

Japan's Roles in the Indo-Pacific Strategy

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Abstract

The Indo-Pacific strategy is threat-driven security cooperation among like-minded maritime countries to promote rules-based regional order in responding to the rapid strategic and power structural changes characterized by China's assertive behaviors in the region, which pose increasing challenges to the U.S. and its allies in the Pacific and Indian Oceans. Japan has been vigorously promoting the Quad cooperation in carrying out the Indo-Pacific strategy largely to facilitate and institutionalize Japan's maritime security cooperation with surrounding nations and allow Japan to play a leading role in the region. In addition to bilateral security ties with the U.S., Australia, India, and many other countries, Japan's strategic choice to network with more strategic partners in the region also implies a hedging stance to avoid the dilemma of both abandonment and entrapment during a major power struggle between the U.S. and China, which would allow Japan more diplomatic and security maneuverability. It will also largely decrease Japan's time and the costs-pressure of regional security burden-sharing demanded by the U.S. and simultaneously elicit higher U.S. engagement in the region with collective structures. Thus, the Indo-Pacific strategy is not about forming an anti-China alliance of nations but a trilateral, minilateral, functional

and regional coalition against China's provocative actions, by joint exercises and training, capacity-building, and promoting regional communication platforms.

Keywords: Indo-Pacific Strategy, Minilateral, South China Sea, China Threat, China-U.S. Relations

I. The Origin of the Indo-Pacific Strategy

Japanese Prime Minister Shinzo Abe proposed the “Arc of Freedom and Prosperity” in 2006 in order to deepen cooperation among democracies such as the U.S., Australia, and India. The initial concept of the Indo-Pacific Strategy can be traced back to Prime Minister Abe's speech entitled “Confluence of the Two Seas” to the Indian congress in August 2007.¹ Abe proposed connecting the Pacific and Indian Oceans to become the seas of freedom and prosperity for a broader Asia. Abe also emphasized the importance of sharing fundamental values in bringing democracies together such as Japan, the U.S., Australia, and India. “This partnership is an association in which we share fundamental values such as freedom, democracy, and the respect for basic human rights as well as strategic interests.”²

In December 2012, Abe published an article entitled “Asia's Democratic Security Diamond” to propose a new security coalition consisting of Japan, the U.S., Australia, and India in securing the

1. Ministry of Foreign Affairs of Japan, “‘Confluence of the Two Seas’ Speech by H.E.Mr. Shinzo Abe, Prime Minister of Japan at the Parliament of the Republic of India,” August 22, 2007, *Ministry of Foreign Affairs of Japan*, <<http://www.mofa.go.jp/region/asia-paci/pmv0708/speech-2.html>>.

2. Ministry of Foreign Affairs of Japan, “‘Confluence of the Two Seas’ Speech by H.E.Mr. Shinzo Abe, Prime Minister of Japan at the Parliament of the Republic of India.”

Pacific and Indian Oceans.³ The article suggests all democracies sharing common and universal values such as freedom, rule by law, human rights, and market economies, should cooperate together. In the face of North Korea's nuclear threats, a rapidly rising China, and an unpredictable Trump, Abe's new Indo-Pacific strategy aims to improve connectivity between the Pacific and Indian Oceans.

In December 2015, Abe visited India and announced a joint communique with Indian Prime Minister Narendra Modi.⁴ Both countries agreed to establish a "Special Strategic and Global Partnership" in promoting peace and prosperity in the Indo-Pacific region. The two leaders also emphasized the importance of establishing good order in the Indo-Pacific region based on open and rule-based principles.

The U.S. vision of the Indo-Pacific strategy was first set out by former Secretary of State Rex Tillerson when talking about the U.S.-India relations: "Defining Our Relationship with India for the Next Century," at the Center for Strategic and International Studies (CSIS) in October 2017.⁵ Tillerson mentioned the Indo-Pacific region 19 times and stressed that "The Indo-Pacific, including the entire Indian Ocean, the Western Pacific and the nations that surround them,

3. Shinzo Abe, "Asia's Democratic Security Diamond," *Project Syndicate*, December 27, 2012, <<https://www.project-syndicate.org/commentary/a-strategic-alliance-for-japan-and-india-by-shinzo-abe?barrier=accessreg>>.

