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# US Defence Strategy and Alliances in the Indo-Pacific

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The central defence problem for the United States and its allies and partners in Asia in the coming years will be a supremely difficult one: how to be ready to defend vulnerable states within an anti-hegemonic coalition against Beijing's best military strategy. This will be exceptionally challenging because of China's enormous strength, and its ability to use its newfound power to simultaneously subject vulnerable states to invasion or searing pain while threatening other sympathetic states with great loss if they come to the target's aid.<sup>1</sup>

This is the military dimension of the broader geopolitical dynamic that now confronts us. China is the largest state to emerge in the international system since the US itself. For a variety of political, economic, geopolitical

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<sup>1</sup> The arguments in this chapter are more fully developed in the author's book, *The Strategy of Denial: American Defense in an Age of Great Power Conflict* (New Haven: Yale University Press, 2021). See also Department of Defense, *Indo-Pacific Strategy Report: Preparedness, Partnerships, and Promoting a Networked Region*, June 2019, [media.defense.gov/2019/Jul/01/2002152311/-1/-1/1/DEPARTMENT-OF-DEFENSE-INDO-PACIFIC-STRATEGY-REPORT-2019.PDF](https://media.defense.gov/2019/Jul/01/2002152311/-1/-1/1/DEPARTMENT-OF-DEFENSE-INDO-PACIFIC-STRATEGY-REPORT-2019.PDF).

and, perhaps, ideological reasons, it seeks regional hegemony in the nearer term and, from a position of predominance over the world's largest market, global pre-eminence.<sup>2</sup>

To frustrate Beijing's goal, enough states must come together in a more or less tight coalition to outweigh China in the regional balance of power. While this coalition appears unlikely to result in a formal 'Asian NATO',<sup>3</sup> it will need to be cohesive enough that, linked together, it can bring enough strength to prevent China from dominating. Because of its unique power, only the US can play the role of leader of this anti-hegemonic coalition. Yet it will need to include many other states, especially in Asia, given the limited influence of more distant states in the region. Japan, India and Australia, along with the US—the Quad—are likely to be the pillars of any such coalition, but it will need to include other states if it is to be stronger than China and its own plausible coalition. Thus, states like South Korea, the Philippines, Vietnam and Taiwan are likely to play an important role.

## Defending an Anti-Hegemonic Coalition through Favourably Managing Escalation

China's best approach to defeat this coalition will be a focused and sequential strategy designed to short-circuit or pry it apart. Beijing has a powerful incentive to avoid precipitating a large war with such a coalition. Such a conflict would be immensely destructive and China would likely lose against so many powerful states. Instead, Beijing's incentive is to seek to collapse the coalition without exposing itself to a very large war; it can do so by threatening or fighting focused wars against members of this coalition, progressively weakening it until it falls apart.

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2 'China Seeks Hegemony: America's Pacific Commander Offers a Military Warning', *Wall Street Journal*, 24 February 2016, [www.wsj.com/articles/china-seeks-hegemony-1456358971](http://www.wsj.com/articles/china-seeks-hegemony-1456358971); Ely Ratner, 'Rising to the China Challenge: Prepared Statement Before the House Committee on Armed Services', 15 February 2018, [docs.house.gov/meetings/AS/AS00/20180215/106848/HHRG-115-AS00-Wstate-RatnerE-20180215.pdf](https://docs.house.gov/meetings/AS/AS00/20180215/106848/HHRG-115-AS00-Wstate-RatnerE-20180215.pdf).

3 Kai He and Huiyun Feng, "'Why Is There No NATO in Asia?' Revisited: Prospect Theory, Balance of Threat, and US Alliance Strategies', *European Journal of International Relations* 18(2), 2012, [doi.org/10.1177/1354066110377124](https://doi.org/10.1177/1354066110377124).

China can plausibly do this because any anti-hegemonic coalition, whatever form it takes, will rely on its members' confidence in each other—and especially on their confidence in the US, due to its unique and critical role as the cornerstone of any plausible coalition. If Beijing can pry off or subjugate enough coalition members—especially those on which US credibility in Asia turns, namely those with a security commitment from Washington—then the coalition is likely to collapse. Beijing does not need to beat down every state in such a coalition to achieve this goal. If it shows the coalition is hollow, enough remaining states may judge that accommodating Beijing is the more prudent course.

