

SPOTLIGHTS

LKI's *Spotlights* feature interviews with global thought leaders on aspects of contemporary international relations.

Australia's Foreign Policy Objectives and Challenges with Dr. Darren Lim

Interviewed by Malinda Meegoda*

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The Lakshman Kadirgamar Institute of International Relations and Strategic Studies (LKI) recently interviewed Dr. Darren Lim, Senior Lecturer at the Australian National University (ANU), to discuss Australia's increasing pivot to the Indian Ocean region, and other foreign policy-related security and governance issues.

This interview is part of the LKI Spotlight series, which features interviews with thought leaders around the world on current and emerging issues of international relations.

Dr. Lim researches and teaches in the field of international relations, at the intersection of international political economy and international security. His major research interests focus on geoeconomics, grand strategy in the context of power transitions and international order, and the Indo-Pacific region. Dr. Lim also co-hosts a podcast called Australia in the World.

See below for a lightly edited transcript of the interview, featuring Dr. Darren Lim's responses to questions posed by Malinda Meegoda, Research Associate at LKI.

LKI: At the 2019 <u>Raisina Dialogue</u>, India's flagship geopolitical conference, Australia's Foreign Minister Marise Payne <u>noted</u> that "*the peaceful and open character of the Indian ocean is a vital national interest for Australia*." What are the current priorities of Australia's foreign policy in the Indian Ocean with reference to the Indo-Pacific?

Dr. Lim: As the Foreign Minister pointed out, Australia has a very large <u>Exclusive Economic Zone</u> (<u>EEZ</u>), and the largest search and rescue zone of any Indian Ocean littoral state. Furthermore, over half of our exports leave from Indian Ocean ports and half of our trade crosses the Indian Ocean. So, we have specific interests in the Indian Ocean region (IOR), and I think it was natural in terms of foreign policy evolution to broaden Australia's regional strategic frame from the Asia-Pacific to include the Indian Ocean.

Australia's vision for the IOR is very similar to our vision in the Asia-Pacific; a stable, secure and prosperous region. Our foreign policy has long been built upon three core pillars; the first is our alliance with the US, the second is active and vigorous engagement with our region, and the third is the promotion of and participation in a rules-based order. Our IOR strategy does not depart from these continuities. In particular, strengthening regional architecture to solve problems and foster cooperation is on our agenda, and is achieved through institutions like the Indian Ocean Rim Association (IORA). It can also be attained through other coordinated or multilateral responses, for example, maritime awareness, safety and security initiatives with Sri Lanka. As a "middle power," we understand the best way for us to shape our external environment and take some agency over our role in the world is through a rules-based order. We will never have the material resources to influence most outcomes directly; it's typically via institutional and multilateral frameworks that we can make a substantial contribution. It is front and center of our foreign policy objectives in the IOR as it creates an architecture that will allow us to participate and to have our voice heard. Sri Lanka is in a similar position-you're never going to be a major player due to your size—and thus it is the promotion of and vigorous participation in multilateral mechanisms through which you can take some agency over the process. Having said all that, my major takeaway from the Foreign Minister's speech is that Australia also sees India as a vital strategic anchor-indeed a leader-in the region, and therefore that cooperation with India will be central to our approach.

LKI: How do you assess Japan's efforts to engage India and Australia in implementing the <u>Indo-</u><u>Pacific</u>?

Dr. Lim: Japan's agenda for the IOR is very positive and forward-leaning, for two reasons. One, because it does have a development focus, so there's recognition that economic development is a key priority for Indian Ocean nation-states. Two, Tokyo's vision for a regional order—a <u>Free and Open</u> <u>Indo-Pacific</u>, a formulation of Prime Minister Abe—is consistent with Australia's emphasis on rules-based order.

In an era where America's role as a leader in the Indo-Pacific is under increasing strain (both internally and externally), it is refreshing to see Japan put forward a positive vision. On the specific question of cooperation with India and Australia, I see an increasing convergence of strategic interests. In the communiques that came out of the trilateral meetings between the three countries, there is an emphasis on a rules-based order and increasing security cooperation in areas like <u>Maritime Domain Awareness</u>. While there's a lot of additional commentary about how much more can be done by bringing in the US through the <u>quad process</u>, that is still very much in its infancy. What we are seeing is the initial steps that simply reflect the changed strategic circumstances. Overall, I think Japan is playing a positive role and I am impressed by their efforts.