4. Ministry of Foreign Affairs of Japan, "Japan and India Vision 2025 Special Strategic and Global Partnership Working Together for Peace and Prosperity of the Indo-Pacific Region and the World," December 12, 2015, *Ministry of Foreign Affairs of Japan*, <http://www.mofa.go.jp/s_sa/sw/in/page3e_000432.html>.

5. CSIS, "Defining Our Relationship with India for the Next Century: An Address by U.S. Secretary of State Rex Tillerson," October 18, 2017, *CSIS*, <<https://www.csis.org/analysis/defining-our-relationship-india-next-century-address-us-secretary-state-rex-tillerson>>.

will be the most consequential part of the globe in the 21st century,” and “The world’s center of gravity is shifting to the heart of the Indo-Pacific.” Tillerson heavily criticized China’s provocative actions in the South China Sea as a direct challenge to international law and norms and emphasized that the U.S. is already “capturing the benefits of our important trilateral engagement between the U.S., India, and Japan. As we look ahead, there’s room to invite others, including Australia, to build on the shared objectives and initiatives.”

In his remarks to the Asia-Pacific Economic Cooperation (APEC) CEO Summit at Da Nang, Vietnam, on November 11, 2017, U.S. President Donald Trump defined the strategic scope of the Indo-Pacific as covering both the Pacific and Indian Oceans including Japan, Australia, and India.⁶ However, Trump did not clearly propose the contents of his Indo-Pacific strategy or any goals, potential partners, or its relationship with China.

As set out in his speech, Trump’s Indo-Pacific strategy has three major elements. First, secure American economic and strategic interests including stopping unfair trade relations with China and promoting the international leadership of the U.S.. Second, establish freedom and openness as the core concept and shared values of the Indo-Pacific region, including respect for freedom of navigation, anti-coercion, open markets and a private-enterprise centric approach to promote freedom, stability, and prosperity in the region. Third, oppose any unfair government subsidies to industry, any discriminatory treatment and limitation of foreign capital, and give strong commitment

6. The White House, “Remarks by President Trump at APEC CEO Summit, Da Nang, Vietnam,” November 10, 2017, *The White House*, <<https://www.whitehouse.gov/briefings-statements/remarks-president-trump-apec-ceo-summit-da-nang-vietnam/>>.

to eliminate unfair and unsustainable trade relations in order to promote prosperity in the region.

Trump's version shows that the U.S. focuses more on the economic aspects of the Indo-Pacific strategy, which differs from Japan's original proposal focusing more on security. However, the two versions still largely coincide and overlap in their conceptual combination which clearly indicates that the U.S. will strengthen its commitment to maintain its influence and Japan will play a larger role in sharing more responsibilities with the U.S. in securing an open and free Indo-Pacific region.

II. China Threats

In addition, the proposals of both the U.S. and Japan for the Indo-Pacific strategy should not be understood as another Cold-war style anti-China containment policy, but rather as strategic responses to contain China's assertive behavior. With rapid economic development, China's assertiveness is demonstrated in four directions. First, China has been changing the balance of power in the Indo-Pacific region. The 2017 U.S. National Security Strategy (NSS) points out that China, as a revisionist power, is actively competing against the U.S. and its allies in shaping a world antithetical to U.S. values and interests, and "China seeks to displace the United States in the Indo-Pacific region, expand the reaches of its state-driven economic model, and reorder the region in its favor."⁷

Second, China has been unilaterally building and militarizing artificial islands in the South China Sea, which has attracted serious

7. The White House, "National Security Strategy of the United States of America," December 2017, p. 25, *The White House*, <<https://www.whitehouse.gov/wp-content/uploads/2017/12/NSS-Final-12-18-2017-0905.pdf>>.

concern from neighboring nations and the global community. According to the Asia Maritime Transparency Initiative (AMTI) at the Center for Strategic and International Studies, China increased its permanent facilities in the single year of 2017 by 72 acres.⁸ The 2017 U.S. NSS further stresses that China's efforts to build and militarize outposts in the South China Sea endanger the free flow of trade, threaten the sovereignty of other nations, and undermine regional stability.⁹ In addition, China has pursued rapid military modernization which attempts to limit U.S. access to the region and provide China with greater domination in the region.¹⁰

