

A CASE FOR ENHANCING THE FRANCO-AUSTRALIAN ALLIANCE IN THE INDO-PACIFIC

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Abstract

In a contested Indo-Pacific region with a rising and assertive China militarily and economically, Australia must look beyond the US as the sole guarantor of its security. Australia realises the importance of maintaining the US–Australia alliance, but it must also seek other like-minded nations to ensure peace and prosperity in the region. The potential development of an enhanced Franco-Australian partnership in the Indo-Pacific presents a promising alliance against the backdrop of heightened US-China rivalry, concerns over maritime security, challenges to sovereignty and economic prosperity. Australia, as a small to medium nation in the South Pacific, must develop and expand its geostrategic partnerships. As Australia seeks to grow, expand or reinforce existing partnerships within a contested and competitive environment, the potential benefits of an enhanced Franco-Australian alliance in the Indo-Pacific are significant and worthy of careful consideration.

Keywords: Indo-Pacific Region, US-China Rivalry, Geostrategic Partnerships, Franco-Australian Alliance.

“Strong alliances and defence will keep the peace with China.”

Peter Jennings-ASPI

Introduction

The start of the 21st century has proven to be a turbulent one for nations across the globe. The Indo-Pacific region is no exception. It has become a highly contested environment for nations within or on its boundaries. Other nations that rely on this region, particularly regarding the Sea Lines of Communication (SLOC) for security and economic means, have also become embroiled in the rivalry in the Indo-Pacific region. China leads this tension as the emerging global power against the US hegemonic power.

Australia's challenge is serious as it seeks prosperity, stability, and security in Asia. In contrast, China is seeking its rightful place against declining US dominance in the region. Australia must navigate geopolitics to find partners with a similar vision for the region based on the current rule-based world order.

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While the notion of Australia seeking friends and allies in the region is not new, the difficulty comes in the different complexities that each nation brings. They bring with them different views on China and vary widely in their willingness to confront or even question China's actions. Each country has unique interests with the US and China, making achieving a 'like-minded' approach across the region challenging.¹ Many bilateral and multi-lateral agreements exist within the region. The number of these agreements appears to be on the rise. Furthermore, the existing agreements continue to gain magnitude as the tension and rivalry between the US and China rise, particularly about the South and East China Seas (ECS). From Australia's perspective, this tension is rapidly moving into its strategic interest and national security areas.

A particular partnership or alliance within the Indo-Pacific region that has been given little attention is one of a Franco-Australian relationship. This is despite the shared history, the continued affirmations of friendship between the two nations, and, significantly, France's scattered territories within the Indo-Pacific region with a combined population of over 1.5 million.² France's closest territory to the Australian mainland is New Caledonia, which is 900 miles off the east coast. A closer look at this potential relationship will ascertain the value of such an alliance, primarily for Australia but also for France.

For Australia, the problem is multifaceted. Australia must navigate between China, its principal trading partner, and the US for security. China has moved further into the Indo-Pacific region to influence smaller fragile nations within the Pacific. These tiny nations, which Australia has supported for decades, remain essential to the area and Australia's national security. China has also placed increased demands and pressures on Australia for having dared to question, criticise, or oppose Beijing on various issues. These pressures from China have deliberately focused on trade. China has blocked major Australian exports, including coal and many agricultural products, and placed unrealistic tariffs on other Australian goods, such as wine and barley.³

Considering Australia's 2016 Defence White Paper⁴, the 2020 Strategic Defence Update,⁵ and the 2023 Defence Strategic Review⁶, such an alliance is worthy of closer analysis and collaboration in the Indo-Pacific Region, and the focus of this paper is that of a Franco-Australian alliance. This paper's methodology centres around a literature review of critical primary and secondary sources, providing a realistic discourse on the case study from an Australian perspective.

