

# Xi's China takes on the Quad

by Kevin Rudd



President Joe Biden walks to the Quad summit with, from left, Australian Prime Minister Scott Morrison, Indian Prime Minister Narendra Modi, and Japanese Prime Minister Yoshihide Suga, in the East Room of the White House, Sept. 24, 2021, in Washington, DC. (EVAN VUCCI/AP IMAGES)

From his desk in *Zhongnanhai*, Chinese President Xi Jinping looks east with some anxiety. Over the last 180 years, all the biggest threats to China's security have come from the sea. It is therefore unsurprising that China has long seen its maritime periphery to the east as particularly hostile. Securing China's maritime periphery and maximizing the country's strategic depth into the Pacific, including by eventually pushing U.S. forces all the way back to the Second Island Chain (running from the Japanese archipelago in the north, through Guam, to Papua New Guinea and Australia in the south) is a critical component of Xi Jinping's overall strategy.

This is seen as essential for a number of reasons. First, to force U.S. reconnaissance aircraft and ships back from their decades-long practice of conducting regular operations just

off the Chinese coast. Second, to assist China in its outstanding territorial claims over Taiwan, the South China Sea, and in the East China Sea. And third, to finally "break through the thistles"—as Chinese naval strategists put it—of the constricting geography that currently keeps China's naval forces effectively bottled up behind the First Island Chain

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(Japan, Okinawa, Taiwan, the Philippines, and the Indonesian archipelago), allowing China to become a truly blue-water maritime power.

China rightly sees the forward deployments of U.S. armed forces across East Asia as indispensable to the projection and sustainment of American power in the region. China understands that these deployments are anchored in the long-standing U.S. base on Guam and its array of military, naval, marine, and intelligence facilities scattered across the territories of U.S. allies Japan, Korea, and Australia and the freely associated states in the North Pacific and supported to a lesser extent by Singapore, Thailand, and the Philippines. Under the direction of Indo-Pacific Command in Honolulu, the U.S. military's capabilities across the region are formidable in their own right. But their ability to forward deploy across the vast expanse of the Indo-Pacific is profoundly enhanced by the strategic real estate offered by these allies and other strategic partners. That is why

China has a long-standing strategic objective of fracturing U.S. alliances if at all possible. China's strategic logic is clear: America, without its alliances, would be considerably weakened, if not pushed out all together from the Indo-Pacific. Whereas China currently lacks strategic reach into the Pacific, America's allies afford the United States an extraordinary advantage. This is a state of affairs that Xi Jinping wants to reverse.

The key element of China's strategy for securing its wider maritime periphery is military—the rapid expansion of Chinese air and naval capabilities, reinforced by land-based missiles and cybersystems, which would aim to overwhelm U.S. and allied combatants. They would achieve this by sheer force of numbers and by controlling the informationized battle space. But China's military strategy is greatly reinforced by its economic strategy, leveraging the magnitude of the Chinese market with each of America's critical allies in an effort to peel them away from Washing-

ton over the long term—gradually increasing the economic costs of standing against China and so reducing over time their sense of loyalty, commitment, and obligation to the United States. In addition, China has sought to wield its political and diplomatic muscles, along with its economic power, against individual allies that have proven to be particularly recalcitrant in their insensitivity to Chinese national interests. The intention here is to make punitive examples of such states by limiting their access to the Chinese market (or, in extreme cases, interfering with their assets or even arbitrarily detaining their citizens in China) thereby warning others of the price to be paid for thumbing their nose at Beijing's political demands. The corollary, of course, is to reward those countries that increasingly reject political cooperation with America. All three parts of this strategy are designed to weaken the solidarity of U.S. alliances over time. China had some considerable success on this score over the years, such as in the Philippines.

## Enter the Quad

**B**ut a critical new development in the Indo-Pacific region's alliance structures has now emerged: the rebirth since 2019 of the Quadrilateral Security Dialogue between the United States, Japan, India, and Australia—otherwise known as the “Quad.” The Quad, although falling far short of a formal alliance structure with mutual defense obligations (India not being a treaty ally of the United States or Quad member states), nonetheless appears to be rapidly evolving as the most significant direct regional response to date to Beijing's increasingly assertive strategic posture. Xi's response to this important new challenge is evolving as well.

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When Japan's Shinzo Abe invited diplomats from the United States, Australia, and India to gather for a working-level meeting on the sidelines of the November 2017 Association of Southeast Asian Nations (ASEAN) Summit in Manila to discuss significantly deepening their cooperation, Beijing dismissed it as of little concern to its strategic interests. The Quad, said Chinese foreign minister Wang Yi after the meeting, was only ever a “headline-grabbing idea... They are like the seafoam in the Pacific or Indian Ocean: they may get some attention but will soon dissipate.” Beijing's strategic community at this time viewed the countries of the Quad as simply too divergent in their national interests to come together with any coherence. Beijing had some good reasons to think so at the time.