Third, China has been aggressively utilizing its Belt and Road Initiative (BRI) of infrastructure investment, loan programs, and trade expansion to strengthen its advantageous position in both its economic and security agenda. Beijing hosted the BRI Summit in May 2017 and invited 29 leaders and 130 representatives from the world to demonstrate its increasing international influence.¹¹ However, China's high profile BRI also attracts high regional and global caution. The 2017 U.S. NSS also stresses that "China's infrastructure investments and trade strategies reinforce its geopolitical aspirations."¹² German Foreign Minister Sigmar Gabriel says that China has tried

8. Asia Maritime Transparency Initiative, "A Constructive Year for Chinese Base Building," December 14, 2017, *Asia Maritime Transparency Initiative*, <<http://amti.csis.org/constructive-year-chinese-building/>>.

9. The White House, "National Security Strategy of the United States of America," p. 46.

10. The White House, "National Security Strategy of the United States of America," p. 46.

11. "Belt and Road: 2017 Summit," *South China Morning Post*, March 4, 2018, Accessed, <<http://www.scmp.com/topics/belt-and-road-2017-summit>>.

12. The White House, "National Security Strategy of the United States of America," p. 46.

to utilize the BRI to establish new international standards and institutions different to western values, and this has stirred a debate between democracy and dictatorship.¹³ He suggests that the western world should propose alternatives to counter balance the BRI.

Fourth, China has been stretching its influence to the Indian Ocean. In November 2015, the China Overseas Port Holding Company acquired a 43-year franchise over Pakistan's Gwadar Port under the China Pakistan Economic Corridor (CPEC).¹⁴ China Merchants Ports Holding Company (CMPort) also signed a 99-year lease over Sri Lanka's Hambantota Port in July 2017. In addition, China also leased 16 Maldives islets and possibly will establish a maritime observation site with high military potential for logistics and submarine deployment at Makunudhoo Island.¹⁵

Moreover, Chinese navy's footprint has been reaching to Sri Lanka, Bangladesh and Myanmar, and gradually increasing its scope of influence to Pakistan and the Arabian Sea. China has been very cautious not to violate India's core interest in the Indian Ocean. However, voyages by the Chinese navy to the Indian Ocean have become a regular practice, which is gradually decreasing India's geopolitical influence in that area. Brahma Chellaney warns that China has basically changed the strategic landscape of the Indo-Pacific region

13. Matthew Strong, "German foreign minister slams China's 'One Belt, One Road,'" *Taiwan News*, February 18, 2018, <<https://www.taiwannews.com.tw/en/news/3366492>>.

14. "Pakistan hands over 2000 acres to China in Gwadar port city," *The Indian Express*, November 12, 2015, <<http://indianexpress.com/article/india/india-news-india/pakistan-hands-over-2000-acres-to-china-in-gwadar-port-city/>>.

15. "Exiled Maldives leader says Chinese deals on islands are 'land grabs,'" *South China Morning Post*, January 22, 2018, <<http://www.scmp.com/news/asia/south-asia/article/2130055/exiled-maldives-leader-says-chinese-deals-islands-are-land>>.

in the past decade and if the U.S. and its allies are unwilling to face the territorial and maritime challenges posed by China, China will then secure a strategic advantages by unilateral behavior in the next five years.¹⁶

III. The Quad and Japan's Role

In other words, the Indo-Pacific strategy is threat-driven security cooperation among like-minded maritime countries to promote a rules-based regional order. It is also a reaction to the rapid strategic and power structural changes characterized by China's assertive behavior in the region, which poses increasing challenges to the U.S. and its allies in the Pacific and Indian Oceans.

On November 12, 2017 the U.S., Japan, Australia, and India resumed the Quadrilateral Security Dialogue (Quad) covering freedom of navigation and overflight, respect for international law, maritime security, enhancing connectivity, and rule-based order in Asia. However, the dialogue did not produce any joint document but separate countries made individual announcements, which suggests that the four powers have different strategic priorities. Both the U.S. and Australia emphasized the security dimension of an open and free Indo-Pacific. India's announcement did not mention freedom of navigation or overflight, respect of international law or maritime security. Japan's announcement did not mention international connectivity.

