

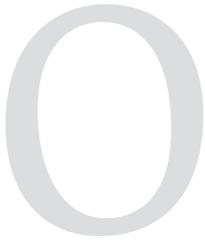
The Quadrilateral Security Dialogue and the Maritime Silk Road Initiative

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THE ISSUE

- **Major geopolitical shifts in the Asia-Pacific in the last decade have led to a revitalization of the Quadrilateral Security Dialogue** between India, Japan, Australia, and the United States first established in 2007-2008.
- **China's expanding maritime strategy and increasing assertiveness** in land reclamation and territorial claims have been a key driver of a strengthening alignment among the Quad members.
- **China's Maritime Silk Road Initiative (MSRI) offers unique concerns to each member:**
 - India fears encroachment on its zone of strategic interest as well as encirclement from Chinese projects in Pakistan.
 - Japan is wary of China's ability to influence the energy supply chains on which East Asia depends.
 - Australia is concerned that China's project aid could render fragile states more vulnerable to coercion.
 - The United States is seeking a way to counteract Chinese influence, particularly in the vacuum left by U.S. withdrawal from the TPP.
- **While an official meeting of the Quad in November 2017** included key issues like freedom of navigation, maritime security, and respect for international law, official readouts of the meeting differed, suggesting that strategic geography, threat perceptions, and dynamics vis-à-vis China vary among the parties.
- **Notwithstanding these challenges, the interests of the Quad countries are converging**, and this underlying structural dynamic provides a strong foundation on which the member countries can build an agenda for regional cooperation.



On the sidelines of the November 2017 East Asia Summit in Manila, the Philippines, officials from the United States, Japan, India, and Australia met to **reestablish and re-conceptualize the Quadrilateral Security Dialogue (or Quad)**. These

states originally came together as the “Core Group” to provide urgent humanitarian assistance in the aftermath of the 2004 Indian Ocean tsunami disaster. They then met formally **just once** as the Quadrilateral Security Dialogue in 2007 before newly elected Australian Prime Minister Kevin Rudd **directed** Foreign Minister Stephen Smith to **withdraw from the nascent dialogue**. Attempts by subsequent Australian governments to build strategic trust with India and repair the damage to the emerging Australia-India security relationship **were often rebuffed**.

The reestablishment of the Quad a decade later points to tectonic shifts in the geopolitics of the region and in the Asia policies of the members of the original Quad. Having resigned suddenly in 2007 after only a year in office, Japanese Prime Minister Shinzo Abe—a consistent proponent of a “free and open Indo-Pacific” strategic concept—has mounted a highly successful return to office since 2012 and has emerged as a key leadership figure in the region. The Obama administration announced the U.S. “Rebalance to Asia”, and the Trump administration has officially labeled China as a strategic competitor to the United States. **Ambivalence in India about closer strategic ties with the United States** under Prime Minister Manmohan Singh has been replaced under his successor Narendra Modi **by a commitment to strengthen the U.S.-India security relationship** as pressure over China’s influence in the Indian Ocean region increased. In Australia revelations of Chinese interference in domestic politics and higher education and Beijing’s increasing international assertiveness have triggered increasing public concern and more forthright government moves to counteract growing Chinese influence in the region—including by rejoining the Quad.

China’s expanding maritime strategy and the increasing assertiveness of its land reclamation and territorial claims in disputed areas in the South and East China Seas over the past decade have been a key driver of this strengthening alignment among the Quad members. Undaunted by the international arbitration judgment invalidating many of Beijing’s legal claims in the South China Sea or by international pushback, President Xi Jinping has outlined an ambitious regional maritime agenda, encouraging Southeast Asian states to assist

China in building a **twenty-first-century Maritime Silk Road** (MSR) to complement an overland Silk Road to be built with Central Asian partners. Additionally, the **Chinese Military Strategy White Paper**, released in May 2015, declared that the People’s Liberation Army Navy (PLAN) would “gradually shift its focus from ‘offshore waters defense’ to the combination of ‘offshore waters defense’ with ‘open seas protection,’” requiring enhanced power-projection capabilities already evident in increasing patrols of the Indian Ocean by PLAN surface task groups and submarines. As with the overland Silk Road, establishing the Maritime Silk Road involves significant investments in both economic and security-related infrastructure around the Indian Ocean littoral, including in countries such as Burma, Pakistan, Sri Lanka, the Maldives, and Djibouti. Often these activities involve **predatory lending** practices that feed corruption and domestic political and social divisions, contributing to wider regional concerns about China’s long-term intentions. The revival of the Quadrilateral Security Dialogue needs to be understood in this wider geopolitical context.