The Quad had, after all, been tried once before, a decade earlier, in the mid-2000s. At that time, it never progressed

beyond informal breakfast talks among officials, having been rejected categorically by the Australian government of my predecessor, John Howard. Abe's original vision for the Quad emerged in the aftermath of the 2004 tsunami that devastated much of South and Southeast Asia, killing more than 227,000 people across fourteen countries. At the time, Japan, the United States, India, and Australia coordinated a joint—if somewhat haphazard—natural disaster response. Abe envisioned building up the four countries' capacity to work together in the region to meet shared challenges, including regional security.

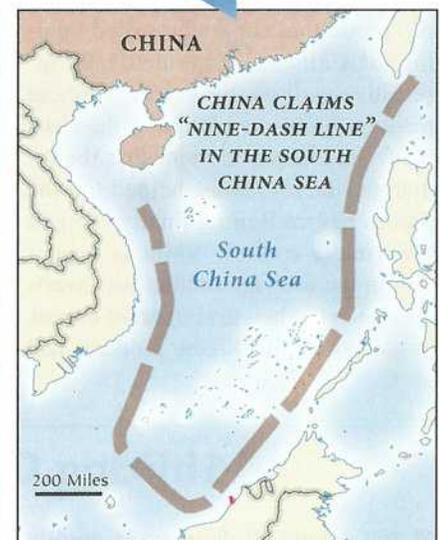
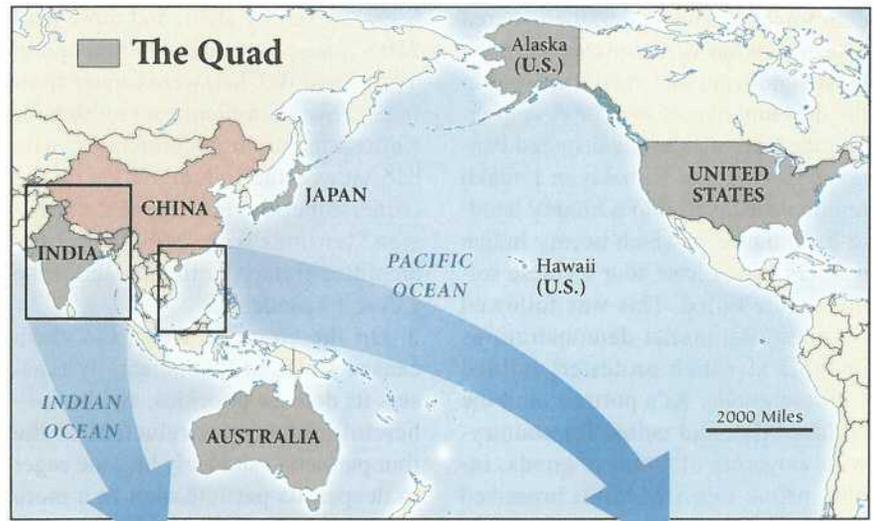
In the other capitals the response was tentative at best. In Washington, Vice-President Dick Cheney was a supporter, but President George W. Bush was lukewarm from the start. He worried that the appearance of intensifying security cooperation between the four countries would alienate the Chinese

support he sought in helping with nuclear proliferation in both North Korea and Iran. By December 2008, the Bush administration was privately assuring regional governments that the Quad would never coalesce—as evidenced in diplomatic cables subsequently published by another Australian, founder of WikiLeaks Julian Assange. In Delhi, Prime Minister Manmohan Singh openly ruled out any real security cooperation with the Quad, also categorizing ties with Beijing as his “imperative necessity.” Indeed, before my government said anything about the Quad, Singh had publicly declared that it “never got going” and consigned it to history. Meanwhile, in Canberra, Howard’s conservative government was also eager to maintain strong, economically beneficial ties with China. It adamantly opposed expanding existing trilateral strategic cooperation with the United States and Japan by adding India to the mix. His government signaled its withdrawal from the Quad at a meeting of the U.S.-Japan-Australia trilateral dialogue held in Washington in July 2007—also documented in a WikiLeaks diplomatic cable—and announced the decision in Beijing soon after. So when Abe, as the driving force behind the Quad, then unexpectedly resigned in September 2007, it delivered the death knell to Quad Version 1.0. His successor Yasuo Fukuda then consigned the Quad to history. By the end of 2007, when my government entered office, all engagement within the Quad framework had already been dead in the water for months. Taking the temperature in other capitals, we found no interest in attempting to revive it.

### The rebirth of Quad 2.0

However, a decade later when Abe—back in office once more—set out to get the band back together, the region’s strategic circumstances had fundamentally changed. By 2017, the U.S.-China relationship was adrift, and each of the Quad capitals was reevaluating its strategic calculus toward China. But Beijing was not yet paying serious attention to these developments.

At its first 2017 meeting in Manila,



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the Quad countries seemed to demonstrate their previous level of internal disarray by failing to issue a unified communiqué outlining any common strategic purpose. Instead, they each released their uncoordinated statements, serving mostly to highlight divergences on key concerns. Japan left off American and Australian language on “connectivity” efforts in the Indo-Pacific (meant to offer an alternative to China’s Belt and Road Initiative/ BRI) while Tokyo considered whether to cooperate with the BRI. Meanwhile, India left off all references to maritime security, freedom of navigation, and international law included by the others. The only thing the four countries did agree on was to meet once a year on a regular schedule.