Nevertheless, the Quad basically focuses on security perspectives and is the core to the Indo-Pacific strategy which is designed to contain

16. Brahma Chellaney, "A New Order for the Indo-Pacific," *Project Syndicate*, March 9, 2018, <<https://www.project-syndicate.org/commentary/china-indo-pacific-security-framework-by-brahma-chellaney-2018-03>>.

China's assertive behavior although it is still at a conceptual consensus-building stage and is not yet a systemic strategy. In general, the Indo-Pacific strategy aims to deepen bilateral, trilateral, minilateral, multi-lateral, and regional security cooperation. It has three layers of regional security architecture: 1. An alliance and partnership of the U.S., Japan, Australia, and India. 2. Functional security cooperation in improving interoperability and capacity-building especially in maritime security to protect rule-based regional order and freedom of navigation in both the Pacific and Indian Oceans. 3. Regional security cooperation with the Association of Southeast Asian Nations (ASEAN), the East Asia Summit (EAS), the ASEAN Regional Forum (ARF), and the ASEAN Defense Minister's Meeting Plus (ADMM+). In other words, the Quad is also an alternative effort by which the U.S.-Japan alliance can network its security structure to incorporate Australia and India in dealing with China's continuous challenges to the region.

From the Japanese perspective, the Indo-Pacific strategy and Quad cooperation are the best alternative in the face of challenges from a rapidly-rising China to the relative decline of U.S. leadership in the region. These challenges include China's unilateral and provocative, status-changing, and rule-changing actions in the East China Sea, South China Sea, and Indian Ocean. The Quad cooperation will largely facilitate and institutionalize Japan's maritime security cooperation with surrounding nations and allow Japan to play a leading role in the region. Moreover, Japan's Indo-Pacific strategy has a clearer vision and agenda shown in steps such as the Asia-Africa Growth Corridor (AAGC) proposed by Prime Minister Abe at the 2016 Tokyo-Africa Development Conference to help development and cooperation with nations in Southeast Asia and the Indian Ocean and compete with China's BRI.

In addition to bilateral security ties with the U.S., Australia,

India, and many other countries, Japan's strategic choice in vigorously promoting its Indo-Pacific strategy and networking with more strategic partners in the region also implies a hedging stance to avoid the dilemma of both abandonment and entrapment during a major power struggle between the U.S. and China, a stance which allows Japan more diplomatic and security maneuverability. It will also largely decrease the time and cost-pressure of regional security burden-sharing for Japan demanded by the U.S. and simultaneously elicit higher U.S. engagement in the region with collective structures.

Therefore, the Indo-Pacific strategy is not about forming an anti-China alliance of nations but a trilateral, functional and regional coalition against China's provocative actions, by joint exercises and training, capacity-building, and promoting regional communication platforms.

For example, Japan's efforts in establishing trilateral security cooperation include the U.S.-Japan-Australia Trilateral Information Sharing Agreement in October 2016, the U.S.-Japan-India Foreign Minister's Meeting in September 2016, Humanitarian Assistance and Disaster Relief (HADR) training at the U.S.-India annual Malabar joint exercise, the Japan-Australia-India Vice Minister's Meeting in 2015. Engaging in joint military exercises would increase the Japan Maritime Self-Defense Force's interoperability for dissimilar aircraft combat tactics, cross deck landing by aircraft and helicopters, combat air patrol, air defense exercises, combined anti-submarine exercises, with partner navies in strengthening Maritime Domain Awareness (MDA) capacity with the surrounding nations along its the Sea Lanes of Communications (SLOCs).

In addition, the Quad has no particular institutional norm and is exclusive in nature. It is designed to promote further institution-

alization via bilateral and trilateral security cooperation with the first layer of cooperation being a functional approach and the second layer regional cooperation. Consensus-based decision making and principles of non-intervention allow the Quad to skip confidence-building measures and preventive diplomacy among the four members, and to focus more on an elaboration of approaches to conflict.