In this case, even if, for example, the US, Japan and Australia remain opposed, the rest of Asia may cut a deal with China. In such conditions, the anti-hegemonic coalition will just be too weak, and China will dominate the region. In such circumstances, Beijing is unlikely to establish direct political control over Asia, but rather exercise a dominant influence over regional countries' economic, security and, quite possibly, political decisions. China will likely use this position to orient the region's trade flows and security relationships to its benefit, fundamentally compromising regional states' autonomy and diminishing its rivals, especially the US.

This frames the military problem for the US and its closest allies, particularly Australia and Japan. China will seek to threaten or wage focused wars, particularly against more vulnerable members of the coalition. Meanwhile, the costs and risks of a massive war with China are too great to be countenanced for such limited stakes; Americans, Japanese and Australians will not support fighting a total war over partial interests. Any defence strategy based on such a response will rightly be seen as a bluff.

Accordingly, the allies need to be able to fight and achieve their goals in *limited wars* defending coalition members, especially members that are beneficiaries of a US security commitment. This means being able to fight in ways that correlate the costs and risks of the struggle with the issues at stake. In other words, because China's incentive will be to narrow the scope and apparent stakes of the war, the US, Australia and others will need to be prepared to fight and prevail within bounds that their populations will be prepared to support.

This points to the central problem of *favourably* bounding any such war with China—and being seen to be able to do so for deterrence’s sake. Because any such war will almost certainly be limited, *how* it is limited will be crucial. Equally, how well the allies are prepared to fight within such bounds will be critical, if not determinative. If China can set the bounds of such a war, it can make them work to its own advantages. And if China can fight better within whatever bounds constrain the war, it is likely to win.

This reality frames the role of nuclear weapons in US and allied strategy vis-a-vis China. For all intents and purposes, China has now developed a secure second-strike capability against the US, and it is highly likely that Beijing will be able to deliver far more damage against the US than in the past. Because the stakes for Americans in Asia are grave but not existential, because of China’s incentive to limit any conflict with the coalition and because of the enormous burden of escalation associated with resorting to nuclear weapons first (especially at scale), allied strategies against China that rely too much on nuclear weapons for deterring and defeating China will not be sufficiently credible, let alone sensible. US nuclear weapons will therefore play an important role in Asia, but ideally should be reserved to deter China from escalating its way out of conventional defeat. The overwhelming focus of coalition strategy should be to ensure an effective conventional defence.<sup>4</sup> That said, the US should reserve the right to use nuclear weapons first, but any such employment—to be credible and sensible—would almost certainly need to be integrated within a robust conventional posture and as localised and limited as possible.

## The Importance of Preparing for a Fight over Taiwan

Which war should the US, Australia and other coalition members prepare for? China would be best off trying its focused war strategy (or the credible threat thereof) against Taiwan, followed in attractiveness by the Philippines or Vietnam.

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4 For a landmark study laying out a likeminded analysis, see Ashley Townshend, Brendan Thomas-Noone and Matilda Steward, ‘Averting Crisis: American Strategy, Military Spending and Collective Defence in the Indo-Pacific’, United States Studies Centre, 19 August 2019, [www.ussc.edu.au/analysis/averting-crisis-american-strategy-military-spending-and-collective-defence-in-the-indo-pacific](http://www.ussc.edu.au/analysis/averting-crisis-american-strategy-military-spending-and-collective-defence-in-the-indo-pacific).

Taiwan is Beijing's best target for a variety of reasons. It is near China and the People's Liberation Army (PLA) has focused its development on bringing Taiwan to heel. Taiwan is also located right in the middle of the first island chain; its subordination would allow China nearly uninhibited military power projection into the Western and Central Pacific.<sup>5</sup> Further, Taiwan's ambiguous international political status and entanglement with China may appear to give Beijing firmer standing to assault it. Finally, and critically, the widespread perception that Taiwan is the beneficiary of a real, if qualified, security commitment from the US means that Washington's credibility would be on the line. Rather than being a bug, this would more likely be a feature for Beijing in attacking Taiwan. Subordinating Taiwan would cut right at the heart of that critical confidence, especially in Washington's reliability, within the anti-hegemonic coalition.

Beijing might also target the Philippines or Vietnam. The Philippines is a US ally and has limited military strength, but it is difficult for China to get at, especially without first subordinating Taiwan. Vietnam, meanwhile, is China's neighbour and Beijing could attack it without crossing water, which is where the US military is at its strongest; however, Vietnam's reputation for strength and resolve, as well as its lack of a US security commitment, might make it less appealing for Beijing.