INDIA

The Modi government’s opposition to the Maritime Silk Road Initiative reflects two interlocking concerns. The **first is that** it perceives the MSRI as a means to extend Beijing’s strategic influence deep into India’s zone of strategic interest. Reinforcing India’s concern are the efforts of the Chinese government to **partner with regional institutions** over which China exerts significant influence. The **second concern** relates to India’s tense relationship with Pakistan. New Delhi views both aspects of the Silk Road Initiative—the maritime and overland routes—as attempts to “encircle” India. Compounding this concern is the Chinese development of the Gwadar Port, a deep-sea port in the Southwest Balochistan Province of Pakistan. Close to the critical energy lanes from the Persian Gulf and the hydrocarbon-rich states of Central Asia, Gwadar is intended to form a natural link between the overland and maritime components of the Chinese Belt and Road strategy. In addition, elements of the overland Silk Road pass through disputed territory in the Kashmir region—leading to Indian reservations on the grounds of perceived threats to sovereignty and territorial integrity. Although Gwadar is touted as a commercial project (as indeed are all the investments connected to the Belt and Road initiative), the increasing Chinese military presence in the Indian Ocean raises questions about this assertion.

JAPAN

Japan's concerns about the MSR initiative relate mostly to the risk it could be employed to limit or block energy shipments to East Asia. Japan imports some **90 percent of its energy**, leaving it highly vulnerable to supply-chain disruption. As noted above, the Gwadar Port project is intended to function as a link between the continental and maritime strands of the Belt and Road strategy. China has already shown preparedness to exploit Japan's dependence on **imported rare earths in pursuit of its political objectives**. This precedent suggests it is not implausible that Beijing could seek at some point in the future to play to Japan's energy insecurity by **routing a larger proportion of energy supplies through the Gwadar Port**, ultimately to be stored or resold by China, **limiting the amount of energy** that passes through the Strait of Malacca. Japan's sensitivity to this vulnerability can be seen in the **comments of former Vice Foreign Minister Akitaka Saiki** that Japan sees no difference regarding security issues in the Indian Ocean, Pacific Ocean, South China Sea, or East China Sea. It is also a factor in Japan's active effort to maintain and diversify its access to facilities and resources, such as its partnership with India to create the Asia-Africa Growth Corridor, which aims to promote development and connectivity between Africa and Asia for "**realizing a free and open Indo-Pacific**." Indeed, at the 2016 Tokyo International Conference on African Development in Nairobi, Kenya, **Prime Minister Abe stated**, "Japan bears the responsibility of fostering the confluence of the Pacific and Indian Oceans and of Asia and Africa into a place that values freedom, the rule of law, and the market economy, free from force or coercion, and making it prosperous." The 2016 conference in Nairobi was the first in the series to be held outside Japan. Not coincidentally, Kenya is home to the Port of Mombasa, the only international port in Kenya, the **largest port** in East Africa, and a key target for the Maritime Silk Road.

AUSTRALIA

In 2011 **President Barack Obama addressed the Australian Parliament, declaring that** the United States was a Pacific power and "here to stay"—underlined by the announcement that U.S. Marines and military aircraft would henceforth rotate through bases in northern Australia. Three years later, during a visit to Australia to attend the Brisbane G20 Summit and finalize a bilateral free-trade agreement, **President Xi Jinping told the same Parliament**, "Oceania is a natural extension of the ancient maritime Silk Road, and China welcomes