In terms of functional cooperation for its Indo-Pacific strategy, the Quad currently has focused on addressing non-traditional security threats, focusing especially on the joint promotion by the U.S., Japan, and Australia of capacity-building in Southeast Asia. Japan has agreed to provide the Philippines with ten patrol vessels in 2013 and two more large patrol vessels and five TC-90 patrol planes in 2016. Japan also reached a Defense Equipment Transfer Agreement with the Philippines in February 2016. The U.S. and Australia donated \$42 million under the Southeast Asia Maritime Security Initiative in 2016, and provided a C-130 transport aircraft, coastguard cutters, and two decommissioned heavy landing craft. In traditional security, Japan also tries to help expand the Rim of the Pacific Exercise (RIMPAC), the U.S.-Thailand Cobra Gold exercise, and the U.S.-Philippines Balikatan exercise to the Indo-Pacific region.

In regional cooperation over the South China Sea disputes, the Quad and the Indo-Pacific strategy provide a hedging function to avoid the risk of overreliance on ASEAN's incrementalism and opportunities for confidence-building among all the regional countries, which allows ASEAN's central board to provide venues for meetings by, for instance, conveniently hosting summit and ministerial meetings.

In addition to all the efforts carried out by the U.S. and Japan, India and Australia also play critical roles in realizing and enriching the Indo-Pacific strategy in containing China's assertive actions. With

India's rapid increase of national power and intense border disputes with China, the U.S. welcomes India to become a responsible regional power and stronger defense partner in containing the rise of China. Therefore, the U.S.-India Major Defense Partnership has become the cornerstone for Trump's Indo-Pacific strategy. US-India security relations have progressed largely after Modi took office. Former U.S. Defense Secretary Ashton Carter visited India in 2015 and signed a Defense Cooperation Framework Agreement with India covering security cooperation in 15 fields including simplifying the procedure to transfer U.S. military technology to India and strengthening bilateral cooperation in defense production.¹⁷ When Modi visited the U.S. in 2016, India became the first Major Defense Partner, with a quasi-alliance to the U.S. Under the U.S.-India Defense Technology and Trade Initiative (DTTI), the two nations have been starting joint R&D in aircraft carriers, jet engines, and next generation helicopters.¹⁸ During Abe's visit to India in September 2017, India and Japan signed 15 agreements to broaden their strategic partnership, which largely enriches the Indo-Pacific strategy.¹⁹

Recently India also tried to implement the Indo-Pacific strategy by inviting ASEAN leaders to attend India's Republic Day in January 2018. India along with ASEAN nations also announced the Delhi

17. Jim Garamone, "U.S., India Sign 10-Year Defense Framework Agreement," June 4, 2015, *U.S. Department of Defense*, <<https://www.defense.gov/News/Article/Article/604775/>>.

18. U.S. Embassy and Consulates in India, "U.S.-India Defense Relations Fact Sheet, December 8, 2016," December 8, 2016, *U.S. Embassy and Consulates in India*, <<https://in.usembassy.gov/u-s-india-defense-relations-fact-sheet-december-8-2016/>>.

19. Ministry of Foreign Affairs of Japan, "Prime Minister Abe Visits India (September 13-15, 2017)," September 14, 2017, *Ministry of Foreign Affairs of Japan*, <http://www.mofa.go.jp/s_sa/sw/in/page3e_000731.html>.

Declaration which clearly supports the Declaration on the Conduct of the Parties in the South China Sea (DOC) and the Code of Conduct in the South China Sea (COC).²⁰ The joint document also emphasizes the importance of resolving all maritime disputes through the Expanded ASEAN Maritime Forum (EAMF). It is considered as India's attempt to cooperate with ASEAN in containing China's rapid expansion in both the Pacific and Indian Oceans. On March 6, 2018, India also hosted the biannual MILAN 2018 joint exercises with the participation of 16 navies from the Indo-Pacific region, including the navies of Australia, Malaysia, New Zealand, Vietnam, Thailand, Singapore, and Indonesia.²¹ This joint exercise demonstrates that India wants to improve its capacity in organizing regional naval capacity in containing China's increasing activities in the Indian Ocean.