Over time, the immense growing reach and potency of the PLA will make additional Asian states more plausible targets for China.<sup>6</sup> South Korea is separated from China only by the Yellow Sea, not much more than what separates the mainland from Taiwan, and South Korea is a US ally. Thailand, whose 'alliance' with the US is considerably more ambiguous than other US allies, is separated from China only by a weakened Laos. This is not to say that Beijing will seek to rampage across the Asian continent. Rather, it means that China will have more and more opportunities to target weak and material links in the anti-hegemonic coalition, especially those that are beneficiaries of a US security commitment.

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5 Elbridge Colby and Jim Mitre, 'Why the Pentagon Should Focus on Taiwan', *War on the Rocks*, 7 October 2020, [warontherocks.com/2020/10/why-the-pentagon-should-focus-on-taiwan/](https://warontherocks.com/2020/10/why-the-pentagon-should-focus-on-taiwan/).

6 Eric Heginbotham et al., *The US-China Military Scorecard: Forces, Geography, and the Evolving Balance of Power 1996-2017* (Santa Monica: RAND Corporation, 2015), 343, [www.rand.org/content/dam/rand/pubs/research\\_reports/RR300/RR392/RAND\\_RR392.pdf](https://www.rand.org/content/dam/rand/pubs/research_reports/RR300/RR392/RAND_RR392.pdf).

In the nearer term, however, this means that the prime scenario that the US and, by extension, the anti-hegemonic coalition as a whole need to be concerned about is Taiwan. While Taiwan's fall would not necessarily doom the coalition, it would seriously damage it.

But while the whole anti-hegemonic coalition must be concerned about Taiwan, this does not mean that all states within it should focus on preparing to defend the vulnerable island. This is for several reasons. First, most states in the region (or for that matter, beyond it) do not have the capacity to meaningfully contribute to Taiwan's defence. Defending Taiwan, while practicable, would be immensely challenging for even the most sophisticated militaries, including the US. States in South-East Asia, for instance, lack the technological capacity and wealth to develop militaries that could project power to the Taiwan area and be relevant against the mighty PLA. States in Europe, meanwhile, lack the power projection capacity to make a meaningful difference in a Taiwan contingency.

Second, most states—even those with more wealth and technological development—need to focus on their own defence against the PLA. States like Vietnam, Thailand or Malaysia will need to focus their efforts simply on ensuring their own territorial defence against a PLA that will boast not only major land and anti-access/area denial prowess but also power projection forces such as carrier battle groups, nuclear-powered submarines and a large and sophisticated space architecture. Even wealthy but (compared with China) small South Korea will need to focus its efforts on its own territorial defence. Major power India, meanwhile, will be better off concentrating on its territorial defence and on dealing with China in South Asia, not trying to develop the capability to project power into the Western Pacific to contend with the PLA.

## **Japan's and Australia's Roles in Coalition Defence**

In addition to the US, this leaves Japan and Australia as the two states with the ability and reason to prepare to pursue collective defence of threatened anti-hegemonic coalition members, especially those on which US credibility turns. These two states have the capacity to both develop and field high-end power projection forces, and could prudently turn some of those forces to the defence of threatened coalition members.

Japan is the foremost regional pillar of the anti-hegemonic coalition. It is the fourth largest economy in the world by the purchasing power parity metric (third by market exchange rates) and at the forefront of technology development.<sup>7</sup> Moreover, it could and indeed must dedicate a much larger fraction of its national wealth to defence spending as China continues to grow. It therefore clearly has the capacity to help Taiwan's defence. At the same time, while Japan is a 'frontline state' vis-a-vis China and therefore must pay primary attention to its own territorial defence of the far-flung Japanese archipelago, it also is likely to have enough military capacity to contribute to other contingencies—especially those that are nearby and directly relate to the defence of Japan itself. Taiwan certainly falls into this category. Taiwan is at the end of the chain of islands that form the Japanese archipelago, so is proximate to the main area of Japanese defence focus—the Southwest Islands. And Taiwan's defence is directly relevant to the defence of the Japanese archipelago itself. Given its location, Taiwan's fall would dramatically weaken Japan's defence. Accordingly, Tokyo should be able to play an important role in Taiwan's defence, alongside the US.

This leaves Australia. Australia is, of course, a smaller economy than Japan. But it is very advanced, with a sophisticated and capable military experienced at expeditionary warfare. It therefore can contribute to defending other threatened members of an anti-hegemonic coalition. Strategically, Australia's fate will clearly be determined far from its own shores. If China is able to dominate the Asian mainland and its periphery, Australia will have no chance of an independent future. Such a hegemonic China would present an overwhelmingly powerful challenge to Australia, even one closely allied with the US. The costs and risks of such a war over such distant stakes could very well be too great to countenance for Americans, leaving Australia 'high and dry'.

