Transcript — Defending the Pacific: George Friedman on Australia, Japan and the coalition against China

Christian Smith: Hello, and welcome to this podcast from Geopolitical Futures. I'm your host, Christian Smith. The Australian Defence Minister said this week that China's military defence buildup required a response. China's defence spending has increased 13 fold in the past 30 years, while its navy is projected to grow by nearly 50% by the end of this decade. That last statistic would be of particular concern to Australia's Defence Minister, Richard Miles, who said that open sea lanes, including around China, are crucial to Australia's national security. Followers of Donald Trump's trip, meanwhile, around Asia last week would have been aware of the importance of the Pacific to the United States. But how is great power competition playing out in the Asia Pacific? What is the role of Australia, of Orcus and of the Quad? And can America's allies still trust the US and its nuclear umbrella to be there as the US seeks to disengage from the world? Well, on this episode of the podcast, we aim to find out, and I am joined by Geopolitical Futures chairman and founder, George Friedman. George, it might seem a bit of a stupid question, but why is China building its military?

George Friedman: Well, China is aware of something that most people are aware of. Wars happen. China has had conflicts on the Russian border with the Russians even during Communism. Various times, China had a massive war with Japan when Japan invaded them. China has had hostile military relations with the United States, with the United States fearing that the Chinese would challenge them. In the Pacific, the United States is defended by two oceans, the Atlantic and the Pacific, making it very difficult to attack the United States. But the United States has a massive navy that makes it possible for them to attack globally, particularly across the Pacific. So this is an important question. Who controls the Atlantic, which. The United States fought a minor confrontation with the Russians back in the Cold War, and it was settled. That was the United States. And there's the question, then this. China evolves. How secure is China? So we should not always think of China as simply aggressive. China also has very defensive needs. Contrary to all Americans who know we have no intention of invading China, the Chinese are not aware of this and therefore want to have a defensive force. So it's a significant force, but limited by geography and so on. You talk about that, and I mean.

Christian Smith: In regards to that, you mentioned there that for many in the West, China seems to be aggressive. I mean, if you look at the South China Sea and what China's been doing

there and that sort of thing, what's the story behind its desire to expand its control, for want of a better word, of areas like that.

George Friedman: Well, just as Australia might be sensitive to access to the Indian Ocean and to the Atlantic, the Chinese have the same fear, which is that and their legitimate fear, which is there's a string of islands beginning with Japan going to Taiwan, going to the Philippines, going to Papua New guinea, ending in Australia, where there are just relatively narrow exits from Chinese ports and therefore possible, even with mines and limited weapons, to block the Chinese access to the Pacific. So the Chinese are concerned that the United States might, under certain circumstances, choose to take this step. And remember, it's a very long journey to Australia from Japan, but a very important one. And they feel they have to have the navy, both for defensive reasons and also in the event of a conflict over access to the Pacific or with the United States a threat. So like all navies, all military forces, they can be both defensive and offensive. And China is a major power in these ones.

Christian Smith: I mean, we're seeing. I think we'll come on to what you're just saying there in a bit as well, George, but we're seeing what we would call competition, not what Australia and China would call competition, but we're seeing competition between the two in the Pacific. There's sort of diplomatic and other struggles going on for parts of the Pacific. Help us understand what's going on there.

George Friedman: Well, Australia is worried about its access to the high seas. It is a big island, but it is an island and is therefore necessarily a maritime power. And its access to the Indian Ocean, to the Atlantic, can be threatened. There are narrow waterways. And so from their point of view, the Chinese, who. Whose intentions they can't necessarily trust in the long run, they need to have a force of their own. They can't simply depend on the United States, not only because the United States wants to back off from these defenses, but the United States Navy may be engaged by the Chinese up north. So Australia needs to have some ability, not just to protect against landings in Australia, but more significantly to make sure that it has access to the rest of the world and that China doesn't blockade it. So when you talk about naval force, very frequently you're talking about access. The highway to the world are the oceans. And where there are narrows, other navies can block them. And Australia has evolved to the point where the United States expects it to operate for itself if it can, and where the Australians have evolved to the point of saying, yes, we have to do that, and hence they are involved and building. They were working with the United States at the same time building a significant naval force.