Australia considers Southeast Asia as the main battlefield for competition between China and the U.S.. The Australian government's *2017 Foreign Policy White Paper* emphasizes: "Southeast Asia sits at a nexus of strategic competition in the Indo-Pacific."²² "In parts of the Indo-Pacific, including in Southeast Asia, China's power and influence are growing to match, and in some cases exceed, that of the United States. The future balance of power in the Indo-Pacific will largely depend on the actions of the United States, China

20. ASEAN, "Delhi Declaration of The ASEAN-India Commemorative Summit to Mark The 25th Anniversary of ASEAN-India Dialogue Relations," January 25, 2018, *ASEAN*, <<http://asean.org/delhi-declaration-of-the-asean-india-commemorative-summit-to-mark-the-25th-anniversary-of-asean-india-dialogue-relations/>>.

21. Indian Navy, "MILAN 2018," March 2018, *MILAN 2018*, <<https://milan18.org/>>.

22. Australian Government, *Opportunity, Security, Strength: The 2017 Foreign Policy White Paper* (Canberra: Department of Foreign Affairs and Trade, 2017), p. 43, *Australian Government*, <<https://www.fpwhitepaper.gov.au/foreign-policy-white-paper>>.

and major powers such as Japan and India. The responses of major Southeast Asian states, such as Indonesia and Vietnam, will also be important.” Prime Minister Malcolm Turnbull stresses in the foreword of the White Paper that Australia will increase its effort to become a leading security and economic partner for Southeast Asia to ensure an “open, inclusive and prosperous Indo-Pacific region, in which the rights of all states are respected.”

Specifically, Canberra is involved in the Indo-Pacific region in four main ways. 1. Australia will increase its investment in maritime security capacity building with Southeast Asian nations such as the Philippines. 2. It will strengthen its MDA and protection of maritime environment training with its Southeast Asian partners. 3. It will work with the regional forums such as the EAS and the Indian Ocean Rim-Association for Regional Cooperation (IOR-ARC) on major maritime issues. 4. It will conduct joint naval exercises and MDA training with India and other Indian Ocean partners such as Sri Lanka on maritime security. In addition, Prime Minister Turnbull visited Japan and reached several agreements with the government in January 2018, including for joint exercises and operations, capacity building, intelligence exchange, the supply of defense equipment and the entry into force of the 2017 Acquisition and Cross-Servicing Agreement (ACSA). Both countries also agreed to the establishment of a Special Strategic Partnership and Trilateral Strategic Dialogue with the U.S.²³

²³ Ministry of Foreign Affairs of Japan, “Joint Press Statement Visit to Japan by Australian Prime Minister Turnbull,” January 18, 2018, *Ministry of Foreign Affairs of Japan*, <<http://www.mofa.go.jp/files/000326262.pdf>>.

IV. Challenges and Limitations

Both the Indo-Pacific strategy and Quad cooperation are still at an early stage of coordination, thus five major challenges and limitations are to be expected.

1. Trump and the Leadership of the U.S.A.

U.S. leadership is the key to the success of the Indo-Pacific Strategy. The U.S. needs to increase its commitment and resources to its partners and allies for maintaining free and open sea lanes of communication, transparent infrastructure projects and reasonable financial schemes. Disputes should be solved peacefully by law. However, Trump's 2017 NSS is the only document in the past 17 years that did not mention protection of U.S. allies, which might demonstrate a strategic retraction contradicting the new Quad structure. In addition, Trump's America First principle might cause anxiety and distrust to its allies, especially on trade and economic issues, *i.e.* Trump's withdrawal from the Trans-Pacific Partnership (TPP) on January 23, 2017 and from the Paris Climate Agreement on June 1, 2017.

2. Domestic Politics and Structural Problems

The complex of domestic politics in each Quad nation is the most uncertain part about the future of the Indo-Pacific strategy. This is especially true for India. In addition, the Indo-Pacific strategy does not fully comply with Trump's America First principle and this inconsistency might be amplified by the incoming elections. In the short term, the U.S., Japan, Australia, and India need to consolidate and institutionalize the Quad Dialogue in order to produce concrete consensus, based on which it can further develop into a regional institution to incorporate more regional actors for policy coordination to jointly maintain a free and open regional order. In addition, strategic relations between Australia and India might be the biggest structural

problem for the Indo-Pacific strategy.

Moreover, the Indo-Pacific strategy focuses on threats from China and is not able to form a feasible solution to the North Korea issue. China could manipulate North Korean issues to largely weaken the practicalities and utilities of the Indo-Pacific strategy. Therefore, North Korea has become the most important strategic leverage by which China can deal with the Indo-Pacific strategy.

3. Lack of an Economic-Trade Pillar

The Indo-Pacific strategy lacks an economic-trade pillar, especially after Trump decided to withdraw from the TPP and insist on bilateral trade negotiations, in which the U.S. loses a chance to set standards and regulations in making a regional economic-trade order. Japan has secured the TPP and transformed it into the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and has been waiting for Trump to change his mind.

Trump's rejection of multilateral trade cooperation and failure to see the strategic implication of regional trade institutions might largely weaken the foundations of the Indo-Pacific strategy and cause difficulties in containing China's increasing influence owing to its BRI projects in the region. China will become more aggressive in pushing BRI projects to increase its influence and strategic advantages regionally and globally. Therefore, the Quad will have difficulty in competing with China's BRI and will not be able to become a reasonable alternative for countries seeking assistance for their infrastructure in the region.

In addition, the Indo-Pacific strategy does not have a framework in integrating APEC, the CPTPP, and the Regional Comprehensive

Economic Partnership (RCEP). Likewise, the Indo-Pacific strategy does not have a common framework for political and security communication such as ASEAN. The Indo-Pacific strategy needs an agenda to link and integrate itself to existing international projects such as Japan-India's Asia-Africa Growth Corridor (AAGC), also known as the Freedom Corridor. The AAGC was designed to increase both countries' influence in both Africa and the Indian Ocean to compete with China's BRI. The Indo-Pacific strategy should consider integrating the AAGC as one of its economic-trade pillars in the near future. Moreover, the Indo-Pacific strategy should reconsider its approach to non-Quad nations since China has become the largest or major trade partner for almost all the countries in the region. Therefore the Indo-Pacific strategy should adopt a more practical approach to engaging other nations and avoid picking sides.

4. Divergent Threat Recognition and Strategic Interests

Although both Japan and Australia hope that the U.S. will increase its influence and commitment in the Indo-Pacific region, yet they differ in their support for a concentration of the role of the U.S., which might have a negative impact on bilateral cooperation between Japan and Australia. Australia focuses more on overall regional stability while Japan emphasizes imminent issues more, such as North Korea's nuclear threats and China's current challenges in the East China Sea. The difference of the threat perception by Japan and Australia might impede further security cooperation and progress.

In addition, Australia is worried that its participation implies picking sides with the U.S. to contain China. Australia also doubts India's frequent swings and uncertain strategic position. Australia has very high economic dependence on China and tends not to confront China directly. Trilateral security relations among the U.S., Japan,

and Australia have been established for a long time. However, Australia is very cautious about India's frequent switches of its strategic position. Prime Minister Modi's determination cannot guarantee India will maintain a long term commitment to Quad cooperation.

On the other hand, the Indian government tends to believe the U.S. puts more weight on its relations with China than with India. Therefore the U.S. has adopted a more prudent approach to U.S.-India relations. The two nations signed a Joint Strategic Vision in 2015 to deepen their strategic cooperation and partnership. However, Trump's official reaction to the June 2017 Doklam confrontation between India and China was very cautious; he asked the two parties to resolve their dispute peacefully. This particular event demonstrates that the U.S. gives higher priority to U.S.-China relations than to U.S.-India relations and has triggered hesitancy by the Indian government in pushing for further cooperation with the U.S.. Finally, the U.S., Japan, and Australia have already formed security alliances while India still wants to maintain high security and strategic autonomy and still refuses to establish a formal alliance with the U.S. and only conducts very limited naval cooperation with Australia.