This paper will consider the case for enhancing the Franco-Australian alliance in an increasingly contested Indo-Pacific region. It will identify the issues, challenges, and prospects that face the Indo-Pacific Region in the 21st century, in which Australia is indulged due to its geographical location. It will establish a maritime and economic security context in a contested environment and the strategy of critical stakeholders, namely China and the US. The increased emphasis on bilateral and multilateral agreements will be discussed in a rapidly changing geostrategic environment. Its partnerships and alliances amongst like-minded nations are central to Australia's

security and prosperity. Finally, this paper will discuss and illustrate the relevance of what an enhanced mutually supportive Franco–Australian relationship will bring to regional security in the Indo–Pacific and to each nation’s national interests.

The Indo-Pacific Region in the 21st Century

The background of this study rests in the rapidly changing geopolitics of the Indo-Pacific Region. China’s ever-increasing assertiveness as a major power is making countries in the region uneasy. President Xi Jinping, at the 20th National Congress on 16 October 2022, emphasised China’s great rejuvenation and its rightful position worldwide. High on the agenda was the reunification of Taiwan, by force if necessary, making the SCS the most contested maritime space in the 21st century.⁷ Contributing to this fast-changing geopolitical context is the political uncertainty of the US (accelerated by President Trump), its support for Taiwan, and the fragility of many independent nations within the region. The challenge for Australia is understanding the complexities of this contested environment in which it is inherently embroiled. This is essential for Australia to make appropriate policy choices on its national security and in its expansion of ‘like-minded’ alliances.

China’s rising power means the US faces a genuine peer competitor in the Asia-Pacific region. The challenge for the US is that this region is within China’s courtyard. When Washington rose to a great power status, it refused as a maritime power to allow foreign entities to exert influence or domination in its immediate impact. China now wants the same for the Asia-Pacific.⁸ The US has maintained superiority in the Pacific region through a maritime lens. Change is occurring. From the start of the 21st century, China’s naval and air power has increased. It now seriously threatens the US maritime dominance in the region. This military expansion by the Chinese Communist Party (CCP) now extends beyond the Pacific and into the Indian Ocean.

The expanse of the Indo-Pacific Region is debated as ranging from the eastern shores of Africa to the western coast of the US, albeit with differences in definitions depending on each nation-state and its geographic positioning in this vast expanse. The catalyst for such a renewal of the Indo-Pacific concept was first muted by Japanese Prime Minister Shinzo Abe in 2007, in that Japan and India, sensing isolation at either end, would want to balance against the Western Pacific’s rising power, China through a united single geopolitical sphere.⁹

The growing forces of globalisation, trade, natural resources, and the ‘Sea Lines of Communication’ (SLOC) critical to the East and West bring the Indo-Pacific region together. This is coupled with China’s growing influence and footprint across the region’s length and breadth while the US seeks to retain its dominance.¹⁰

The SCS, ECS, Indian Ocean, and the South Pacific are rapidly becoming areas of competition within the Indo-Pacific. Currently, the most contested and volatile region in the Indo-Pacific is the SCS, encompassing an area from the Karimata and

Malacca Straits to the Strait of Taiwan. The SCS is a critical trade route regarding its SLOCs, providing a significant proportion of the world's commercial shipping. Sixty per cent of maritime trade passes through Asia, and more than a third of global shipping passes through the SCS.¹¹

Regarding geopolitics, the SCS borders several countries, including China, Vietnam, Cambodia, Thailand, Taiwan, the Philippines, Malaysia, Singapore, and Brunei. Importantly, to its west, it connects the Indian Ocean to the Pacific Ocean via the narrow straits of Malacca, Lombok and Sunda.¹² The SCS provides a critical route for the supply of fuels (including crude oil) and raw materials, especially those sourced from West Asia and Africa, to advanced industrial and manufacturing countries like China, South Korea, and Japan. The SCS also provides these and the other nations bordering the SCS with an essential export route through which these nations generate a considerable component of their Gross Domestic Product (GDP).¹³ With China's growing economic and maritime influence, along with its expanding claims, reclamation of land and reefs, construction of artificial islands, development of military infrastructure, the placement of military assets in the SCS, the flouting of international law, and increasing assertiveness, now places all of these neighbouring countries at greater risk, particularly in terms of their economic development and independence. This tension and the risk of conflict are heightened as the US is determined to uphold international law in the region and display support for its traditional allies through military might.