Christian Smith: I mean, if. If we Just stick with sort of Australia's backyard for a moment. In recent months, we've seen deals discussed with Vanuatu, Papua New guinea, all kind of north of Australia, and Australia and New Zealand as well have been. Have been keen to keep or bring other Pacific islands onto side or keep them on side in many respects. I mean, China has been engaging in what some people call checkbook diplomacy in these regions. I mean, is this a new sort of Cold war in a real sense where it's the Australia, New Zealand, the US Are trying to contain China's expansion in this area and that China is trying to get more influence?

George Friedman: Well, China is a major power. China has a significant navy. The question is not limiting their power. It is engaging in such a way that the Chinese won't risk using it. The Chinese have the same view of the United States. And you'll notice that since really the Korean War, the US has not engaged with Chinese forces, even in Vietnam. So they. The fact of the matter is that two nations have not had actual hostile military action against each other. On the other hand, in all cases, it is prudent to prepare for the possibility. And that's what's happening, and that's what Australia is doing, joining that game.

Christian Smith: I mean, I suppose one reaction to what you're saying and what Australia is doing is, I mean, really, do you expect China to close, close the sea routes around China and even further afield at some point? Is that really something that might happen?

George Friedman: Well, when we look at the history of wars, the thing that usually happens is the one you least expect to happen. We didn't expect the Japanese to hit us at Pearl Harbor. The British didn't expect the Germans to overrun France in a very short period. So when you're doing military planning, you take the worst case scenario, because sometimes it happens. The ideal outcome of this is no war at all. It's money well spent when no one does it. But at the same time, there is always the possibility. Look, you know, the Pacific region has had plenty of wars, many divided states, but it has had its. There was a time in World War II and Australia itself felt very vulnerable to a Japanese attack where the United States Navy had to be the force to defend it. The US Navy had just survived Pearl Harbor. It wasn't in very good shape. And each country has to understand that the other countries in its alliance will first defend their countries and that they're next on the list. Perhaps. So a maturing country that has the resources and assets is prudent to spend some of its time if it's only for deterrence, that they won't happen to build a force that makes the worst case scenario very dangerous for somebody else.

Christian Smith: I think we've spoken about it before and it's certainly something that Geopolitical Futures has been writing about. I mean, in many respects, the idea of a Chinese

attack on Australia more directly is less likely just because, you know, often the Asia Pacific is grouped together, but it's an enormous area. You know, it would be like suggesting that France might attack South Africa or something, something like that. They seem a very long way apart, China and Australia. I mean, for that to happen or for anything like that to take place, I mean, China needs more footholds in the Pacific. It's, you know, they're too far away from each other to really come to blows in that sense.

George Friedman: In fact, both the Chinese Navy, the US Navy and the Australian Emerging Navy are defensive forces. There's no expectation, I think, by the Chinese, the US landing on the mainland of Asia and trying to conquer it. We have enough fun in Vietnam. We're not going to do this, and it's not possible. The possibilities of warfare on all sides, the three sides I just mentioned, is blockade, closing off the access to the rest of the world. China in that sense, is in a very difficult position because of these islands that block it. Australia has many narrow passageways into the Indian Ocean and beyond. The United States is in better shape given the fact that there's no hostile power close to its borders and the oceans can be reached for many ports. So the point is that the Chinese developed their navy in part for defense, and they've never used it really on an offensive basis. Significantly, with the United States, the smaller countries in the region cannot be so certain. So when you look at South Korea, which has a hostile relationship with North Korea, China could potentially blockade it or even have amphibious forces come ashore. When you look at Japan, a country that demilitarized after World War II, it is entirely dependent on the United States having the intention, inclination and capability to send forces to defend it. When you look at Australia, it may not be an invasion of the entire country, but taking some of the northern ports would be very interesting, but I don't think that would happen. There is plenty of ways to block Indian, plenty of ways to block Australian commerce without engaging Australia directly. So when you look at an island nation like Australia or the United States in a way, or China, they're making sure that the primary highway to trade and other things are secure. And navies are the way they make that secure. It does not mean that the Chinese are building a navy that's going to be powerful enough to cross the Pacific and land in California. It doesn't mean that they're going to take Sydney next week or they intend to, oddly enough, because we Americans, Australians all know we do not intend to invade China. The Chinese are not necessarily convinced of that. So if you play worst case scenarios, then you build these navies as protection. The Chinese have been fairly limited in the amount they threaten North America. They've come a little closer once in a while with the Australians and the Australians get very, very nervous passing by. But seriously, conducting amphibious warfare as the United States did during World War II or at Normandy is a very difficult task of coordinating naval power, air power and then landings. It is not an easy thing

to do. China has never done that. Really, they haven't even withded Taiwan. So when you look at it from a military standpoint, this is about trade routes and making certain that their trade routes are successful. Therefore the Australians, to make sure that the Chinese don't get any ideas, are busy building anti ship systems submarines to threaten them.