Nor would an independent nuclear arsenal solve Australia's problems. First of all, it is not clear that Australia will be able to develop a nuclear arsenal that could survive and penetrate to deliver sufficiently devastating effects to deter China from coercing it. China is developing a tremendously capable suite of precision missiles, including ones capped with nuclear warheads, as well as bombers, submarines and other potential launch platforms; a space and aerial architecture for targeting; and air and missile

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7 For purchasing power parity and market exchange, see the most recent World Bank data: [data.worldbank.org/indicator/NY.GDP.MKTP.PP.CD?most\\_recent\\_value\\_desc=true; databank.worldbank.org/data/download/GDP.pdf](https://data.worldbank.org/indicator/NY.GDP.MKTP.PP.CD?most_recent_value_desc=true; databank.worldbank.org/data/download/GDP.pdf).

defences to blunt and even deny an adversary's ability to penetrate and hit valuable targets in China. These integrated capabilities will challenge even the US to deliver devastating effects against China. Much smaller Australia, then, would face a very real challenge in ensuring the delivery of a meaningful number of nuclear weapons against valued targets in China in the face of such a robust Chinese military.<sup>8</sup>

Moreover, even if Australia were confident it could deliver such a level of nuclear devastation, it is by no means clear that it could use the threat of such devastation to deter China from anything other than total conquest and annexation of Australia. In such conditions, Beijing would have the ability to retaliate with far greater force than whatever Australia could deliver. Consequently, any use of nuclear weapons against China under such circumstances would be, if not pulling the temple down over one's head, inviting enormous destruction. Perhaps such a risk could be countenanced for preventing Beijing from destroying or colonising Australia. But that is not what Beijing would likely try—or need—to do. Rather, Beijing would almost certainly be demanding that Canberra accede to its hegemonic position over Australia—that is, that Canberra, like other nations already under Beijing's predominance, would hew to its line over key security, political and economic questions. Would Australians be prepared to commit mass suicide over this? It seems unlikely.

Accordingly, Australia's fate will be settled with that of the anti-hegemonic coalition as a whole, which is to say, farther forward in Asia. If the struggle gets beyond that, it will probably be too late for Australia. This means that Canberra has a very direct interest in ensuring a war in the Western Pacific or South-East Asia goes well for the coalition. Thus, rather than fielding a military optimised purely for, or even significantly oriented on, territorial defence of Australia or expeditionary operations in the Middle East, Australia would be best off focusing on developing forces that can help the US and Japan achieve their joint objectives in key scenarios in the Western Pacific (which, of course, likely will include some capability for territorial defence of Australia, such as air and missile defences).

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8 For debates about Australia acquiring a nuclear arsenal, see Christine Leah, *Australia and the Bomb* (New York: Palgrave Macmillan, 2014), 131–45; Hugh White, *How to Defend Australia* (Carlton: La Trobe University Press, 2019); Stephan Frühling, 'Never Say Never: Considerations about the Possibility of Australia Acquiring Nuclear Weapons', *Asian Security* 6(2), 2010, 146–69, doi.org/10.1080/14799851003756618.



## Implications for Australian Defence Planning

How, then, might Australia think about contributing to these scenarios? And which ones? And in what balance or relationship? This is important because Australia will need to use its significant but, in the grand balance, relatively limited resources carefully and strategically to generate maximum effect.

As indicated previously, because Taiwan is China's best target for its focused strategy, the top priority for the coalition is its defence. Given the difficulties of defending Taiwan, only the US's active effort can make the island defensible. The primary focus for the US, then, must be preparing an effective defence of Taiwan, alongside redoubled and better focused self-defence efforts by Taiwan itself.<sup>9</sup> Such efforts must address two primary routes by which Beijing might plausibly seek to subjugate Taiwan: an invasion, especially a fait accompli attempt, or an effort to bring the island to heel through the imposition of pain—for instance, through blockade, bombardment and other such measures short of direct assault. Japan is likely to need to play an important role in both scenarios, both indirectly through the provision of basing and logistics support, and directly through the commitment of forces.