The ECS is also highly contested as rivalries exist between North and South Korea, the US, Japan, China, and Taiwan. These rivalries are military and economic, with historical grievances, access to resources and the SLOC, unauthorised incursions, and ongoing territorial/island disputes. Within the ECS, tensions continue to mount with increased military expenditure and exercises by all nations involved. For example, Japan recently announced that it would double its defence budget and move away from its pacifist position to develop a counter-attack capability.¹⁴

The US sees India as a counterbalance to China's expansion into the Indian Ocean. Recently, the Indian Ocean and the countries comprising the South Asian Region have been embroiled in a more contested environment where alliances, partnerships, economic development, and stability are increasingly challenged. China's rising power and influence are central to this contested environment, coupled with the US seeking re-engagement in Asia-Pacific. China offers regional states a shared vision and destiny for economic progress through its economic power. This contrasts with the US-centric 'hub and spoke' system of alliances. The Indo-Pacific (coined by the West), China's Maritime Silk Road, and its Belt and Road Initiative (BRI) are the contesting and competing narratives for regional dominance.¹⁵

China's growing maritime power and assertiveness have now made inroads into the Pacific, challenging Australia as the regional power within Oceania and its national security interests. Significantly, the Pacific Islands in the 21st century are emerging as a field for strategic competition, which has heightened Australia's anxiety

about its role and position among the nation-states of the Pacific.¹⁶ Australia has been a long-term contributor, developer, and the most significant aid provider to the Pacific Islands. Now, China is a political and economic force operating in Australia's backyard. China's rise in the Pacific has not only caused Australia to review its policies and engagements (for example, through the 'Pacific Step Up' and dealing with climate change) but also for the US and New Zealand to review their respective policies and engagements in the Pacific. China's accelerated political offensive throughout the South Pacific, seeking security pacts such as with the Solomon Islands, wanting to develop ports and airstrips, and building questionable infrastructure while pursuing economic opportunities, has put many in the region on edge.¹⁷ For nations like Australia and the US, this is reminiscent of the contested environment in the South Pacific during World War II.

In the 21st century, opposing views and actions between the two leading global players, the US and China, appear set for the long haul. Whether in the South or East China Seas, the South Pacific, Australia's immediate north, or the Indian Ocean, the nature of the contested environment means that Australia, as an island, cannot exist in isolation. Australia must seek alliances it can rely upon as China increases its assertiveness and presence in the Indo-Pacific and its perceived hostility to Australia.

Avoiding Thucydides' Trap and the Competing Strategies

*"Let China sleep; when she awakes, she will shake the world."*¹⁸

Napoleon, 1817

The concept behind Thucydides' Trap is that when a rising power threatens to displace an existing one, the likely outcome is war. Under these conditions, intentional actions, unexpected events by third parties, ordinary flashpoints in international relations, accidents, or otherwise controllable events, together or on their own, could be enough to trigger considerable-scale conflict. A rising China, both economically and militarily, is challenging the existing hegemonic power of the US.

The area of contention is the Indo-Pacific (a term the Chinese reject). Within the Indo-Pacific region, the most volatile zones located within China's backyard are that of the East and South China Seas. Key to the US' strength is its maritime power. In 1890, Captain Alfred T. Mahan, an American naval strategist, used Britain as an example to show that maritime strength was the key determinant to great power success. Naval power would decide military triumph, acquire colonies, and facilitate economic wealth and development.¹⁹ The significance of the Indo-Pacific to both the US and China can be highlighted in Mahan's statement of 1918: "Control of the sea by maritime commerce and naval supremacy means predominant influence in the world... is the chief among the merely material elements in the power and prosperity of nations".²⁰

The danger of conflict between the US and China today is genuine. While neither Washington nor Beijing want conflict, they appear to be testing one another's

resolve. Such an escalation in tension could lead to a disastrous choice between humiliation and war for either nation. For China and America, backing down in their rhetoric would be so tricky that conflict is possible.