It was not until September 2019

that the Quad’s four foreign ministers finally met in New York for their first ministerial-level meeting. However, this time they agreed in principle to work together on what would become the Quad’s mantra: to “advance a free and open Indo-Pacific.” Even still, Beijing remained largely indifferent. By the time the Quad foreign ministers met again in October 2020 in Tokyo, Beijing began to pay attention. Seven months earlier, the first round of what became known as the Quad-Plus talks had also been held, with South Korea, New Zealand, and Vietnam joining the Quad countries to discuss cooperation on trade, technology, and supply chains—a development Beijing eyed with growing concern.

However, the turning point came in June 2020, when Chinese and In-

dian forces clashed along their shared border in what would prove to be the most significant and catalytic event in the development of the Quad. A high-altitude face-off near the disputed Pangong Lake in the Himalayan Ladakh region descended into a bloody hand-to-hand melee in which twenty Indian soldiers and at least four Chinese soldiers were killed. This was followed by mass nationalist demonstrations in India at which protesters burned Chinese goods, Xi's portrait, and the Chinese flag and called for country-wide boycotts of Chinese goods. Indian prime minister Modi promised a firm response, saying Indians could be "proud that our soldiers died fighting the Chinese." Diplomatically insensitive wolf warriors in the Chinese media, who blamed India for the clash while simultaneously mocking the Indian military's losses, helped fan the flames before Beijing finally brought them under control. While an escalation in the military conflict was averted, by September, the import of dozens of categories of Chinese products had

been blocked by Delhi and more than 250 Chinese software apps (including TikTok and WeChat) were banned from India. This was a significant setback for China's technology companies, who had viewed the Indian market as the cornerstone for future global expansion. Tensions with Delhi were only amplified further by the impact of the Covid-19 pandemic.

On the strategic front, the clash caused Delhi to fundamentally reassess its defense priorities, and India—heretofore the most reluctant of the four partners—suddenly became eager to deepen its participation in a more formal security framework that could serve as a potential strategic balance against China. Subrahmanyam Jaishankar, India's foreign minister, explained that, from India's perspective, the Quad had a "larger resonance" following the border clash and that there were much greater "comfort levels" in Delhi and Washington on a need "to engage much more intensively on matters of national security." That fall, India, for the first time in thirteen years, invited Australia

to join the annual Malabar joint naval exercises held with the United States and Japan. This was especially notable because despite growing closer to the rest of the Quad since 2017, India had refused to allow Australian participation in the Malabar exercises in 2018 and 2019, fearing it would unnecessarily antagonize China by portraying the Quad as a militarily focused partnership. But after the June 2020 border clash, all remaining political hesitation in Delhi was gone.

So when the Quad met in Tokyo that October, the geopolitical *wei qi* board, from Beijing's perspective, already looked far more problematic. Then U.S. secretary of state Mike Pompeo bluntly declared that Washington's goal was, ultimately, to "institutionalize" the Quad, "build out a true security framework," and even expand the grouping at "the appropriate time" to "counter the challenge that the Chinese Communist Party presents to all of us." To Beijing, it suddenly seemed as though the Quad was not only alive and well but that it might also expand.

## Shifting Chinese Reactions to the Quad

Watching all these events unfold over the course of 2019 and 2020, China's strategic community had been undergoing a significant shift in its conceptualization of the Quad as a potential threat to Chinese national security interests. Tellingly, two scholars at the influential Central Party School warned of the Quad's "increasing institutionalization." Another, at the Chinese Academy of Social Sciences, noted that trends were demonstrating the Quad's transition from an "informal framework of cooperation" to a "formal regional organization." The October 2020 Quad ministerial meeting seemed to confirm these concerns.

But all such analysis appeared to point to a relatively straightforward solution: China could still use a combination of sticks and carrots to drive a wedge between the Quad countries where possible by accentuating their

conflicting national interests. In particular, the overwhelming economic reliance of each of the Asian Quad partners on the Chinese market seemed like a key weakness ready for exploitation. The simple idea was to break the Quad apart.

Beijing implemented this strategy almost immediately following the October 2020 Quad meeting. Chinese foreign minister Wang Yi dropped all nonchalant references to seafoam and changed his tone dramatically. Instead, he slammed the effort to build an "Indo-Pacific NATO" and said the Quad's Indo-Pacific strategy was "itself a big underlying security risk" to the region. China then quickly selected a target on which to use its stick. A classical Chinese axiom advises to "kill one to warn a hundred" (*shayi jingbai*), but in this case, the goal was to kill one (Australia) to warn two (Japan and India).