LKI: Among the <u>Five Eyes</u> intelligence alliance countries (United Kingdom, United States, Australia, Canada, and New Zealand), the UK remains the only country that has not banned Huawei's 5G network technology. Will this create potential fissures within the five eyes alliance?

Dr. Lim: We discussed this issue in a <u>recent episode</u> on my own podcast, Australia in the World, recently. It is a very fraught question because as you rightly point out, Australia has chosen not to allow Chinese companies to participate in the building of <u>5G</u> infrastructure. New Zealand, the US and Canada have essentially made the same decision and there seems to be at least a consensus among those four countries on how risks inherent in the technology (which itself is very complicated), interact with the risks that stem from the relationship between Chinese companies and the Chinese government. It was a vigorous debate in Australia, with the intelligence and the national security argument winning out. Acknowledging that I have zero insight into the specific intelligence that guided these decisions, to me it is not a black and white question, but one upon which reasonable minds may differ. Moreover, even if there is more uniformity in intelligence and national security assessments, how these are balanced against competing interests, such as economics, diplomacy and, yes, even the risk of retaliation, is not uniform across countries. Europe, for example, faces a different set of tradeoffs and a different strategic context to the those faced by the US and Australia.

On the other hand, the efforts of the Trump administration to try and pressure its partner countries in Western Europe does not seem to be very well advised or successful. These remind me somewhat of the pressure the Obama administration was reportedly placing on governments to refrain from joining the Asian Infrastructure Investment Bank (AIB). Arguably, the concerns here are more concrete and identifiable but, nevertheless there is a failure to read the broader diplomatic context in an era where the Trump administration has been more critical of its friends than its adversaries and increasingly disinterested in supporting existing alliances. To be taking a coercive approach by saying "we will not cooperate with you if you go down this path" seems wholly counter-productive. And even if Chinese participation was limited, this would not completely solve the problem—there would be numerous challenges in securing these networks. It's a very complex debate. There is real competition between China and the West on developing technology, and we're fumbling our way in trying to work out the

best path forward in managing the risks while allowing the benefits of the new technologies to flow to nation-states.

LKI: Australia is one of the leading exporters of coal, with its total exports in 2018-19 projected to reach <u>USD 60.8 billion</u>. How can Australia keep its <u>Paris Climate Agreement</u> commitments, and manage its resource economy in a responsible manner?

Dr. Lim: While outside my area of expertise, to me this debate is strongly shaped by Australia's domestic politics. The current conservative coalition government is more comfortable with fossil fuels and more positive in its public statements about coal. The opposition Labor party is certainly more skeptical, and is more willing to intervene to foster the development of renewable energy. We have an election coming up and if Labor wins, you would expect a greater focus on renewables.

But we can't escape the fact that coal is currently our largest export earner, followed by iron ore. Our challenge is not just whether we can meet our Paris commitments with the current export mix, but the broader point is that the world is orienting towards a lower carbon future. Whether or not it is international treaty commitments, or just market forces, our future as an exporter of fossil fuels is a limited one. China and India already face domestic pressures to reduce their imports of coal. I think the prudent view is to be skeptical of it as a future export earner and plan accordingly. At the end of the day, both sides of Australian politics are committed to meeting our Paris Agreement commitments. The real debate needs to be around how global energy markets are going to evolve and how we can manage that transition over the coming decades.

Further Readings

Bhaskar, J., N. (2019). *Australia–India ties: closing the gap between intent and action*. The Interpreter. [Online]. Available at: <u>https://www.lowyinstitute.org/the-interpreter/australia-india-ties-closing-gap-between-intent-and-action</u>

Kennedy, B., A. and Lim, J., D. (2018). *The Innovation Imperative: Technology and US–China Rivalry in the Twenty-first Century*. International Affairs. [Online]. Available at: <u>https://academic.oup.com/ia/article/94/3/553/4992406</u>

Waidyatilake, B. (2019). *A New Role for Sri Lanka in Asia's Changing Geopolitics?* Lakshman Kadirgamar Institute Policy Brief Series. [Online]. Available at: https://www.lki.lk/publication/a-new-role-for-sri-lanka-in-asias-changing-geopolitics/

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