As the rivalry, tension, and the increased chance of miscalculation escalates between the US and China, Australia finds itself in a predicament. Australia continues to see the US as its key ally and security blanket. At the same time, China remains Australia's leading export market, accounting for over 30 per cent of its products and services.²¹ Canberra has consistently had to decide how far it can support the US without estranging Beijing and how far it can please Beijing without receiving a rebuke from Washington.²² Recently, China's increasing assertiveness in the region and its growing hostility and preparedness to use economic and political coercion towards Australia means that Australia must urgently review its security, partnerships, and alliances. To do this, it must understand the strategies of the US and China.

China's current grand strategy under President Xi Jinping is revisionist and based on the 'Rejuvenation' of a great power. In 2014, Xi Jinping reinforced the three core interests of the National People's Congress: security (protecting the political system), sovereignty, and development.²³ This message was restated at President Xi's recent 2022 20th National Congress, where he received an unprecedented third term as China's president and leader of the CCP.²⁴

China's first step will be regional hegemony in the Indo-Pacific through political, economic, and military means (which it denies), then moving to displace the US as the preeminent global power.²⁵ China views the US and elements of the international community as becoming more adversarial. At the 2023 National People's Congress, China announced a further eight per cent increase in defence spending. It further stated that the US was responsible for its woes economically, financially, technologically, and politically through its Indo-Pacific strategy of containment. Part of this containment is to impede China's BRI. China's narrative says containment will not work and that interfering with the 'One China Policy' will result in conflict.²⁶

The US sees China as having an expansionist/conquest approach to its rejuvenation strategy, where the country will now only follow a rules-based world order if it is in its interest. The US Indo-Pacific Strategy sees 'offshore balancing' coupled with its 'pivot to Asia' as a way of countering China's growth and influence. As the world moves from unipolar to multipolar, the US cannot avoid the rise of other great nations. The US wishes to share the burden of maintaining regional balance and influence through offshore balancing.²⁷

While working to erode US importance in the region, China views the US pivot to Asia and its shoring up of alliances as contributing to an arms race. With China's massive conventional and nuclear military build-up (including the world's largest navy) looking more offensive, it is natural and expected that smaller regional nations are looking to revamp their defence forces and capabilities. Four key countries and US allies reviewing their defence posture include the Philippines, South Korea,

Japan, and Australia. These countries and the US focus on deterrence to defend their national interests and show that the costs of hostile actions outweigh the benefits.²⁸

To prevent miscalculation or war between the US and China, former Australian Prime Minister and the appointed Ambassador to the US, Kevin Rudd (a career sinologist), has emphasised the importance of managed strategic guard rails for the US and China to develop a period of intense competition.²⁹ The 'red lines' areas include the SCS, ECS, Taiwan, North Korea, and cyber and space.³⁰ Immediate measures suggested to lower the current strains between the rising power and the existing power include:

- The US adheres to the One China Policy, which it formally recognises.
- The US should not pursue actions that are overly provocative to China, such as Nancy Pelosi's visit to Taiwan in 2022 or the President of Taiwan's visit to Southern California to meet with Kevin McCarthy, the new US "Speaker of the House, " in April 2023.
- A lowering in the outspoken tone/rhetoric by the US towards China and a return to a strategy of ambiguity.
- A joint appreciation that maintaining a unipolar world is over.
- Both China and the US to reestablish open communication channels.
- China to roll back its increased military provocations towards Taiwan and other regional neighbours.³¹
- China respects International Law, including 'Freedom of Navigation' (FON), addresses its actions of coercion and espionage (for example, offshore drilling/political interference), avoids wolf warrior diplomacy, and ends its harassment of foreign vessels and aircraft in the South and East China Seas and Pacific Ocean.³²
- Greater transparency as to why China believes it needs the military it is developing.