Australia might also play a useful, albeit limited, role. Canberra might contribute forces to the direct defence of Taiwan from a PLA invasion. But the fact is that a defence of Taiwan would take place a great distance from Australia; moreover, the central military effort would require either operating relatively near to China's coasts, which would necessitate highly survivable platforms, or striking from longer distances with a highly sophisticated and resilient command, control, communications, computers, intelligence, surveillance and reconnaissance (C4ISR) architecture. In this context, Australia's forces might be better focused on other tasks important to the favourable resolution of such a conflict, such as striking at or holding at risk China's forces in other areas—for instance,

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9 Valerie Insinna, 'A US Air Force War Game Shows What the Service Needs to Hold Off—Or Win Against—China in 2030', *DefenceNews*, 30 April 2021, [www.defensenews.com/training-sim/2021/04/12/a-us-air-force-war-game-shows-what-the-service-needs-to-hold-off-or-win-against-china-in-2030/](http://www.defensenews.com/training-sim/2021/04/12/a-us-air-force-war-game-shows-what-the-service-needs-to-hold-off-or-win-against-china-in-2030/).

the South China Sea and South Pacific. Such forces might not even need to become engaged but will need to present a credible prospect to Beijing of an unfavourable outcome if it seeks to expand the war.

This is critical because the US and the coalition's optimal outcome is a focused 'denial defence' of Taiwan. This would involve defeating China's attempted invasion or bludgeoning of Taiwan into surrender while limiting the war as much as possible, keeping the burden of escalation on Beijing. This requires not only defeating China's focused attack on Taiwan—necessarily the main line of effort—but also demonstrating to Beijing that trying to escalate its way out of defeat by expanding the war to the South China Sea or beyond would also have unfavourable results for China. For this it will be critical to have sufficient credible forces prepared to make that threat a reality. US and Japanese forces—and the forces of other supportive powers like India and Vietnam, as well as possibly the United Kingdom, France, and other North Atlantic Treaty Organization (NATO) allies—would play an important role in this effort. But Australia's might be especially suited to the task. This is not to say that Australian forces should be excluded from the direct defence of Taiwan, but simply that they may be, at least on the whole, better allocated to other critical missions.

But the coalition must also consider scenarios beyond Taiwan. This is because China might seek to circumvent the island or succeed in subjugating it despite the US and others' efforts. While the coalition should not countenance the latter, it is only prudent to prepare for failure in such a difficult and uncertain contingency. Moreover, if Taiwan were to fall to Beijing, the pressures on the coalition would be far more intense; it would be critical to avert any further losses to avoid the coalition being hollowed out—or even falling apart.

In lieu of, or after, subjugating Taiwan, Beijing would probably look to either the Philippines or Vietnam. The Philippines, however, would need to command the US and Australia's attention. Manila is a US ally, and therefore implicates Washington's credibility, while Hanoi is not the recipient of such a commitment and therefore does not. Further, the Philippines's geographical position as a lengthy segment of the first island chain is critical. If the Philippines were to fall under China's hegemony, military access to South-East Asia (including Vietnam) would become much more difficult, if not impossible. Thus, while the coalition would

suffer from Vietnam's subordination to Chinese hegemony, the loss of the Philippines would be far graver. Accordingly, the coalition should prioritise defence of the Philippines after Taiwan.

Australia could likely play a much more significant role in the defence of the Philippines, both due to its closer position as well as the reality that a contest over the Philippines would probably be more permissive for coalition forces than one over Taiwan, given the archipelago's greater distance from mainland China. In such circumstances, Australian forces could make significant contributions to blunting or defeating an attempted Chinese invasion of the Philippine main islands (such as Luzon) or an attempt to bludgeon Manila into submission.

It likely makes sense for Australia to focus on these two scenarios. If the coalition were to fail to effectively defend both Taiwan and the Philippines, it might already be too late to prevent China from dominating Asia. And even if it were not, the coalition could then regroup, albeit in this much worse position, to focus on defence of Japan itself and likely Indonesia.

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In conclusion, Australia and the US (as well as Japan) will need to play special roles in any anti-hegemonic coalition. Critical to its success will be the ability to defeat any Chinese theory of victory against a US ally within the coalition. And the reality is that while such a contingency sounds extreme, it is far from implausible. Indeed, the very fact that such a coalition already appears to be forming, and that Beijing is likely finding its attempt to use non-military instruments of coercion unsatisfying, increases the allure of the military option. This both frames the requirements and provides the urgency for Washington and Canberra to work together, lest lassitude result in failure and the loss of autonomy and national freedom for Australia.

This text is taken from *Alliances, Nuclear Weapons and Escalation: Managing Deterrence in the 21st Century*, edited by Stephan Frühling and Andrew O'Neil, published 2021 by ANU Press, The Australian National University, Canberra, Australia.

[doi.org/10.22459/ANWE.2021.02](https://doi.org/10.22459/ANWE.2021.02)