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Australia's Contentious Strategy in the South China Sea

BY ORRIE JOHAN

Considerable disagreement persists over an ideal Australian policy response to China's actions in the South China Sea (SCS). In recent days, the Opposition Defense Minister from the Labor Party challenged current government policy by arguing that Australia should begin staging freedom of navigation exercises (FONOPs) in the fiercely contested South China Sea. This view was criticized not only by senior figures in the current government, which holds a razor-thin parliamentary majority, but also by a number of highly influential former leaders of the Labor Party. Australia does not have a direct sovereignty stake in the territorial disputes in the South China Sea. However, as an island nation which is heavily reliant on regional and global trade, Australia's economic and military security are reliant on the region remaining stable and open.

Australia's approach to the SCS is also shaped by its relations to the region's major players, each of which has differing views of how they would like Australia to engage in the South China Sea. Australia has traditionally relied on the U.S. as its primary ally to protect against external threats and the two countries share strong cultural, economic, and defense ties. But U.S. dominance in the Asia-Pacific region and the stability which it has provided is increasingly challenged by China's rise. Australia's economic prosperity relies heavily on China's rapid economic growth to sustain demand for Australian exports—particularly natural resources and services.

Australia faces expectations from the U.S. to assist its efforts to uphold the current regional order. These efforts include support for arbitration cases like that of the Philippines and conducting FONOPs in disputed areas. From China, Australia faces pressure to refrain from challenging China's approach of using unilateral or bilateral means to resolve many of these disputes. This would undoubtedly include Australia refraining from conducting U.S.-style FONOPs.

Australia's domestic debate on how to respond to China in the South China Sea is mostly dominated by two competing schools of thought. The first is that Australia should stay in lock-step with the U.S. in challenging China's unilateral moves in the South China Sea, while the second group recommends supporting the U.S.'s position, but moderating Australia's responses at the same time to avoid Chinese repercussions. Proponents of each view can be found in both the left-leaning Labor party and the right-leaning Liberal party, as can be seen by the criticism of the Opposition Defense Minister's recent comments from figures linked to both major parties. The question of whether Australia should participate in U.S. FONOP exercises or even conduct its own represents one of the major fault-lines between these two camps. An additional minority view held by the Greens party and some others proposes reducing Australia's ties with the U.S. Public opinion in Australia meanwhile has strongly positive views of both the U.S. and of China.

Orrie Johan, researcher at the East-West Center in Washington, explains that "Australia does not have to choose between the U.S. and China. Turnbull seems to be following this approach by showing the U.S. that it supports American freedom of navigation operations and by showing China that Australia will not participate in any FONOPs itself."

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Supporters of Australia's participation in FONOPs tend to emphasize the importance of the U.S. alliance to Australia and the threat of Chinese unilateralism to Australia's strategic neighborhood. They maintain that Australia relies on the U.S. not only for its security from external attack, but also to maintain the stability of the region and the international law regime that secures Australia's economic trade. They argue that Australia should firmly support the U.S. in its dealings with China and should conduct FONOPs because doing so furthers both Australian and U.S. interests. They also argue that Australia has the capabilities to conduct FONOPs, as U.S. FONOPs have used just a single ship in the past. Australia could spare a P-3 Orion aircraft or a frigate for this purpose. Support for this view predominately comes from Australia's defense and security communities and is also supported by senior figures in both major Australian political parties.

The mainstream opponents of FONOPs agree on the importance of the U.S. alliance to Australia, but they also emphasize China's importance to Australia and focus on potential risks from Chinese retribution to an Australian FONOP. Australia's economy relies heavily on China and the Chinese government has punished other countries economically for taking stances which China strongly opposes. Opponents to FONOPs often also argue that Australia supports the U.S. in other ways and that it does not make sense for Australia to conduct FONOPs since no country other than the U.S. has conducted them thus far. This group supports increased flexibility within the U.S.-Australia alliance when cooperation would affect relations with China. Support for this perspective predominately comes from Australia's diplomatic and business communities, as well as senior figures in both major Australian political parties. A minority of members of Australia's defense community supports it as well.

The Australian government's actions in the South China Sea thus far fall in the "flexible alliance" camp. Prime Minister Turnbull has built stronger security ties with regional neighbors like the Philippines and Vietnam, a trend which the U.S. and other regional powers support as a way of preserving the rules-based regional order and reducing China's unilateral leverage in the region. His government has also voiced support for U.S. FONOPs in the South China Sea and has been one of the few countries that has consistently and openly supported the Philippines' use of an arbitration tribunal to challenge China's claims in the SCS, despite Chinese opposition to both measures. However, the Turnbull government has thus far decided not to conduct a freedom of navigation operation close to disputed islands in the South China Sea, indicating that they believe such an action risks escalating tensions with China. While Australian military forces periodically patrol the South China Sea in the name of regional stability and intelligence gathering under Operation Gateway, Australian forces thus far have not publicly traveled within the limit of territorial waters that China claims in order to replicate U.S. FONOPs. Instead the Turnbull government has stated its support for a diplomatic approach to encourage China to compromise.

Australia is not facing a binary choice between a security partner (the U.S.) and an economic partner (China); the U.S. is a major economic partner for Australia as well. Australian prime ministers over the last two decades have therefore often stated that Australia does not have to choose between the U.S. and China. Turnbull seems to be following this approach by showing the U.S. that it supports American freedom of navigation operations and by showing China that Australia will not participate in any FONOPs itself. If Turnbull remains in office, then this policy is unlikely to change unless Australia begins to feel that Australian civil and military assets risk losing their ability to travel safely through the South China Sea.

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