Beijing previously seemed intent on improving relations with Canberra. But without specific explanation, it suddenly imposed restrictions on imports of Australian coal—and then meat, cotton, wool, barley, wheat, timber, copper, sugar, lobster, and wine. At the same time, Chinese state media unleashed a blitz of messaging, accusing Canberra of having used the Quad meeting to "promote its own global status," asking, "How much strength does Australia own with its limited economy and population?" It warned that "if Canberra is bent on infuriating China, Australia will only face dire consequences." One analyst in China's unofficial *Global Times*, which is authorized to deliver hard-line messages to foreign countries that the government and the party won't, declared simply: "Being a mouthpiece for U.S. aggression against China

will cost Australian jobs.” Then, at a press conference in Beijing, Chinese foreign ministry spokesperson Wang Wenbin urged Australians to “reflect upon their deeds” if they wanted any chance of restoring trade relations. While there were other elements at play in the Australia-China relationship beyond the Quad, the timing and content of the message from Beijing was unmistakable.

The campaign of economic retaliation against Australia continued to escalate, with China regularly using the Australian example elsewhere around the world as a warning that countries who “let themselves be led by the nose” by Washington risked being cut off from China’s huge domestic market. Beijing clearly estimated that Australia was the least likely of the Quad countries to actually break with the United States; the most vulnerable to economic coercion (as the smallest of the four Quad states); and the least threatening to Chinese interests (being more distant from China’s borders than Japan, India, or the long arm of American power).

The second part of China’s strategy was to try to simultaneously repair relations with Japan and India—efforts also discussed at some length in the previous chapter, but which are worth summarizing again briefly here. Beijing had already been engaged in an effort to thaw relations with Japan since 2018, when Chinese premier Li Keqiang traveled to Tokyo for a trilateral summit along with South Korean president Moon Jae-in. There, Abe and Li agreed to implement a new maritime and aerial crisis communication mechanism to handle encounters in the disputed East China Sea. After a series of meetings between Abe and Xi on the sidelines of various multilateral fora, relations briefly appeared to be on the upswing, and a major visit by Xi to Japan was planned for the spring of 2020—only to be delayed by the Covid-19 pandemic.

After the October 2020 Quad meeting, Beijing stepped up its attempts to finalize the visit by Xi to meet with Abe’s successor as prime minister, Yoshihide Suga. Chinese foreign minister



*Japanese Prime Minister Yoshihide Suga (R) and Chinese Foreign Minister Wang Yi pose for a photo ahead of their meeting in Tokyo on Nov. 25, 2020. During their meeting, Suga voiced concern about Beijing’s attempts to undermine Japan’s administration of the Senkaku Islands, a group of East China Sea islets claimed by Beijing. (KYODO NEWS/GETTY IMAGES)*

Wang Yi embarked on a visit to Tokyo in November 2020 in an attempt to re-energize the diplomatic thaw, only to be met with a frosty reception. Crowds of demonstrators, angry about human rights abuses in Xinjiang, Tibet, and Inner Mongolia gathered outside Suga’s residence to protest Wang’s visit, while legislators from Suga’s governing Liberal Democratic Party drafted a resolution calling for an official cancellation of the summit with Xi. Meanwhile, Suga’s chief cabinet secretary, Katsunobu Kato, conveyed Tokyo’s “concerns about the activities of the Chinese government ships around the [Senkaku] islands,” reporting that the situation was “extremely serious.” By early 2021, the proposed visit to Tokyo by Xi was officially off—fatally undermined by escalating Chinese incursions into Japanese-claimed waters in the East China Sea and growing Japanese public and official concerns over human rights.

At the same time, Beijing was trying to de-escalate tensions with Delhi by seeking to defuse the border crisis and entice India with offers of economic and Covid-19 vaccine aid. But in the

end, Beijing met with little success in slowing India’s embrace of the Quad. While the immediate standoff on the border may have been resolved, wariness of China had been deeply implanted in Delhi’s psyche.

As the Quad continued to solidify and the scope of its activities expanded, entering into a series of new bilateral and multilateral security agreements and exercises, Beijing’s confidence that the Quad could be split apart waned. China seemed not to have fully comprehended the impact of their actions in accelerating overall Quad solidarity. Moreover, China’s ability to execute a coherent strategy of simultaneous targeted escalation with Australia and de-escalation with Japan and India was badly undermined by the lack of discipline of its ultra-nationalistic wolf-warrior diplomats, who succeeded in regularly offending countries across the globe. For example, a Communist Party social media post mocking India’s death toll when combatting Covid-19 incited fury and disgust not only in India and the West but also from many social media users in China itself.

Finally, the election of President



*Yoshihide Suga, Japan's prime minister, second right, speaks while a monitor displays U.S. President Joe Biden, Scott Morrison, Australia's prime minister, and Narendra Modi, India's prime minister, during the virtual Quadrilateral Security Dialogue (Quad) meeting at his official residence in Tokyo, Japan, on March 12, 2021. As President Biden seeks to shore up ties with allies in Asia, he's reshaping the message to avoid spooking them about America's intentions when it comes to China. (KIYOSHI OTA/BLOOMBERG/GETTY IMAGES)*

Biden and his focus on allied, regional, and multilateral engagement, changed the dynamic. China lost the relative freedom of diplomatic international maneuver it had during the “America First” days of the Trump administration. The new administration was willing to quickly resolve Trump-era trade and military-basing disputes with U.S. allies such as Japan and South Korea, stabilizing relations. Whereas during the Trump period, Beijing largely pushed on an open door in its efforts to bolster its influence with other countries in the region, it suddenly faced a much more united front from Washington and its allies and partners.