China's assertive behaviour in the SCS and its approximation to Southeast Asia puts it in Australia's strategic interest. Obama, Trump, and President Biden have all embarked on an 'Open and Free Indo-Pacific'. They have each acknowledged China's growing assertiveness and coerciveness, clearly articulated in the 2018 National Defence Strategy,³³ the 2019 Department of Defense Indo-Pacific Strategy Report,³⁴ and the 2022 National Security Strategy.³⁵ The US commitment to stability and prosperity in the Indo-Pacific will be through preparedness, partnerships, and promoting a networked region. Recently, further invigoration from the leaders of the 'QUAD', a grouping between the US, Japan, India, and Australia, demonstrated the importance of partnerships and a coming together of like-minded nations seeking a free, open, and secure Indo-Pacific.³⁶

The current and unabated diplomatic tit-for-tat between China's rising regional economic and military power and the US' existing power increases the

possibility of both nations, intentionally or unintentionally, falling into Thucydides' Trap. The consequences of such an action would inevitably draw Australia into the conflict.

Australia in an Emerging Bipolar-Multipolar World

During the Cold War, a bipolar world existed between the East (led by the Soviet Union) and the West (led by the US). The two blocks were not dependent on one another. With the end of the Cold War, the US experienced a unipolar moment for nearly 30 years. That unipolar moment has ended with the revisionist powers of the Russian Federation and the People's Republic of China seeking a more significant stake in world affairs. Complicating this, globalisation has made nation-states more interdependent on one another for political, economic, and military reasons.

The US has moved from a position of strategic engagement to strategic competition with China.³⁷ When a rising power comes into being, there are two choices: join the bandwagon or seek rebalancing by like-minded nations coming together. Recently, we have seen the emergence of mini-lateral partnerships and the enlargement of existing 'multilateral partnerships' (for example, Finland's entry into NATO). The recent creation of the Australian, United Kingdom, and US partnership known as AUKUS and the Quadrilateral Security Dialogue (QUAD) are viewed as mini-lateral partnerships. They consist of three to six like-minded members who face similar challenges for which they seek shared policy outcomes. For AUKUS, it is seen as complementary to the QUAD. The effort to build coalitions with similar political ideals and strategic interests will only increase a more significant political and strategic consensus – in this case, it is seen to balance China.³⁸

Recent military, economic and political activities from China in the South China Sea, East China Sea, Taiwan Straits, the Southwest Pacific, and India's Eastern border have all had a concerning impact on the nations referred to as the QUAD. Consequently, while not a military alliance, military cooperation has gained incredible momentum amongst the QUAD members. The QUAD can be seen as an emerging network-based security system. But this is not unexpected as many mini-lateral security arrangements already exist in the region, including Australia-New Zealand-US, Japan-India-US, India-Australia-Indonesia, Australia-France-India, and the US-UAE-India-Israel groupings as examples. In this situation, the QUAD is just another group of like-minded nations sharing the security burden.³⁹

China has attempted to label the QUAD as an 'Asian NATO' as it perceives these countries as wanting to contain China's rise. A statement often mentioned in China's unofficial mouthpiece, the 'Global Times'.⁴⁰ This is not the case, as each country has competing interests that make their strategic interests dissimilar. For example, Japan and Australia recently joined the China-led Regional Comprehensive Economic Partnership (RCEP). This involves a free trade deal, including 13 other Asia-Pacific nations. From a geopolitical aspect, each QUAD member has different concerns

about the Indo-Pacific. For instance, the SCS and the ECS are vital for Japan and the US. For Australia, this also includes the Southwest Pacific, and for India, the Indian Ocean and the 'Line of Actual Control' with China.⁴¹

In a contested environment, China has also sought to develop mini-lateral partnerships. Days before the Russian invasion of Ukraine, both President Putin and Xi Jinping proclaimed a strategic alliance that has no limits. Russia supported China's claims to Taiwan, while China affirmed support for Russia's position on Ukraine. Together, they provided a detailed and assertive declaration of their resolve to work together and build a new order based on their interpretations.⁴² Supporting this are the nations of Iran and North Korea with the provision of aid to Russia in the Ukrainian War. This has only heightened concerns for countries in China's immediate reach.

