

US-Japan-India: Risks and Rewards In the Indo-Pacific

By Titli Basu

The growing co-operation of the US, Japan and India on various issues related to infrastructure development and maritime security reflects the reality that each nation views China with some wariness as they seek to maintain a rules-based international order.

The alignment of interests in the region, however, does not mean the three countries share one view on the Indo-Pacific, writes Titli Basu. It is important to understand the nuanced differences among the three in order to underscore the strength of their enhanced co-operation during a time of global uncertainty.

THE STRATEGIC PURSUIT of a free and open Indo-Pacific has led to an alignment of interests among a network of democracies in various bilateral, trilateral and mini-lateral formations. India is an important variable in the geopolitical churning that is influencing the Indo-Pacific discourse both in Washington and Tokyo. Despite apparent asymmetry in their comprehensive national power, all three are committed to securing a stable rules-based order in the Indo-Pacific.

The US, Japan and India have articulated their respective visions for the Indo-Pacific. With elevated 2+2 and ministerial-level US-Japan-India discussions, they have co-ordinated their forward thinking while navigating the risks and opportunities that this maritime super-region presents. However, as they work together, it is important to note the ambiguities and subtle gaps in each stakeholder's interpretation of the Indo-Pacific as they tap into common strategic interests.

MINDING THE GAPS

First, as Sino-US strategic competition intensifies amid Chinese attempts to achieve equity in international affairs with alternative ideas, institutions and infrastructure, Washington and Tokyo have substantially aligned their posture on the Indo-Pacific. The primary objective is securing the US-led liberal international order. Japan envisions its role as a "stabilizer for the US-led system."¹ For China, the US-led order is fundamentally flawed,² since American liberalism is inclined to export the values of democracy and human rights in the political realm while the hub-and-spoke bilateral alliance system in the security realm reflects a

¹ Tomohiko Taniguchi, "Japan: A Stabilizer for the U.S.-Led System in a New Era," *Asia Policy*, Vol. 14 No. 1 (January 2019), pp 172-176.

² Feng Zhang, "Chinese Visions of the Asian Political-Security Order," *Asia Policy*, Vol. 13 No. 2 (April 2018).

³ Zhou Fangyin, "The US Alliance System in Asia: A Chinese Perspective," *Asian Politics and Policy*, Vol. 8, No. 1 (January 2016), p. 208.

⁴ Titli Basu, "India's Approach towards Indo-Pacific Triangularity," *Asian Forum*, May 18, 2016, www.theasianforum.org/category/alternativescenarios/?post_id=7227&c_id=7243#content_wrap

⁵ External Affairs Minister's speech at the 4th Ramnath Goenka Lecture, 2019, Nov. 14, 2019 [www.mea.gov.in/Speeches-](http://www.mea.gov.in/Speeches-Statements.htm?dtl/32038/External+Affairs+Ministers+speech+at+the+4th+Ramnath+Goenka+Lecture+2019)

[Statements.htm?dtl/32038/External+Affairs+Ministers+speech+at+the+4th+Ramnath+Goenka+Lecture+2019](http://www.mea.gov.in/Speeches-Statements.htm?dtl/32038/External+Affairs+Ministers+speech+at+the+4th+Ramnath+Goenka+Lecture+2019)

⁶ Titli Basu, "Japan's Strategic Calculations: Constraints and Responses," *IDSIA Issue Brief*, Institute for Defence Studies and Analyses, Jan. 17, 2019, idsa.in/issuebrief/japan-strategic-calculations-titlibasu-18119

⁷ Hiroyuki Akita, "Can Japan and China move beyond a tactical detente?" *East Asia Forum Quarterly*, Vol.10 No.3 (July 2018).

⁸ Laura Mcghee, Mireya Solis, Ted Reiner, "The Stress Test: Japan in an Era of Great Power Competition," October 2019, www.brookings.edu/wp-content/uploads/2019/10/FP_20191021_japan_competition.pdf

Cold War mind-set that is viewed from Beijing as an instrument of containment.³

By contrast, India envisions a multi-polar order. While Japan and the US have been alliance partners since the end of the Second World War, India's approach is guided by a balance between engagement and autonomy.⁴ India's issue-based multi-alignment is in pursuit of maximizing options while nurturing "independence."⁵ Thus India also sees value in other arenas such as India-China-Russia, BRICS and the Shanghai Cooperation Organization (SCO). Balancing interests drive Indian engagement since it does not see a zero-sum game.