### Beijing's worst fears

Beijing's thinking on what to do about the Quad shifted again, coming to a head in March 2021, when the four countries held their first leader-level summit. The pivotal meeting saw the group release its first unified joint communiqué. Titled the “Spirit of the Quad,” the statement agreed to “strive for a region that is free, open, inclusive, healthy, anchored by democratic values, and unconstrained by coercion,” and to “facilitate collaboration, including in maritime security, to meet chal-

lenges to the rules-based maritime order in the East and South China Seas.”

The Quad leaders also launched a joint vaccine-distribution initiative in the Indo-Pacific, challenging China's “vaccine diplomacy” efforts by agreeing to cooperate to produce and distribute one billion vaccines for the region. They also set up a vaccine-expert working group, a climate-change working group, and a “critical and emerging technologies” working group on securing technology supply chains, all aiming to strengthen cooperation in meeting these challenges in the region. Indian prime minister Narendra Modi spoke to what may have been Beijing's worst fears when he declared that: “Today's summit meeting shows that the Quad has come of age. It will now remain an important pillar of stability in the region.”

To Beijing, the summit indeed seemed to confirm the worst: that the Quad would—by providing an alternative multilateral source of infrastructure development funding, trade initiatives, and other public goods, along with diversified regional supply chains—soon expand its competitive challenge to Chinese influence from the security realm to the economic.

Moreover, Beijing appeared to worry that the Quad would soon coordinate more closely with the Five Eyes intelligence grouping, the G7, and NATO to isolate China—a concern that turned out to be well-founded.

### Full-scale attack

After the March 2021 Summit, China quickly made a third pivot in its strategy to try to deal with the Quad: full-scale political attack. There was soon an explosion in Chinese official condemnations of the Quad as a “small clique” (Xiao Quanzi) of countries. As Xi Jinping put it in a speech in May 2021, in Beijing's eyes, they were using “multilateralism as a pretext to... stir up ideological confrontation.” Their collective goal, Beijing claimed, was nothing less than to “start a new Cold War.” In contrast, China increasingly portrayed itself as the true champion of a “genuine multilateralism” that was “inseparable from the UN system,” as well as being the leading defender and reformer of that system and of global governance in general. References by Xi and others to “great power responsibility” (daguo dangang) and China being a responsible international leader became pronounced.

Beijing's strategy transitioned to try to diplomatically isolate and marginalize the Quad by outflanking it internationally. As one Central Party School scholar argued, China should “deepen strategic interactions” and increase maritime security cooperation with ASEAN as a “type of counterweight” to the Quad. Another Chinese scholar wrote that strengthening pan-Asian economic cooperation through the Regional Comprehensive Economic Partnership (RCEP) and Comprehensive Progressive Trans-Pacific Partnership (CPTPP) trade agreements would “cushion” the Quad “and its negative impact on the regional order.” In essence, the strategy aims for China to “go bigger” than the four-member Quad grouping in order to contain its influence on the regional and global stage.

Yet such denunciations have so far done little to stall the Quad's progress in galvanizing multilateral resistance to

China. In June 2021, President Biden made an extended trip to Europe, including a G7 summit in the UK that was joined by Australia and India, among others. Biden then met with both EU officials and NATO. In every case, relations with China became the top subject of discussion. Moreover, when South Korea's President Moon traveled to meet with Biden in Washington in May that year, the United States pressed Seoul to join the Quad's three new working groups and to make a statement supporting the Quad. Although Moon has been reluctant to take sides overtly with the United States in any wider strategic contest with China, in this case, Washington succeeded, and the two countries' joint statement agreed that they "acknowledged the importance of open, transparent, and inclusive regional multilateralism including the Quad"—and "the importance of preserving peace and stability in the Taiwan Strait." And, moving forward, it is possible that Seoul will find itself continuing to see more value in drawing closer to the Quad if relations with North Korea enter another period of significant tension.

Finally, in September 2021, the leaders of the Quad met in person for the first time at a summit in Washington, demonstrating the priority the four countries' leaders have now attached to continuing the group's momentum. They agreed to expand cooperation on vaccines, climate change, infrastructure financing, and supply chains for critical and emerging technologies like semiconductors and 5G, as well as cybersecurity.

All this has reinforced Beijing's worst fear: that not only could the Quad expand, for example by taking in South Korea to become "the Quint," but also that it could become the multilateral building block for a broader anti-China coalition of North American, European, and Asian liberal-democratic states. An example of this growing concern manifested itself in May 2021, when China's ambassador to Bangladesh delivered a strongly worded warning to Dhaka that it would "substantially damage" its ties with China if it joined or coordinated

its actions with the Quad. The warning was striking because Bangladesh (which called the remarks "aggressive" and "very unfortunate") has retained a strenuously neutral foreign policy and had given no previous indication at all that it was planning to work with the Quad. The incident, therefore, seemed to demonstrate a level of worry bordering on paranoia that seems to have taken hold in Beijing regarding the potential expansion of the Quad and its activities.