The mini-lateral organisation BRICS comprises Brazil, Russia, India, China, and South Africa. It has increased its rhetoric since the start of the Ukraine War, questioning the current world order, particularly economics. With increased East-West confrontation, a strong push exists to create a BRICS Plus by absorbing countries in vital strategic locations with a promising economic outlook. Iran and Argentina have applied for membership, while other countries in Southeast Asia, Africa, and the Middle East have expressed an interest in BRICS.⁴³

From an Australian perspective, it envisions a free, open, secure, and prosperous Indo-Pacific through solid partnerships with similar outlooks and strategic goals. For example, in October 2022, Australia further enhanced its relationship with Japan by signing a new 'Japan-Australia Joint Declaration on Security Cooperation'. This is the first time Japan has signed such a declaration with a country other than the US.⁴⁴ In a contested bipolar/multipolar environment, Australia sees such regional partnerships as critical. Another essential partnership requiring further consideration is that of an enhanced Franco-Australian alliance.

Prospects of Expanding the Franco-Australian Relationship in the Indo-Pacific

China's increasing actions within the Indo-Pacific, including a growing influence over the smaller and fragile island states in the Southwest Pacific, plus its coercion and aggression in both the South and East China Seas and its threats and actions against Australia, have raised political concerns both locally and internationally. Australian cargo has been left idle on ships outside Chinese ports for months. It has had its perishable goods arrive and be unloaded but then deliberately left unattended on the piers. Since early 2020, China has enforced a range of trade embargos and placed excessive tariffs on targeted Australian goods in breach of the World Trade Organisation.⁴⁵

During this growing tension and uncertainty, Australia must strengthen its regional partnerships and alliances to ensure better stability and a free and open Indo-Pacific. In this analysis to date, the current contested environment involving the

hegemonic power of the US against the rising power of China, the strategies of both sides, the rise of mini-lateral arrangements and the requirement for greater regional engagement have collectively led to Australia's need to consider further and reinforce its relationship with France. For Australia, France's proximity to and within the immediate region through its territories, lines of communication, global influence, and ability to project forward make it an essential consideration in Australia's geopolitics and security.

Today, within the Indo-Pacific, the main territories belonging to the French include the Mayotte and Réunion Islands in the Indian Ocean, New Caledonia, French Polynesia, and the Wallis and Futuna Islands in the Pacific Ocean. There are also France's Southern Ocean–Antarctic Lands. As a result, Australia and France are immediate neighbours in the Indo-Pacific region, sharing maritime borders in the Southern Ocean and the Coral Sea between Queensland and New Caledonia.⁴⁶

Throughout the 20th century and the start of this century, Australians fought alongside the French in World Wars I and II, the 1991 Gulf War, Afghanistan, and the global war on terror. In 2018, with President Macron's visit to Australia, the importance of maintaining and enhancing the enduring relationship of the two nations, particularly in the Indo-Pacific, was emphasised.⁴⁷

While France and Australia are separated considerably geographically and perhaps culturally, the shocks occurring to the world order and the rule of law have meant that the leaders of both countries are keener than ever to see how they might be better able to help one another.⁴⁸ European countries (including France) are examining how they might adapt their military presence to exert a stricter stance and, hence, deterrence against the unilateral moves of China in the Indo-Pacific region.

Australia and France have always been guided by collective action and multilateralism through difficult times. Both nations seek a free and open world managed through the rule of law and shared governance. In the 21st century, both countries have witnessed failures in democracy, conflict engulfing whole regions, a decline in international responsibility, escalating terrorism, and the destabilisation of institutions. The current environment encourages both nations to re-affirm their shared values of liberty, the type of society and the way of life, respect for others, and solidarity.⁴⁹

For the Franco-Australian relationship to be successful, it must remain cognisant of the broader regional dynamics. ASEAN countries seek not to choose sides in competition or potential conflict between the US and China. Additionally, the island countries to the immediate north of Australia and within the South Pacific, such as New Guinea, Timor Leste, Fiji, Kiribati, Vanuatu, and the Solomon Islands, see China as providing critical infrastructure, security, and capital to their struggling economies through its BRI. Of concern to Australia and France is the possibility that these relationships will give further inroads to China expanding its military and para-military presence in the region. Based on China's current actions, such a presence

would be ideally positioned to provide increased coercion through grey zone activities to countries within Australia's traditional area of influence.⁵⁰ The worst scenario involves China potentially exploiting and controlling the region's SLOCs and EEZs.