Second, China strategy needs better co-ordination. Washington has discarded the traditional strategy of making China a "responsible stakeholder" and officially adopted "strategic competition" as the framework while global economic, technological and military dominance becomes fragmented. Conversation on a new Cold War is gaining traction. Of course, all three countries have their divergences with China, but Japan and India are engaging China, given its significance in the Asian calculus. Japan's grand strategy is shaped by the complex interplay of security and economic interests within the Japan-US-China triangle.⁶

Tokyo's approach in the Indo-Pacific is anchored on the push for quality infrastructure financing, championing trade liberalization and pursuing "tactical détente" with Beijing.⁷ Japan has pragmatically adjusted its Free and Open Indo-Pacific "Strategy" into one of "Vision." Meanwhile, Washington nurtures a zero-sum competition with Beijing with its own underwhelming commitment on infrastructure financing and diluting rules-based global economic governance.⁸

There are obvious gaps in the respective China policies of the two allies. For instance, Washington is not particularly enthusiastic about Tokyo's

increasing willingness to entertain third-country collaboration on infrastructure building with Beijing.⁹ Meanwhile, India has also simultaneously engaged with China in building a closer development partnership and adopted a different approach from the US with regard to some Chinese initiatives like the Asian Infrastructure Investment Bank (AIIB).

Third, key policy papers from Washington have argued for a "networked security architecture" and Quad, the informal strategic dialogue between the United States, Japan, Australia and India, is considered "vital to address pressing security challenges in the Indo-Pacific." Even though the Quad has its limits, since India has reservations about projecting it as a military alliance, there are arguments suggesting that in the case of escalating competition with Beijing, the US would consider employing the military dimensions of Quad to uphold a favorable international order.¹⁰ Meanwhile, India has diluted the military dimensions of Quad.¹¹

The strategic community in China views Quad as a military alliance constituting the core of the Indo-Pacific strategy and aimed at containing China. It sees it as a Japanese attempt to "marginalize" China, because China's rise has eroded Japanese primacy in the region.¹²

The revival of Quad consultations after a hiatus of a decade coincided with the evolving discourse on the Indo-Pacific in each of the four countries. This sometimes led to fusing the Quad consultations with Indo-Pacific conceptualizations. However, it is imperative to note the difference. The Indo-Pacific construct is a concept underpinned by openness and inclusivity; the Quad consultation is a "mini-lateral," which by its very nature is based on exclusivity and a directed agenda.¹³ The Quad is founded on issue-based alignment and is not a military alliance since it is not supported by any formal treaty and does not deliver secu-

9 Mira Rapp-Hooper, Michael S. Chase, Mataka Kamiya, Shin Kawashima, Yuichi Hosoya, "Responding to China's Complicated Views on International Order," Carnegie Endowment for International Peace, Oct. 10, 2019, [carnegieendowment.org/2019/10/10/responding-to-china-s-complicated-views-on-international-order-pub-80021](https://www.carnegieendowment.org/2019/10/10/responding-to-china-s-complicated-views-on-international-order-pub-80021)

10 Derek Grossman, "How the US Is Thinking About the Quad," RAND Corporation, Feb. 7, 2019, www.rand.org/blog/2019/02/how-the-us-is-thinking-about-the-quad.html

11 "Indian Navy chief says no need to give military angle to the Quad," *The Hindustan Times*, May 23, 2018, www.hindustantimes.com/india-news/indian-navy-chief-says-no-need-to-give-military-angle-to-the-quad/story-VZVrnkwhvVRICt5UwXB9tN.html

rity guarantees or an institutional structure.¹⁴ However, this does not inhibit the ability of the Quad members to co-operate on humanitarian operations and capacity-building. For instance, Quad countries had their maiden counter-terrorism exercise in November. For Quad 2.0 to be sustained, it is important to manage expectations, develop strategic clarity and engage in practical co-operation beyond the narrow logic of counterbalancing China.

Fourth, as Southeast Asia emerges as a contested theater for great power competition, this inevitably compromises ASEAN's consensus-building norms. Still, the principle of ASEAN centrality dominates all three nations' narratives on the Indo-Pacific. But there are divergences between ASEAN's "Outlook on the Indo-Pacific" and Washington's strategy. While the US strategy underscores a "free" and "open" Indo-Pacific, ASEAN has stressed its "open" and "inclusive" approach, which is more in line with India's inclusivity. ASEAN's outlook is defined by normative, political and diplomatic underpinnings in contrast to the confrontational military-strategic stance adopted by Washington. It refutes a balance-of-power approach aimed at offsetting China.¹⁵ While Japan and India have added qualitative depth to their intensified political-diplomatic-economic-security engagement with ASEAN, the US under President Donald Trump has struggled to embrace ASEAN-centered multilateral frameworks. Trump has repeatedly missed ASEAN and East Asia summits, calling into question the US commitment to ASEAN centrality and creating space for China.

Fifth, the economic architecture is becoming fragmented under growing American protectionism. Japan has positioned itself strategically both within the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), the TPP-minus-Washington, and the

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Regional Comprehensive Economic Partnership (RCEP). Japan is driven by the concern that if it abstained from playing a constructive role in shaping the regional trade architecture, China would have an easier path to establishing primacy. At a time when the US has opted for protectionism and bilateral trade agreements, Japan and China have worked together in shaping RCEP. Japan — as the world's third largest economy — is keen on projecting its readiness to step up as the leader of the multilateral trading system, particularly after successfully rescuing what was left of the TPP following the US exit, and concluding an agreement with the EU following Brexit. While Trump insists that China should follow the rules-based liberal international order, Washington itself has refused to uphold some elements of those same rules, as witnessed in the case of the TPP.