### The British invasion

It was in this context that the trilateral security partnership between Australia, the UK, and the United States known as AUKUS landed with a political and diplomatic splash in September 2021, just ahead of the first in person summit of the Quad's leadership. Negotiated in secret between Morrison, Biden, and UK prime minister Boris Johnson, the pact was billed as addressing regional security concerns which the leaders said had "grown significantly"—i.e. from China. The core of the agreement is a deal for the United States and UK to share nuclear submarine propulsion technology with Australia, which intends to build at least eight nuclear-powered attack subs in Adelaide. But

the pact also includes broader security cooperation measures as well, including an agreement for Australia to explore hosting U.S. bombers on its territory, the acquisition by Australia of long-range precision strike missiles, and joint cooperation on "cyber capabilities, artificial intelligence, quantum technologies and additional undersea capabilities."

Beijing predictably reacted with alarm, calling the agreement "extremely irresponsible", a move that "seriously undermines regional peace and stability and intensifies the arms race" and one contributing to nuclear non-proliferation. Given Australia's strategic geography, and the relative weakness of China's anti-submarine capabilities, this is unsurprising from a security perspective. But the broader worry for Beijing is that the pact signifies that the Quad may not have been the last multilateral grouping to emerge in response to China's rise and its new forward-leaning strategy under Xi.

But, for Washington's part, the AUKUS agreement also represented the result of simmering frustration with some of its European allies' unwillingness to act in a unified manner to confront China in a meaningful way. One group in particular within Europe has backed



Royal Australian Navy submarine HMAS Rankin is seen during AUSINDEX 21, a biennial maritime exercise between the Royal Australian Navy and the Indian Navy on September 5, 2021, in Darwin, Australia. Australia, the United States and the United Kingdom have announced a new strategic defence partnership, known as AUKUS, to build a class of nuclear-propelled submarines and work together in the Indo-Pacific region. (POIS YURI RAMSEY/AUSTRALIAN DEFENCE FORCE/GETTY IMAGES)

French president Emmanuel Macron's guiding concept of "strategic autonomy," believing that Europe should remain generally neutral in Washington's global and regional struggle for ascendancy against Beijing, maximize Europe's economic opportunities, and promote Europe's strength and independence. For Washington, however, this group's equivocations are detrimental to efforts to unite more countries behind its multilateral coalition. This tension exploded into view with the AUKUS agreement.

With Australia moving to acquire nuclear submarines under the pact, it scrapped an existing \$90 billion deal to buy diesel powered boats from France. Paris, which claimed it was never notified or consulted about the deal, was predictably outraged, with French Foreign Minister Jean-Yves Le Drian describing it as a "stab in the back" and something similar to "what Mr. Trump used to do." Calling the allegedly secret negotiation of the deal between the Anglosphere countries behavior "unacceptable between allies and partners," Macron took the dramatic step of temporarily recalling France's ambassadors to Australia and the United States. For Macron and those of similar mind in continental Europe, the incident only reinforced the perception that the United States could not be relied upon. Both he and EU foreign policy chief Josep Borrell declared that it reinforced the need to achieve European "strategic autonomy." Xi is likely to try to make the most of this potential opening into Europe, and in an October 2021 call with Macron he hinted that, since "recent major world events have once again demonstrated that France would be correct in advocating EU strategic autonomy," stronger Sino-French relations would "inject more stability into the world situation."

But AUKUS signified that Washington is now increasingly willing to leave those whom it perceived to be the more unreliable among the Europeans behind until they are ready to catch up. Instead, it has increasingly turned to rely on its Quad partners, along with its traditional Anglosphere allies, includ-

ing the UK and the rest of the Five Eyes group. These allies have been quicker to perceive China as a potential threat to their security interests – a fact well demonstrated by Japan, whose new prime minister, Fumio Kishida, announced in October 2021 that his officially pacifist country will move to double defense spending in order to "prepare for realistic possibilities to protect our people." This has been accentuated by Tokyo's notable increased outspokenness on its willingness to act to defend Taiwan alongside the United States, and in August 2021 Tokyo and Taipei held their first bilateral security talks. Japan's deputy prime minister at the time, Taro Aso, warned that an attack on Taiwan, or "various situations, such as not being able to pass through the Taiwan Strait," would pose "an existential threat" to Japan, which would "need to think hard that Okinawa could be next." He noted that, "if that is the case, Japan and the United States must defend Taiwan together." This has represented a fundamental shift in Tokyo's diplomatic and strategic approach, which has traditionally always been extremely careful to moderate its rhetoric and its image as a regional security actor, even as it has deepened cooperation with the United States. Beijing, for its part, immediately threatened that Japan would "dig its own grave" if it joined the United States in intervening in a conflict over Taiwan, but the trend is now clear: Japan and the rest of the Quad are quickly moving to solidify security relations with Washington, despite all of China's best efforts.