In maintaining a favourable regional dynamic, Australia and France must address their neighbours' past, present, and future concerns. For France, its atomic testing in the Pacific has left a negative impression on the indigenous peoples of the region. Also, to its detriment is France's perceived failure to address the economic and sovereignty concerns of those in its territories, recently witnessed in early 2024 by the unrest and extensive destruction of property in New Caledonia. In this instance, President Macron was quick to react by delaying the polling reform that caused the unrest perpetrated by the indigenous Kanaks. All parties agreed to further dialogue, and calm has been re-established in the French territory.⁵¹

From Australia's perspective, climate change, economic development, and acquiring nuclear-powered submarines under AUKUS are the Pacific Islands' most significant concerns that Australia has had to respond to. The current Australian Government, led by Prime Minister Anthony Albanese and supported by Foreign Minister Penny Wong, acted within 24 hours of their election win to address these issues by visiting each Pacific Islands concerned. With this visit, the Australian Government reaffirmed its commitment to being the country of choice for the Pacific Islands.⁵²

While France may not be the first nation to come to mind as a regional partner for Australia, it has a range of shared interests and concerns in the Indo-Pacific. This makes a solid strategic engagement important to both countries. Like Australia, France contributes to the tiny nations of the Pacific through humanitarian aid and disaster relief. A recent example of cooperation occurred when both countries provided life-saving humanitarian assistance to Vanuatu in the aftermath of tropical cyclone 'Pam'.⁵³

In dealing with instability, natural disasters and climate change, Australia's 2016 *Defence White Paper* identified its partners in the South Pacific in the following order: New Zealand, France, the US and Japan. Within the South Pacific, the white paper offered three layers to its partnership with France:

- France and Australia have a close and longstanding defence relationship.
- Both countries have a shared commitment to addressing global security challenges (including terrorism, cyber, illegal fishing and trafficking) and
- Both are vital partners in the Pacific, where France maintains essential capabilities. Additionally, both nations work closely to support the security in their respective Southern Ocean territories.⁵⁴

In 2020, Australia's Foreign Affairs, Defence and Trade References Committee made several defence and regional security recommendations for the Australian Government to consider regarding cooperation with France. These included increasing the number of joint exercises between the two nations as part of the 'Pacific Step Up', reaffirming existing agreements on security and logistical support, supporting the international rule of law, enhancing the Pacific Defence Cooperation Group, which also includes the US and New Zealand, and the ongoing cooperation and development of the defence industry.⁵⁵

In 2012, former French President Francois Hollande established the Pivot to Asia strategy, explaining that France is a Pacific country with strategic interests. Then, in 2018, President Macron, on his visit to Australia, advocated a France-India-Australia alliance to enable the ability to deal with China from a position of 'equal partnership'. In 2019, France issued a strategic paper titled France's Defence Strategy in the Indo-Pacific,⁵⁶ consolidating its position as a regional power.⁵⁷

Today, the Indo-Pacific is facing one of its most profound geostrategic shifts, with potential consequences for the interests of France, its partners, and allies. Within the Indo-Pacific, France has seven overseas territories, 1.6 million French citizens, over 200,000 French expatriates, and nine of the 11 million square kilometres of France's Exclusive Economic Zone. Under these conditions, France wishes to fortify its posture as a regional power, protect its sovereignty and contribute to international stability.⁵⁸ France sees China as an essential partner in the region where the European Union must work with China. Specifically, France seeks a relationship with China that develops cooperation based on the need for reciprocity.⁵⁹

Since 2017, France and Australia's political interaction and cooperation on critical global and regional issues has improved. There are currently three key strategic documents: the Joint Statement of Enhanced Strategic Partnership between Australia and France, agreed in 2017⁶⁰; the 2018 Vision Statement on the Australia-France relationship;⁶¹ and the Australia-France Initiative known as AFiniti, launched in 2018 to support the vision of a lasting and prosperous bilateral relationship across all fields of human endeavour. These documents build upon the 2012 Joint Statement of Strategic Partnership between Australia and France, covering areas of mutual interest, including political and economic cooperation, defence, and the Indian and Pacific Oceans.⁶² While there was a brief fallout between France and Australia in 2021 over a submarine project, it is back on track with the election of a new Australian Prime Minister, Anthony Albanese, in 2022.⁶³