Christian Smith: I should just say, well, let's talk about the submarines. I should just say, I'm not sure if you can hear it there in the background, but I'm recording from London where it is Guy Fawkes Night or Bonfire Night, which remembers, celebrates, however you want to describe it, the attempt to blow up the English King and parliament back in the early 1600s and, and by doing so everyone sets off fireworks. So I'm not being attacked by some navy, it's just, it's just that. But let's talk about those submarines and talk about Orcus. That's obviously the partnership between the uk, let's Australia and the US and in particular at the heart of it is the sale of I believe a number of nuclear submarines, 11 perhaps to Australia. Nuclear powered submarines rather than nuclear armed. I mean, what do you. I mean there's been political pressure in both the US and Australia this year over Aukus. Trump recently endorsed it following a review. Why is it so crucial to these three countries?

George Friedman: Well, I look at Australia and it's a southern anchor of the island chains, Papua New guinea, as I said, Philippines, Taiwan, Japan, that to a certain extent block their access to the Pacific. So there are two American lies in the region. One is Japan, which is extremely escalating its military capability. South Korea is a definite ally, but not that powerful. The southern link is Australia, in the same way that in World War II when the Japanese went south all the way to Guadalcanal and so on. Australia became a base of operations that both saved Australia from the Japanese and also allowed us to launch offensives. So we have a model for this relationship. For many years during the Cold War, US Soviet relationships, Australia was a marginal player. No one was going to waste their time trying to get down there. Australia, once the Cold War ended and the Chinese emerged as perhaps a greater power than Russia, okay, it became a different game. So for a while they sat and looked at it, but they are now alive in a way, in the same relationship they had when World War II was waging. We want to protect ourselves from an Asian force, which means somebody else should tie them down. Japan and Australia.

Christian Smith: From a military perspective, what is the use of the submarines for Australia in particular, and I suppose by extension the US as well? I mean, why, what, what point? Apart from obviously receiving the money for them, why does the US not just keep the submarines itself and does what it wants with them in the Pacific?

George Friedman: Well, for one reason, they're very expensive, and we have two oceans to patrol. The Australians have a need to make sure that the passageways from the Pacific to the Indian Ocean are free. It's in their interest to do so. Submarines are a very good weapon to use against blockades. Blockades normally happen in the surface. These threatened surface ships, okay? And because they have to bear part of this burden. So the United States does have submarines. Right now they're kind of nursing around northern Europe, nursing around northern Europe with the Russians issues. Russian issues. But Australia has evolved. When Australia and Second World War, it was not a primitive country, but a very under economically downward country. And it was not possible for them to defend themselves. If Australia fell, it became a base of operations westward and eastward. And so for various reasons, that happened. But at this point, Australia is not a poor, weak power. It has the capability economically of fielding a force, and it's fielding a force that's directly engaged in the defense of sea lanes for Australia. In other words, if something were to happen, not just with the Australians, but, for example, some southeastern Asian country, they need the ability to clear the way. So submarines are the proper tool for the use of this. And there are many ways in which their path to the global markets could be blocked.

Christian Smith: Enjoying the show? Take a moment to follow and rate us on your preferred podcast platform for video versions of the show and much, much more. Subscribe on YouTube eopoliticalfuturesgpf that's eopoliticalfutures gpf. And as always, you can find expert geopolitical analysis@ geopolitical futures.com well, let's expand it out a bit as well and talk about the quad. I mean, ORCUS is sort of only part of the, I suppose, what you might call the sort of collaboration between powers in the Pacific to counter China. In many respects, the quads has sort of gone up and down, I suppose, in terms of how important it is. It's India, the U.S. australia and Japan. Is it still significant, George?