### The coming arms race in the Indo-Pacific

Overall, Xi Jinping has therefore achieved decidedly mixed results in securing China's maritime flank. China has had a number of strategic and diplomatic successes over the years, but the rise of the Quad has crystallized geopolitical resistance to the sustained weight of China's economic and foreign policy assertiveness into a focused institutional response. The Quad is uniquely problematic for China's strategy because its aim of unifying a

multilateral coalition of resistance has the potential to stiffen spines across the whole of the Indo-Pacific and possibly beyond. For Xi, the critical question is whether the Quad will evolve to be large, coherent, and comprehensive enough to effectively balance against China, thereby undermining any sense that its dominance, in Asia or globally, is inevitable. So far, Beijing has struggled to mount an effective response to the Quad challenge. Whether Chinese officials settle on a strategy that succeeds in undermining the Quad's progress will be one of the key factors in determining the course of U.S.-Chinese competition—and the fate of China's global ambitions more generally—in what has already become a "decade of living dangerously."

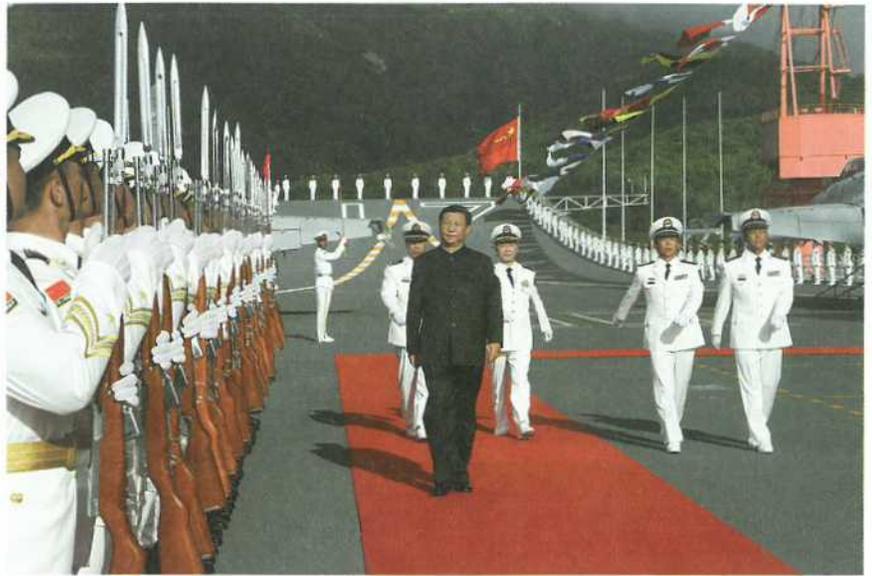
China has considerable reason to worry about such developments and what they could mean for its regional and global prospects. On the security front, for example, the Quad changes Beijing's thinking about various scenarios in the Taiwan Strait and the South China Sea and, to a lesser degree, in the East China Sea, as China's sense of the likelihood of Australian, Indian, or Japanese military involvement in any conflict involving the United States grows. Especially significant would be the Quad's coordination with the United States' Pacific Deterrence Initiative. A distributed network of land-based anti-ship missiles and other precision-strike capabilities stationed in allied countries in the region could hinder Beijing's ability to threaten Taiwan with an amphibious invasion, a blockade, or land-based missiles—although political agreement on such deployments in individual Quad countries is far from guaranteed, despite the steps taken in this direction in the AUKUS pact. Another Chinese concern is that the Quad will move toward an intelligence-sharing arrangement with the Five Eyes intelligence partnership, which would allow for sensitive information on Chinese strategy and behavior to be more widely disseminated.

But the worst-case scenario from Beijing's perspective is that the Quad could serve as the foundation of a

broader global anti-Chinese coalition. If the Quad were to draw other Asian countries, and eventually the EU and NATO, into efforts to confront or undermine China's international ambitions, it could over time swing the collective balance of power definitively against China. The Quad could also lay the groundwork for a broader allied economic, customs, and standards union, which could reshape everything from global infrastructure funding to supply chains to technology standards. The Biden White House's senior Asia official, Kurt Campbell, has already spoken of the need to provide a "positive economic vision" for the Indo-Pacific; Beijing fears that the Quad could become the fulcrum for such an effort.

One positive development from Beijing's perspective is the Association of Southeast Asian Nations (ASEAN), which has been perturbed by AUKUS and is likely to keep its strategic distance from the Quad, given its desire to maintain neutrality amid U.S.-China tensions. And Xi is also likely to continue to look to continental Europe to try to court potential disaffected American partners, even as China continues its current strategy of discrediting the Quad in international institutions.