As uncertainty in the Indo-Pacific region persists, Australia needs to enhance economic and trade ties beyond an overreliance on China. France provides such an opportunity and an inroad to the EU. The Foreign Affairs, Defence and Trade References Committee has identified several opportunities to develop and strengthen economic ties between Australia and France. These opportunities include space, critical minerals, mining, and energy, which all appear to have the potential to generate new trade and investment flows between the two economies. Additionally,

other areas identified to have further economic prospects include defence, financial technology, the digital economy, and infrastructure in the Indo-Pacific.⁶⁴

Australia's current trade with France, while small compared to Australia's trade with China, has been steadily increasing at four per cent annually for the last 27 years. While trade remains firmly in France's favour, it is Australia's 16th largest two-way trading partner. In 2022-23, the two-way trade was at US\$12.6 billion.⁶⁵ Table 1 below shows the top exports between the two countries.

Table 1: Two-way trade between Australia and France 2022-23

Australia's goods and services trade with France, 2022-23				
Source: DFAT-adjusted ABS data				
Exports		Destination Ranking: 22	Imports	
Item	A\$m		Item	A\$m
Coal	1,161.0		Transport services	679.0
Oil-seeds & oleaginous fruits, soft	578.4		Medicaments (incl veterinary)	648.0
Prof, tech & other business services	285.0		Perfumery & cosmetics (excl soap)	639.4
Confidential items of trade	278.9		Alcoholic beverages	572.2
Recreational travel	266.0		Recreational travel	457.0
Education-related travel	139.0		Jewellery	354.0
Financial services	102.0		Civil engineering equipment & parts	344.0
Total	3,672.4		Total	8,869.6

Source: Department of Foreign Affairs and Trade: Australian Government, accessed on 26 May 2024, <https://www.dfat.gov.au/sites/default/files/fran-cef.pdf>.

Regarding foreign investment stocks, France was Australia's 13th most significant source, with US\$54 billion in 2022. Conversely, Australia's investment in France was US\$82 billion.

Currently, 60,000 Australians are employed by over 600 French companies in Australia. These companies range from defence (for example, Thales) to infrastructure, banking, and renewables. More recently, both countries have focused on critical minerals in the exploration, extraction, and processing fields.⁶⁶

Finally, in building upon the joint statement signed in 2017, covering an enhanced strategic partnership between Australia and France, Prime Minister Albanese and President Macron agreed to a new 'Roadmap' on bilateral cooperation in July 2022. This new roadmap emphasises the South Pacific and covers three pillars: Defence and Security, Resilience and Climate Action, and Education and Culture.⁶⁷ Thus, the prospect of enhancing the Franco-Australian relationship is strong.

Conclusion

The Indo-Pacific has proven to be the central region of contention and power rivalry in the 21st century. Australia is not immune from this as it navigates its position between a rising and more assertive China and the declining dominance of the US. China remains Australia's major trading partner, while the US is its principal security partner and ally. Australia's current turbulent relationship with China indicates that Australia's foreign and domestic policies must seek to build alliances with like-minded nations within the region beyond the US. France is one such country where Australia can further develop or enhance its diplomatic, economic, cultural and military ties. Furthermore, in its national interest, Australia may continue to work with China where it can and disagree where it must.

As the world moves from a unipolar to a bipolar/multipolar one, there has been a rise in the number of partnerships between nations. Specifically, a rise in mini-lateral partnerships. These partnerships come together when common interests and strategic outcomes align. One such collaboration is between Australia and France. China's growing maritime power and assertiveness have challenged Australia as the regional power within Oceania and potentially its national interests. France, as a Pacific resident, also has similar concerns regarding China. Together, Australia and France seek a Free and Open Indo-Pacific based on the international rule of law, where all nations, large and small, are free from coercion, perceived or actual. As such, 'enhancing' the Australian-Franco alliance in the Indo-Pacific would benefit both nations.

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