America's withdrawal from the TPP and India's unresolved issues with RCEP have raised uncertainties on trade multilateralism rather than providing clarity on the convergence of these three power's economic vision for the Indo-Pacific. It is important to note that India has not diluted its economic focus on ASEAN as it reviews its bilateral FTAs in goods. India for its part argued for promoting constructive free trade in the Asia-Pacific region and called for liberalization of the services sector and addressing trade deficits, among a handful of other issues including market access, concerns over non-tariff barriers and possible disregard of rules of origin.

CALCULUS OF CONVERGENCE

Despite the nuanced differences in their approach to the Indo-Pacific, the US, Japan and India present a winning combination in tapping collective

capacities to deliver on the shared responsibility of addressing the infrastructure gap so as to promote regional economic linkages and leveraging regional production networks and value chains. In addition, the three are key to managing common security concerns such as securing the maritime global commons and combatting terrorism.

In connecting the economic growth poles in the sub-regions of the Indo-Pacific, Japan has demonstrated leadership through its Expanded Partnership for Quality Infrastructure (EPQI). Tokyo is separately working with both India and the US in advancing infrastructure, connectivity and capacity building in the Indo-Pacific. In addition to third country co-operation in South Asia, Japan and India have collaborated in conceptualizing the Asia Africa Growth Corridor (AAGC). Meanwhile, Japan and the US are committed to Indo-Pacific infrastructure develop-

12 Yan Wei, "A Broader Asia without China?" *Beijing Review*, Sept. 26, 2007, www.bjreview.com.cn

13 Huong Le Thu, "Quad 2.0: New Perspectives for the Revived Concept," *Strategic Insights*, February 2019.

14 Ian Hall, "Meeting the Challenge: The Case for the Quad, Debating the Quad," *The Centre of Gravity Series*, March 2018.

15 Amitav Acharya, "Why ASEAN's Indo-Pacific outlook matters," *East Asia Forum*, Aug. 11, 2019, www.eastasiaforum.org/2019/08/11/why-aseans-indo-pacific-outlook-matters/

ment through the Japan-US-Australia MOU and the newly unveiled Blue Dot Network.

Going forward, the US-Japan-India Trilateral Infrastructure Working Group can explore projects in critical sub-regions of the Indo-Pacific such as the Mekong River Basin and Bay of Bengal. With the US's BUILD Act, the new International Development Finance Corporation (IDFC) and Infrastructure Transaction and Assistance Network (ITAN), aimed at utilizing private sector capital and skills in the economic advancement of developing economies, trilateral projects should be explored. This can be aligned with India's vision of Security and Growth for All (SAGAR) and line of credit to the littorals.

Beyond hard infrastructure, US-Japan-India could explore co-operation in new technologies and digital infrastructure including 5G. India will be the second largest market for 5G and thus it is important to collaborate and leverage markets and technological progress for mutual benefit.

As host nations today have several financing options including BRI, infrastructure projects conceived by US-Japan-India should be underpinned by consultative practices involving local stakeholders and projects should be in accordance with global governance standards, including respect for sovereignty, responsible debt financing practices and ecological sustainability. Projects should also align with multilateral initiatives, like the Master Plan on ASEAN Connectivity 2025, to add value. Financing should be kept open rather than subject to the politicization of projects vis-a-vis BRI.

As a concert of maritime democracies, the three countries uphold the principle of freedom of navigation and overflight, peaceful settlement of disputes and unimpeded lawful commerce in critical sea-lanes. Guided by the advancements in bilateral India-US and India-Japan security co-operation, US-Japan-India have outlined mari-

time capacity building as a priority. Advancing co-operation in areas such as maritime domain awareness remains the focus. Also, the India-US Logistics Exchange Memorandum of Agreement and India-Japan negotiation on an Acquisition and Cross-Servicing Agreement will help India with reciprocal support concerning logistics, supplies and enhanced operational capacity during joint exercises and disaster relief operations.

Where there is an alignment of interests, India has invested in strengthening relations with like-minded countries. Beyond the Malabar Exercises, trilateral interoperability is strengthened through mine warfare exercises and Japan's participation in the Cope India air exercises among others.

In addition to maritime security, combating terrorism is also a priority. Strengthening trilateral co-operation in managing counterterrorism is necessary for a peaceful Indo-Pacific.

MOVING AHEAD

Indo-Pacific should not be analyzed from a one-size-fits-everyone template since differing strategies and preferences affect coherent articulation and coordination between stakeholders. Ambiguities in the respective Indo-Pacific vision of the US, Japan and India added to the puzzle. Nevertheless, charting the contradictions and convergences presents more latitude to mutually support one another in pursuit of achieving a rules-based Indo-Pacific order. The US, Japan and India have to work individually, bilaterally and trilaterally to make China constructively engage in maintaining the liberal order underpinned by universal values.

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