Chinese officials also take comfort from continued protectionist sentiment in both Washington and Delhi, which means that neither is likely to join the CPTPP (or even RCEP) any time soon. Indeed, the gravitational pull of the Chinese economy will remain the greatest tool for weakening the Quad and subverting counter-Chinese efforts more broadly: for Beijing, China's continued economic growth and increasing share of the global economy remain its most potent strategic advantages, as they were in the past. It is for this reason that in September 2021 China formally applied to become a member of the CPTPP. The move by Beijing presents the TPP-11, led by U.S. allies Japan and Australia, with a major dilemma, particularly as China is not seeking to renegotiate standards in order to gain access to this higher-quality trade agreement. Were China to successfully join, it



*Chinese President Xi Jinping, also general secretary of the Communist Party of China Central Committee and chairman of the Central Military Commission, boards the aircraft carrier Shandong and reviews the guards of honor at a naval port in Sanya, south China's Hainan Province, Dec. 17, 2019. Xi attended the commissioning ceremony of China's first domestically built aircraft carrier, the Shandong. (LI GANG/XINHUA/GETTY)*

would represent a final inversion of the Obama administration's original vision of using the CPTPP to reduce regional dependence on trade with China. And without any clear alternative economic vision of its own to offer, Washington will find itself in a vulnerable position.

China will meanwhile also double down on strategic and military cooperation with Russia. Moscow and Beijing have already committed to expand bilateral nuclear energy cooperation, and in a May call with Xi, Russian President Vladimir Putin called Chinese-Russian relations "the best in history." From China's perspective, Russia serves as a useful military partner and, with respect to the Quad, offers a way to expand China's field of strategic options geographically. Russia's proximity to Japan and its continued occupation of Japan's Northern Territories, for example, could make Tokyo think twice before joining with the United States in any future military scenarios involving China.

The continued consolidation of the Quad will also serve to drive further increases in Chinese military spending. Even if some Chinese analysts

are doubtful about the actual impact of the Quad on the hard business of warfighting, military officials will argue that they must be ready for worst-case scenarios involving the Quad. Chinese officials are wary of repeating the Soviet Union's mistake of military overextension at the expense of the civilian economy. But if they see the correlation of forces with the United States and its allies shifting against China, Beijing's military spending will increase accordingly, turbocharging the regional arms race in Asia that has now begun.

Ultimately, the biggest question may be what all of this means for Xi, especially in the run-up to the 20th Party Congress, in the fall of 2022, where Xi hopes to secure his own long-term political dominance. There is some chance that the Quad's progress will offer Xi's detractors additional evidence of his inclination to strategic overreach. More likely, however, is that Xi will ultimately manage to strengthen his own hand by pointing to the Quad as proof that China's adversaries are circling the Motherland, thereby further consolidating his hold on power and ensuring U.S.-China tensions continue to climb.

### discussion questions

- 1.) A big part of the Chinese strategy to draw Washington's allies away is leveraging the power of the Chinese economy. How successful will this play out for President Jinping's plan to break up the Quad?
- 2.) The Quad alliance was originally tried out in the mid-2000s but soon after died out. What factor has been most influential in initiating its revival in recent years?
- 3.) Is it important for the United States to maintain a powerful presence across the East Asia region? If so, to what extent will the Quad be able to fulfill this goal?
- 4.) As a result of the AUKUS agreement coming into creation, a French-Australia deal was scrapped resulting in Paris being outraged. What is the likelihood that President Jinping will exploit this alliance rupture, and how concerning is that possibility?
- 5.) The presence of the Quad will likely be exploited by President Jinping to prove that he must consolidate more power resulting in worsening U.S.-Chinese relations. Does the possibility of this turn of events invalidate the existence of the Quad?

### suggested readings

Brown, Kerry. *CEO, China: The Rise of Xi Jinping*. I.B. Tauris. 288 pgs. July 2016. Brown reveals how Xi Jinping has been quietly building one of the most powerful leaderships modern China has ever seen.

Osnos, Evan. *Age of Ambition: Chasing Fortune, Truth, and Faith in the New China*. Farrar, Straus, and Giroux. 416 pgs. May 2015. Writing with great narrative verve and a keen sense of irony, Osnos follows the moving stories of everyday people and reveals life in the new China to be a battleground between aspiration and authoritarianism, in which only one can prevail.

Wright, Thomas. *All Measures Short of War: The Contest for the Twenty-First Century and the Future of American Power*. Yale University Press. 288 pgs. May 2017. In this book Thomas Wright explains how major powers will compete fiercely even as they try to avoid war with each other. Wright outlines a new American strategy—Responsible Competition—to navigate these challenges and strengthen the liberal order.

Denmark, Abraham. *U.S. Strategy in the Asian Century: Empowering Allies and Partners*. Columbia University Press. 336 pgs. August 2020. U.S. Strategy in the Asian Century offers vital perspective on the future of power dynamics in the Indo-Pacific, focusing on the critical roles that American allies and partners can play. Abraham M. Denmark argues that these alliances and partnerships represent indispensable strategic assets for the United States

Kelton, Maryanne. *More than an Ally? Contemporary Australia- U.S. Relations*. Ashgate. 226 pgs. October 2008. Maryanne Kelton introduces specific cases to demonstrate both the intensity and complexity of dealing with the United States. Through these empirical studies the government's approach is examined across trade, security, and industry sectors. The book adds to the current debate as it provides an explanatory framework for understanding the Australian government's choices in its relations with the United States across the broader spectrum of security issues.

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