George Friedman: Surely, particularly with Japan. India is a question mark. Australia is already involved in the United States, so it's orchestrated the British, but with the Japanese. And that makes perfect sense because the north end of China is Japan. The southern end of China's access points, if you will, is Australia and backing it up as the US Navy as a whole. So it's in the interest of Japan, certainly, to have that relationship. It's an interest of the United States to have a relationship with Japan. It's also an Australian interest. So one of the things the United States wants, it's not simply withdrawing from the world, it wants to reduce its presence in the world by having allies that have significant forces. When we went into Europe after World War II to block a potential Russian Soviet attack, it became deeply entangled in Europe because of the condition of Europe at that time and remains entangled in the

Australian case. We remained very close friends and collaborated on intelligence matters, five eyes and stuff like that. But as China evolved, Australia became a little more vulnerable and the United States Navy certainly spread itself for a while to handle this. But then the idea that the Australians are big boys now, they can do it themselves emerged. It was a very reasonable thing. Interestingly, the Australians didn't resist it too much. They first made a deal with the French, they then double crossed the French and made a deal with the Americans.

Christian Smith: Class had great power politics.

George Friedman: I suppose it also has to do with wanting to keep the Americans happy.

Christian Smith: Yes, I mean, obviously Australia is very important there. Japan as well, as we've talked about, we talked about a bit on the last podcast too, their increasing importance and how they're sort of stepping back into developing their military. India, though, I mean, India feels a bit like it's been thrown under the bus by Donald Trump recently. What's their role in the Quad?

George Friedman: Its role in the Quad initially was that it was hostile to the Chinese. The Chinese and the Indians had on their borders some very severe fights. The Chinese were supporting a mortal enemy of India, Pakistan, giving it heavy weapons. So when we look at that question, what were we doing there? We were trying to build A multilateral force that would be a threat not to Chinese mainland, but any force that emerged from China. Given the fact that India became unreliable from the American standpoint because of their relationship with the Russians and Russian oil, the Indians obviously don't feel very comfortable in their role in Quad, even though they still don't have great relationship with China, they are better relationships. So as the alliance systems in the region change, Quad changes. What won't change is basically August. These are fundamental relationships. The United States depends on Australia as the southern link of its contained China policy. The British are allies everywhere and participating to the extent they can. But Australia is very important. And to me, the most important relationship that's going to evolve in the Pacific is going to be Australia and Japan, the northern point and the southern point. And we see that almost every day, evolving that relationship both economically and militarily.

Christian Smith: And Australia's bought a number of Japanese. I think they're frigates or other type of naval vessels as well. There's a lot of cooperation going on between them in terms of training and even intelligence sharing potentially as well. I think so. I mean, that is, as you say, it was really interesting to follow. I mean, obviously Australia and Japan in this sense aren't really going to change their tune. They are in the region in that sense, they are involved.

But let me ask you, I mean, a number of people in Australia as well, in Japan too, even South Korea, they've been asking questions as Trump and the US Seeks to disengage a bit more from the world. Questions have been raised by many people of is the US still a reliable ally in this sense and particular for South Korea? They've been saying, well, look, you know, we are somewhat dependent on the American nuclear umbrella, particularly because North Korea now has. That has nuclear weapons. Are the US still reliable in this sense?

George Friedman: They're reliable because it's in the American interest to have a line of nations that can help us keep them out of the deep Pacific. Obviously, we don't want to see the Chinese fleets, even if they can't land in California, steaming up and down the coast. That's a distant future. The difference is not can you rely on us? It was always, can we rely on you? Can we rely on the Japanese, for example, to take their massive economy and devote it to their own defense so that we're not the only ones worrying about Taiwan. Can we count on the Australians to spend the money? They're fairly well to do nation in protecting their own sea lanes. So the questions that are posed, can the United States be relied on should be reversed. In the past 80 years, could these countries be relied on? They could be relied on by the United States. Was in the United States to do so. But ultimately, the idea that the United States has a moral obligation to be reliable to all these countries, it will be reliable because it's in their interest. But these countries have the ability 80 years after World War II, having built massive economies and everything like that, to defend themselves, to contribute to it. So where the world asks, is the United States reliable? Merrick asks, when will you guys become reliable? And that's the other question. So one of the things that Trump has done, he's not broken the relations with Australia by any means. He's not broken the relations with Japan or South Korea, but he's looking at their economic development and saying, okay, you're no longer solely dependent on the United States. Will we come to your aid? Yes, because it's in our interest. Because if Japan fell to China, unlikely event South Korea fell, Australia fell, our control of the Pacific would be dangerous, and so on. So the real issue here is nations that assume that the Americans had a moral obligation to defend them while they enjoy their healthy economies has been changed, moderated. