively. While the ASEAN-related summits featuring the EAS are held annually on a rotational basis in Southeast Asia, with Apec hosted in the region every other year, the G20 is a rare occurrence because Indonesia is its only ASEAN member. That these three summits aligned in Southeast Asia this month has been extraordinary.

These in-person summits were also a reminder of the nature of the human condition and the indispensability of interpersonal communication. Although China still appears internally mired under COVID restrictions, just about all other countries have reopened. While the two-year pandemic hiatus from in-person meetings did not cause the global tensions we are seeing from the Russian invasion of Ukraine to the United States-China confrontation, it was certainly not conducive to face-to-face communication and better understanding. By their personal nature, these leaders' meetings are always a net positive in global politics. On substance, we can tease out highlights by major players and countries.

The Cambodian leadership of the EAS and other ASEAN-related summits was largely successful. As ASEAN chair this year, Prime Minister Hun Sen capitalized on the occasion to burnish his statesman-like stature. The fact that he has shrewdly and systematically destroyed the opposing Cambodia National Rescue Party in recent years helped pave the way for Hun

Sen's summit showing. With the all-clear sign at home for sustained electoral dictatorship, the Cambodian strongman was able to concentrate on his foreign policy legacy and statesmanship. Noticeably, Cambodia this year co-sponsored and supported the two principal United Nations resolutions to condemn Russia's aggression against the Ukrainian people and subsequent annexation of eastern parts of their country, whereas Thailand supported the former motion and shamefully abstained from the latter.

In Phnom Penh, the key takeaway may have been Beijing's proposal for a "3.0" upgraded version of the China-ASEAN Free Trade Agreement beyond the first iteration more than a decade ago and the more recent Regional Comprehensive Economic Partnership. Tabled by Premier Li Keqiang, this geo-economic manoeuvre appears crafted to outflank the US' Indo-Pacific Economic Framework. The conspicuous blot in Phnom Penh was ASEAN's inability to do anything constructive about Myanmar's junta and its perpetration of a heinous war against its own citizens.

Viewed as a whole, the summit season belonged to Indonesian President Joko "Jokowi" Widodo who staked his credibility on the line by personally visiting both Ukrainian President Volodymyr Zelensky and Russian President Vladimir Putin earlier in the year. He was able to reap dividends from his geopolitical investments by providing a platform for Zelensky to state his peace terms and for the first official presidential meeting between Joe Biden and Xi Jinping.

In Phnom Penh, the key takeaway may have been Beijing's proposal for a "3.0" upgraded version of the China-ASEAN Free Trade Agreement beyond the first iteration more than a decade ago and the more recent Regional Comprehensive Economic Partnership.

The conciliatory Xi-Biden tete-a-tete cooled down bilateral temperatures markedly. Xi and Biden agreed that their superpower competition is longer-term but that outright conflict is not intended by either side.

Among the plethora of sideline and bilateral meetings, the Xi-Biden talk was the paramount achievement of the summit season. In addition, G20 leaders were able to issue a joint statement, which set the tone for Apec, denouncing Russia's war in Ukraine. Russian Foreign Minister Sergey Lavrov also did not walk out of the room in the process.

For Apec, the main deliverable was a 23-point declaration by its 21 member economies. The third point reinforced the UN resolutions to condemn Russia in line with what G20 leaders had agreed to in Bali. Proposed and propelled by Thailand's host government, the Bangkok Goals for Bio-Circular-Green

(BCG) Economy were another highlight along the lines of resilience, sustainability, and inclusiveness, representing low and unopposed common denominators. An overlooked achievement of Bangkok was to provide an opportunity for Xi to fruitfully meet with

Japanese Prime Minister Fumio Kishida for the first time, with follow-ups at senior levels on the way.

For the Thai government, the highlight for domestic consumption may have been the individual royal audiences between His Majesty King Maha Vajiralongkorn and each of the Apec leaders, except representatives of Hong Kong and Chinese Taipei who were introduced in

tandem. This undertaking may have involved scheduling reshuffles to clear the deck of activities on the evening of Friday, Nov. 18. As such, the gala dinner was reportedly moved to a day earlier, and the dinner between Xi and Thai Prime Minister Prayut Chan-o-cha scheduled for Friday thus became lunch on Saturday.

While Xi may have been miffed about his timetable being mucked about, the host made up for it by throwing a birthday celebration over lunch for the Chinese leader's wife. Gen. Prayut and senior government and business leaders also saw Xi and his wife off by the side of the waiting Air China plane, waving and bowing repeatedly. For Prayut, as the torch passes to the US as host next year, all eyes will be on how the former general will convert his Apec results into political moves as Thailand gears up for a general election, which must take place by early May at the latest.

Bangkok Goals for Bio-Circular-Green (BCG) Economy were another highlight along the lines of resilience, sustainability, and inclusiveness, representing low and unopposed common denominators.

For the main players involved, Hun Sen got as much personal prestige as he could out of spearheading ASEAN and its related summits, and Jokowi will benefit from the generated momentum of the G20 going into 2023 as the next ASEAN chair, while Prayut got by with potential domestic dividends.

For the main countries, Russia was a loser. Hardly anything can be remembered about Russia's presence at these meetings, which Putin was forced to skip entirely. For China, Xi's reengagements and international travel to top meetings after gaining a third five-year presidential term suggest that Beijing's geostrategy to reclaim greatness among nations

is intact and on track, despite persistent pandemic problems at home.

For the US, Biden's absence at Apec was felt. Had the US leader come to Bangkok, Xi would not have been able to steal the show with such ease. This goes to show why the US, as represented by both Biden and Vice President Kamala Harris, kept repeating the regional message that it is "here to stay." As Xi showed, China is "here, period". It is something for Washington to consider next year when it is not preoccupied by election cycles.

Friend-Shoring no Ready-Made Answer to Asian Supply Chain Resilience

Source: Samuel Hardwick and Adam Triggs, East Asia Forum

<https://www.eastasiaforum.org/2022/11/27/friend-shoring-no-ready-made-answer-to-asian-supply-chain-resilience/> 27 Nov 2022



In 2018, the United States put Russian aluminium giant Rusal on a blacklist to turn the screws on influential oligarchs. Because of Rusal's centrality in global alumina, bauxite and aluminium networks, the global repercussions were immediate.

Employees work at the production line of aluminium rolls at a factory in Zouping, Shandong province, China, 23 November 2019 (Photo: Reuters/Stringer).

In 2018, the United States put Russian aluminium giant Rusal on a blacklist to turn the screws on influential oligarchs.

The sanctions hit operations as far away as Guinea and Jamaica. Irish ministers held talks with the European Commission in an effort to save jobs at a refinery in Limerick. European car manufacturers that relied on Rusal for hard-to-substitute aluminium parts ultimately lobbied successfully for the sanctions' reversal within a year.

With the invasion of Ukraine, the White House is again weighing up new Rusal sanctions and broader curbs on Russian aluminium.

The Rusal saga provides some lessons for economic resilience and underscores the

difficulties of so-called ‘onshoring’ and ‘friend-shoring’.

Securitisation of trade is not going away quickly.

Onshoring or friend-shoring policies are an established feature of US trade policy. But in an era of great power competition, restrictive trade policy won’t be enough for countries to achieve their economic or security objectives.

The notion that onshoring, or producing domestically, makes supply chains robust is a fallacy. International supply and production networks allow firms to adjust to shocks in specific places. When COVID-19 first struck, Samsung could quickly redirect production from its factory in South Korea, where the outbreak was severe, to relatively less affected Vietnam. After the 2011 Tohoku earthquake, Japanese car manufacturers diversified their parts suppliers from domestic to international sources.

‘Onshore’ supply chains are rarely as onshore as they seem. Products that are made domestically usually have inputs from overseas.

Internationally traded goods and services sometimes embody information, such as sensitive data or technical know-how, that governments have a security interest in protecting. These might include radar systems, encryption software or even a social media app. The objectives are to get the right level of security at the lowest cost and to understand the point at which those costs would no longer be worth bearing.

When safeguarding sensitive research, investing in monitoring and enforcing contracts

will often provide more bang for buck than visa restrictions, which deter talent. Unilateral restrictions like export controls will be self-defeating if the target can find substitutable products or information elsewhere. It’s not worth spending billions upgrading the gate if there is a huge gap in the fence.

Taken at face value, friend-shoring, or cultivating trade with politically aligned countries, seems like an economically conscious alternative to onshoring. Deepening and broadening trade relationships, including through trade agreements and commercial diplomacy, is a broadly held economic and strategic priority. On critical technology, there is plenty of scope for cooperation among appropriate groups of countries to support innovation and lower trade costs.

The Rusal saga provides some lessons for economic resilience and underscores the difficulties of so-called ‘onshoring’ and ‘friend-shoring’.

But if friend-shoring is just decoupling from China by another name, rather than smarter international cooperation, the economic fallout is likely to be vast and volatile. China’s global value chain-related output—the value of a country’s production that crosses at least two borders—is the highest in the world. China is also the world’s top exporter of intermediate inputs, particularly in the electronics sector.

Another downside of friend-shoring is that it facilitates security–nationalist policies that undercut the strategic benefits of openness. Those benefits include export revenue for research and development investment, inflows of talented personnel and the ability to find synergies with foreign firms.

The ‘friends’ in friend-shoring initiatives will have their own risks to weigh up. Not least of

these are the global economic impacts of splitting supply networks into blocs, including higher prices. South Korea's reported reluctance about Washington's 'Chip 4' initiative highlights other concerns, such as asymmetric gains for foreign producers and higher levels of concentration in key industries.

The world is bigger than China, the United States and the US-allied sphere. Non-aligned partners will want evidence that economic and security cooperation is mutually beneficial, inclusive and addresses geopolitical tension rather than exacerbating it.

As Singaporean Prime Minister Lee Hsien Loong recently put it, reshoring and friend-shoring can 'shut off avenues for regional growth and cooperation, deepen divisions between countries, and may precipitate the very conflicts that we all hope to avoid'.

Multilateral trade provides insurance against domestic and bilateral risks. Before imposing sanctions in 2020, China accounted for 76 and 70 per cent of Australia's barley and cotton exports, respectively. The sanctions sent those market shares close to zero, but in the months that followed, Australia's exports of the two crops actually increased. The ability to reallocate trade so quickly depended on producers' agility and access to deep global markets.

Policymakers sometimes look instinctively to trade policies for supply chain resilience when other policies may be more important. These include getting a better handle on data. For goods critical to national defence and basic social needs,

that could mean real-time monitoring of supply networks, combining private and public datasets, and regular stress testing. These resources are worth little, however, without the institutions to use them wisely and an understanding of governments' role in risk management.

Governments also have tools to mitigate economic shocks without having to anticipate them. Automatic stabilisers in tax and transfer systems ease economic stress without requiring any new legislative action. Lowering trade costs, whether through agreements, customs reform or infrastructure investment, eases the pain of adjustment by making it cheaper to find new markets.

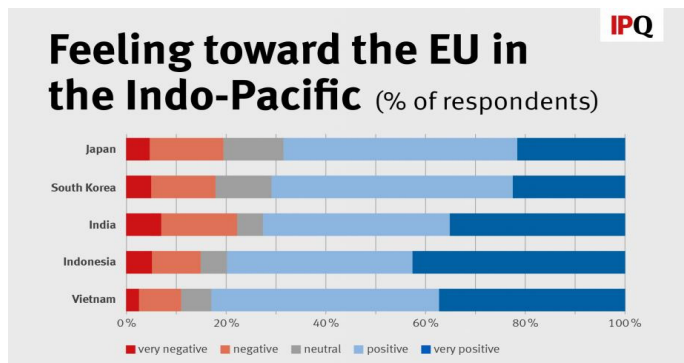
As former US official Kevin Wolf put it when reflecting on semiconductor controls announced in October, we are in 'uncharted territory'. 'You can't just export-control yourself into a healthy economy', he observed, 'given the fungibility of technology and the capability of smart people' around the world. Even in uncharted territory, it helps to know the destination.

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What the Indo-Pacific Thinks ... About Europe

Source: David Hutt, IP-Quarterly

<https://ip-quarterly.com/en/what-indo-pacific-thinks-about-europe> 10 Nov 2022



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Source: "Public Opinion in the Indo-Pacific", CEIAS, November 2022

The European Union and major European countries are perceived more favorably than the United States or China across 15 Indo-Pacific nations, according to a study of public opinion published this month. More than four-fifths of respondents from the Philippines, Vietnam, and Thailand report favorable views of the EU. Respondents in Kazakhstan, Japan, and Australia expressed the least favorability toward the EU, but around two-thirds of respondents in those countries still looked positively upon Europe, according to the study by the Sinophone Borderlands research project at Palacky University Olomouc in the Czech Republic. The United Kingdom was seen most favorably across the 15 states (as a mean), followed by Germany, the EU, and, in fifth place and ahead of the US, France. Indonesians and Malaysians would prefer their country’s foreign policy to most closely align with the EU, rather than China or the US. The six Southeast Asian states

The European Union is viewed quite positively in the Indo-Pacific. However, economic engagement does not necessarily translate into popularity.

thought the EU’s economic importance was near parity with that of the United States.

All this gives reason for cheer in Brussels, which is determined to boost its footprint in the Indo-Pacific. And it conforms to the findings of other studies. A Pew Research Center survey conducted this spring but published this month also found that the EU is broadly seen favorably across the Indo-Pacific; more than two-thirds of Australians and South Koreans viewed it positively, as did more than half of Japanese, Singaporean, and Malaysian respondents. And it broadly aligns with the annual surveys of “elite” opinion in Southeast Asia conducted by the ISEAS-Yusof Ishak Institute in Singapore.

A Military Role?

For all the praise, though, the EU might want to take notice of a few insights from the recent Sinophone Borderlands survey. Shortly after Josep Borrell, the EU foreign policy chief, returned from Indonesia and Southeast Asia in June 2021, his landmark visit to the Indo-Pacific region, he wrote on his blog: “If we want to be a geopolitical actor, we also have to be perceived as a political and security actor in the region, not just as a development cooperation, trading, or investment partner.”

On a positive note, the EU was only seen as more economically important than the US and China by respondents from New Zealand, although it has near parity with the US in the six Southeast Asian states surveyed, according to the Sinophone Borderlands study. However, the EU was ranked as having the least military power, compared to the US and China, by all of the 15 Indo-Pacific nations except India and Vietnam,

where it came second after America. That's consistent with "elite" opinion—the ISEAS-Yusof Ishak Institute's surveys found that only 0.8 percent of Southeast Asians thought the EU has the most political and strategic influence—and it's close to the truth since European states are way behind the US and China in this area. As such, much more needs to be done if, as Borrell says, the EU wants to be seen as a political and security actor.

It is also interesting to observe that there doesn't appear to be much correlation between positive perceptions of the EU and the bloc's actual economic interests. As the report noted: "countries with which the EU has developed strategic partnerships, including Japan and South Korea, have relatively low proportions of respondents indicating positive views toward the EU. This suggests that the EU's trade and diplomatic outreach efforts may have little to do with the Indo-Pacific countries' positive perceptions toward Europe."

Indonesians were far more positive about the EU than Singaporeans, for another example. That's despite Singapore being the first country in Southeast Asia to sign a free trade deal with the EU and despite the EU being locked into several WTO battles with Indonesia over each other's trade tariffs. Vietnam is the other country with which the EU has a free trade deal, yet a smaller percentage of the Vietnamese public viewed the EU "very positively" than the percentage of Filipinos, with which the EU does not have a trade pact.

European Union and major European countries are perceived more favorably than the United States or China across 15 Indo-Pacific nations, according to a study of public opinion published this month.

The EU's "Cultural Attractiveness"

One possible takeaway, then, is that economic gains in the Indo-Pacific do not easily translate into popularity. Another interpretation is that the EU's popularity is as much about the image other people have of European life as what the EU is actually doing in their country. One reason why the EU is popular appears to be its "cultural attractiveness," the report found. Compared with the US and China, the EU was ranked first on the list of this for six surveyed countries (Australia, Japan, New Zealand, Singapore, Thailand, and Vietnam) and came second among the other nine states.

More Southeast Asian respondents thought Europeans have a better quality of life than Americans. That comports with the surveys on "elite" opinion. According to the most recent

ISEAS-Yusof Ishak Institute survey in Southeast Asia, an EU state was voted as the second-most preferred holiday destination, just behind Japan. An EU member state was also the third choice for tertiary study if offered a scholarship, one place behind the United Kingdom.

However, the Sinophone Borderlands survey found that the EU's "cultural attractiveness" is higher in the Indo-Pacific's poorer countries. "Respondents from more developed Indo-Pacific countries appear to be relatively more satisfied with the standard of living they enjoy in their home countries and, thus, less impressed by how people in Europe and the US live," the study asserted. That's not surprising, yet it might suggest that the EU should give more focus to building ties and economic exchanges with non-

traditional and poorer partners.

Lastly, public opinion in the Indo-Pacific isn't that polarized about Europe—or, rather, Europe isn't that polarizing in the region. (Opinions of the US and China were far more divergent between the 15 surveyed countries. Around 80 percent of Japanese had negative opinions of China, compared to just 10 percent of Pakistanis). And that's also the case when China is factored in. In May, Sinophone Borderlands also published a survey of public opinion in China. It found that European countries still enjoyed a rather positive reception in the country, despite a marked deterioration in political relations since 2019. Around 60 percent of Chinese respondents were positive about Germany, the highest of any country in the “West.” The UK was the least popular, yet around 40 percent of Chinese were positive about it, compared to just 30 percent for the US, the least popular country surveyed.

The study also found that “Chinese respondents’ views of foreign countries correspond closely with their perceptions of those countries’ views of China.” Indeed, only around a third of Chinese respondents thought Germans had negative opinions of China. It was less than 40 percent for French. Yet that is far from reality. The latest Pew polls contend that 74 percent of Germans and 68 percent of French hold unfavorable views of China. (The Chinese respondents also thought that Americans were more positive about China than they really are.) Nonetheless, this indicates that Europeans still hold a certain cache amongst the Chinese public,

Foreign Affairs Minister Melanie Joly unveiled the new strategy on Sunday, when she told reporters that China is an “increasingly disruptive global power” in a region where multiple countries are showing major economic growth.

far more than the US or Japan does.

Canada's Indo-Pacific Strategy 'Long Overdue,' Shows 'Radical Change' on China: Experts

Source: Rachel Gilmore, Global News

<https://globalnews.ca/news/9309544/canada-china-indo-pacific-strategy/> 28 Nov 2022

Canada's new Indo-Pacific strategy is a step in the right direction and it sends a strong message to Beijing, a former ambassador to China says.

Foreign Affairs Minister Melanie Joly

unveiled the new strategy on Sunday, when she told reporters that China is an “increasingly disruptive global power” in a region where multiple countries are showing major economic growth.

“The Indo-Pacific is the fastest growing economic region of the world. By 2030, it will be home to two-thirds of the global middle class and by 2040, it will account for more than half of the global economy, Joly said.

“Every issue that matters to Canadians, our national security, our economic prosperity, democratic values, climate change or again human rights will be shaped by the relationship Canada has with Indo-Pacific countries.”

The strategy includes \$2.3 billion in funding in the region over the next five years, all while strengthening security and intelligence networks, deploying additional military assets, investing in cybersecurity infrastructure and diversifying

Canada's trade opportunities in the region.

The plan is "a comprehensive one," according to a former Canadian ambassador to China, and it sends a "tough" message to China, said Guy Saint-Jacques.

But he noted that a lot will remain to be seen in the "details on the implementation."

Plan is 'long overdue' but experts are optimistic

Goldy Hyder, president and CEO of the Business Council of Canada, said the strategy is a sign that "good things come to those who wait."

"This is a good thing," he said of the strategy, adding that it's also "long overdue."

One of the most important signals that the government is serious about the promises it laid out in the strategy is the amount of money Canada has earmarked to put the strategy in place, according to both Hyder and Saint-Jacques.

"Every issue that matters to Canadians, our national security, our economic prosperity, democratic values, climate change or again human rights will be shaped by the relationship Canada has with Indo-Pacific countries."

"What I've seen in there is content-rich, and it's backed up by dollars. So the intentions are pure," Hyder said.

The planned \$2.3-billion funding over the next five years "confirms that the government is serious about implementing this strategy," Saint-Jacques said.

Those billions will be invested immediately as a "down payment" to start implementing the strategy, Joly said. Some of the promises, including an extra frigate, could come with an additional hefty price tag.

If the government intends to procure a new frigate rather than repurpose one in the existing fleet, that purchase alone could cost Canada billions, based on previous procurement figures.

In addition to deploying military assets to the region, investing in domestic and regional cybersecurity infrastructure, and bolstering Canada's contributions to the global intelligence alliances, the strategy plans to grow economic ties with India and in southeast Asia.

Existing ties with Japan and South Korea are also supposed to be further strengthened under the plan, and a new Indo-Pacific Trade Representative will be appointed to advance Canada's relationship with the region.

"If all politics is local, so too is all business," Hyder said of the new trade representative appointment.

"And so to have actual resources on the ground who understand how local markets work, what the nuances are, what the sensitivities are, what the right thing to do is versus the wrong thing to do is, frankly, saves dollars."

The strategy also hopes to boost travel and immigration opportunities between Canada and the region, fight anti-Asian hate, bolster human rights supports, and build a cooperative climate change strategy.

"I'm very pleased with the strategy because I see it's a comprehensive one," Saint-Jacques said.

"It addresses military and security issues, development issues, environment and climate

change, trade, of course, and geopolitical questions.”

Devil in the details?

While it's one thing to get good ideas down on paper, it's another to actually implement them — a reality that couched the optimism Hyder and Saint-Jacques expressed.

“I think what matters now a bit is we're able to convert ... those intentions into actions and those actions into actual achievements,” Hyder said.

Two key areas of the strategy also gave Saint-Jacques pause.

While Canada has signalled that it intends to better protect its sovereignty in the Arctic — particularly as China and Russia increasingly eye the region — the government will have to put its money where its mouth is in order to make that intention a reality.

“We will have to invest a lot more in terms of (the North American Aerospace Defence Command) NORAD, in terms of buying additional ships and planes to patrol the north,” Saint-Jacques said.

“This is something that will have to be addressed at some point.”

For Hyder, the strategy suggests the government has missed a big opportunity with respect to pushing for expanded market access for Canada's liquid natural gas (LNG) supply.

“As someone who has been to Korea and Japan and other places and in the North Pacific, I will tell you that they are keen on getting

our energy and particularly our LNG, and so I thought it was a huge miss,” Hyder said.

Canada's LNG supply is not only helpful to push for decarbonization, Hyder said, but also to provide Canada with an economic advantage “at a time in which there may well be recessionary winds on the horizon.”

“So it's a big miss and I think it's something that needs to be asked and addressed,” Hyder said.

Opposition Calls for Action to Match Promises

Politicians are also calling on the government to release more specifics about the plan, as NDP MP Heather McPherson said on her way into question period on Monday.

When a reporter asked what's missing from the strategy, she said: “the details.”