Australia's participation in the twenty-first-century Maritime Silk Road." Australia's decision to participate in the Asian Infrastructure Investment Bank (AIIB) and the subsequent sale of **the Port of Darwin** to a **company linked** to the One Belt, One Road strategy in late 2015 ruffled feathers in Washington and seemed to indicate that Australia was open to Xi's entreaty. Notwithstanding these decisions and China's importance as a trading partner, however, Australia's response has been ambivalent. Australia has not formally joined the Belt and Road Initiative, while successive Australian governments have refused Chinese requests to link the infrastructure aspects of the Maritime Silk Road Initiative with the Northern Australia Infrastructure Facility, **citing concern** over China's assertiveness in the South China Sea. Recent unguarded comments by an Australian minister responsible for development assistance show that Canberra also casts a wary eye at **China's increasing project aid in the Pacific Islands** to Australia's near north, fearing it could undermine governance and render fragile states more vulnerable to coercion.

UNITED STATES

Like Australia, the United States lies outside the direct route of the Maritime Silk Road, but not outside its reach. The Trans-Pacific Partnership (TPP) originally offered an attractive U.S.-led alternative to China's economic vision for the region, **limiting the attractiveness** of Chinese economic overtures in the Indo-Pacific. It would also have acted to reinforce the international rules-based order and the Trump administration's proclaimed objective of a "free and open" region. Instead, the U.S. withdrawal from this important, high-quality trade pact has hobbled American strategy in Asia and provided an opportunity for the spread of Chinese influence. China even **invited countries** in Latin America and the Caribbean to join the One Belt, One Road initiative, underscoring Beijing's willingness to challenge the United States in its backyard in the Americas. In his recent **testimony before the Senate Armed Services Committee**, Adm. Kurt Tidd, commander of the U.S. Southern Command, highlighted that the extension of One Belt, One Road to Central and South America would create security vulnerabilities for the United States likely to "compromise communication networks, and ultimately constrain our ability to work with our partners." Today U.S. officials responsible for fleshing out the administration's vision for a "free and open Indo-Pacific" are struggling to come up with a credible alternative to TPP as the vital economic pillar of an effective regional strategy.

QUAD 2.0

Formal discussions regarding a revival of the Quad began to **percolate publicly** in the latter half of 2017 as **China expanded its security exercises into the eastern and western quadrants of the Indian Ocean**. On October 25, 2017, Japanese Foreign Minister Taro Kano **publicly proposed** the revitalization of the Quadrilateral Security Dialogue in an interview with The Nikkei. Two days later, on October 27, Ambassador Alice Wells, the U.S. acting assistant secretary for South and Central Asian affairs, **pushed back against concerns** that China might see the concept of a quadrilateral dialogue as a maneuver to contain China, noting, “[I] think it’s hard to see a meeting of diplomats from four countries as a plan to contain China. I think it’s a natural expression and convergence of interests between democratic countries in the Indo-Pacific region and it’s a natural stepping stone from the very productive trilateral conversations, exercises, and cooperation that we’ve seen between India, Japan, and the United States.”

The **first Quad meeting** on November 12, 2017, addressed **seven core themes**: the rules-based order in Asia, freedom of navigation and overflight in the maritime commons, respect for international law, enhancing connectivity, maritime security, the North Korean threat and nonproliferation, and terrorism. However, the official readouts of the meeting differed in emphasis and specificity. The **Indian statement** omitted any reference to freedom of navigation and overflight, respect for international law, or maritime security; the Japanese statement **demurred on any mention** of “connectivity”; and only the statements from **Australia** and the **United States** utilized the term “quadrilateral.” These omissions and divergences are relatively minor, but they do underscore that strategic geography, threat perceptions, and dynamics vis-à-vis China vary among the parties to the security dialogue. Managing them will require careful management if Quad 2.0 is to prosper, as will the sensitivities of countries in the Indo-Pacific who could resent their exclusion from the grouping unless it is seen to serve broader regional interests.

Notwithstanding these challenges, the interests of the Quad countries — and likeminded partners throughout the Indo-Pacific — are converging as the balance of

power shifts and the regional order comes under increasing strain. Together with their shared values, high-end capabilities, and complementary geography, this underlying structural dynamic provides a strong foundation on which the member countries can build a practical, functional agenda for regional cooperation that embraces economic and diplomatic elements as well as robust security collaboration. In the process they can contribute to a free, open and inclusive Indo-Pacific. ■

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