5. External Problems

Trump's Indo-Pacific strategy aims to establish minilateral relations and intentionally avoid existing multilateral institutions such as ASEAN. The U.S. hopes to establish minilateral relations with a few particular nations for higher coordination flexibility and efficient cooperation, and intentionally avoid existing multilateral institutions such as ASEAN to avoid China's influence within these multilateral institutions. However, this might trigger caution in ASEAN nations who worry that Southeast Asia might become the main battlefield for a major power struggle.

China's increasing influence in the region is making it very difficult for the Indo-Pacific strategy to succeed, especially given China's relations with the members of the Quad. China has become the largest trade partner to the U.S., Japan, Australia, and India. Australia is the only country a running trade surplus with China among the Quad. In other words, the Indo-Pacific strategy will not be able to exclude China's influence in the region. Therefore, the Quad's relations with China will determine the future development of the Indo-Pacific strategy. The Indo-Pacific strategy should not ask regional nations to pick sides for almost all have very close trade relations with China. The Indo-Pacific strategy should propose an issue-oriented approach to encourage collaboration among regional nations so as to maintain stability and prosperity in the region.

V. Strategic Implications

In sum, there are several tentative conclusions to be drawn from the development and challenges of the Indo-Pacific strategy. First, the Indo-Pacific strategy will increase security risks to China's sea lanes of communication in terms of strategic and trade passages as China's foreign trade relies up to 90% on maritime transportation of which 75% is crude oil going through the Indian Ocean and Strait of Malacca. In other words, the Indian Ocean and Strait of Malacca are a lifeline for China while the U.S. has 7 major military bases in both the Pacific and Indian Oceans. Second, the Indo-Pacific strategy discusses regional infrastructure projects and might not be able to compete with China's BRI in the short term. However, it might still generate very high pressure for China since more and more countries are starting to feel cautious about China's aggressive stance.

Third, the Indo-Pacific strategy indicates a transformation of the traditional hub-spoke ally policy of the U.S. in the region including

of the U.S.-Japan alliance. Institutionalization of security cooperation in respective triangles complements the effort of networking within U.S. hub-spoke alliances. Current development of Quad demonstrates a threat-driven, minilateral, functional and regional security architecture focusing on containing China's provocative behavior. Fourth, the Quad will help to improve deterrence by enhancing cooperation between U.S.' allies and strategic partners, especially in protecting SLOCs by the expansion of functional cooperation *i.e.* capacity-building in Southeast Asia and addressing non-traditional security threats. In addition, the Quad helps to hedge the risk of overreliance on ASEAN's central board.

Fifth, the Indo-Pacific strategy and Quad will allow Japan to hedge the risk from its alliance dilemma and be in line with Japan's own security policy and public opinion in supporting the U.S.-Japan alliance. It will also enhance Japan's security cooperation with Australia and India and elicit U.S. engagement in the region. The Quad approach also fits Japan's current security needs to gradually increase its military roles and investment since it is very difficult for Japan to increase its military capacity in the short time or to stand up to China's security challenges alone. Sixth, the Indo-Pacific strategy and Quad approach also formally mark the decline of U.S. leadership and the termination of the U.S. single-domination in the region. It also shows the U.S.' cost-effectiveness calculation in rebalancing the rapid rise of China by networking with India and Vietnam.

Seventh, the Quad should integrate Taiwan and Vietnam as additional members in order to deal with security issues in the region. However Korea, the Philippines, Thailand, and Indonesia might be hesitant in participating in the Quad because of their high economic dependency on China. The U.S. should actively incorporate Taiwan into its regional dialogue mechanism including in Quad dialogue at

the administrative level. The U.S. should start to reevaluate its outdated Taiwan policy and One China Policy in order to better meet the rapid rise of China. The U.S. Assistant Secretary of Defense for Asian and Pacific Security Affairs, Randall Schriver, argued that the U.S.' Taiwan Policy has been trapped by an outdated 1979 framework.²⁴ China today has become an almost equal strategic competitor of the U.S. and is preparing and is willing to solve the Taiwan issue through military means by deterring or defeating the U.S. military projection in this area.

²⁴“Schriver eyes deeper US-Taiwan ties,” *Taipei Times*, November 18, 2017, <<http://www.taipeitimes.com/News/front/archives/2017/11/18/2003682471>>.

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