“What is that going to look like? How are we going to get there?” she wondered aloud.

“What I've seen in there is content-rich, and it's backed up by dollars. So the intentions are pure,” Hyder said.

“The Liberal government is great at saying the right things. We're going to be watching very closely to make sure that they do the right things.”

The Conservatives have also already asked the government to prove it meant it when the strategy promised to challenge China on human rights issues.

In the Indo-Pacific strategy, the government pledges that “in areas of profound disagreement, we will challenge China, including when it engages in coercive behaviour — economic or otherwise — ignores human rights obligations or undermines our national security interests and those of partners in the region.”

Conservative Leader Pierre Poilievre cited this quote in question period on Monday as he asked the government to “indicate to Beijing” that the major protests in China against Beijing’s “COVID Zero” policies should be “allowed to go ahead” and “any crackdown should be resisted.”

The Liberal parliamentary secretary for foreign affairs replied that “protesters should be able to peacefully protest and share their views without fearing for their safety,” adding that Canada “will continue to follow the events very closely.”

At the same time, the strategy does not indicate that Canada is “decoupling economically from China,” Saint-Jacques said.

“I think what matters now a bit is we’re able to convert ... those intentions into actions and those actions into actual achievements,” Hyder said.

“The reality is that it’s an important market for our exporters,” he said.

Canadian exports to China totalled \$28.84 billion last year, according to Statistics Canada customs data, accounting for over four per cent of all exports. Imports from China, meanwhile, totalled \$85.67 billion, or 14 per cent of Canada’s intake.

However, the strategy is now providing a “choice” for Canadians to take their supply chains “elsewhere” and “develop new markets” with the government’s help.

Overall, the strategy shows a “radical change” in Canada’s approach to China, which for years had tried to pursue a free-trade deal with Beijing before ultimately shelving the proposal in response to China’s hardball negotiation tactics.

“I think there was no choice for Ottawa but to adopt a much firmer approach towards China,”

Saint-Jacques said of the new approach.

“China can put aside international laws and norms when a country does something that it doesn’t like. We have seen also that Xi Jinping conducts a very aggressive and assertive foreign policy. ... So I think for the government, it had to do something.”

The “big question,” Saint-Jacques said, is whether China will “want to play ball.”

“The message for China is a very tough one.

We are telling China: ‘You are a bully. As long as you are acting as a bully, we will limit our engagement. We have no choice but to engage with you, but it will be much more limited,’” Saint-Jacques said.

Cherry-Picks of the Month

1. China's strategic intentions: Implications for India and Taiwan - <https://www.orfonline.org/expert-speak/chinas-strategic-intentions-implications-for-india-and-taiwan/>
2. India in the Indo-Pacific: Pursuing prosperity and security - <https://www.hindustantimes.com/ht-insight/international-affairs/india-in-the-indo-pacific-pursuing-prosperity-and-security-101669637863274.html>
3. India, ASEAN Elevating Ties to a Comprehensive Strategic Partnership - <https://thedi diplomat.com/2022/11/india-asean-elevating-ties-to-a-comprehensive-strategic-partnership/>
4. A Spotlight on Chinese Debt Bondage - <https://www.project-syndicate.org/commentary/kenya-china-loan-agreement-revealed-debt-trap-by-brahma-chellaney-2022-11?barrier=accesspaylog>

Debates/Panel Discussions

1. Biden unwillingly helping China? U.S fails to supply weapons to Taiwan due to Ukraine war - https://www.youtube.com/watch?v=ocaoVW2_FLE
2. Canada unveils new Indo-Pacific strategy for an 'increasingly disruptive' China - https://www.youtube.com/watch?v=ot81KmU2_ig

Interview/Podcasts

1. Do universal values really exist? - <https://www.economist.com/podcasts/2022/11/10/do-universal-values-really-exist>
2. The 'Indo-Pacific Regional Dialogue-2022' in New Delhi - <https://www.youtube.com/watch?v=JvwBPM-R4R8>



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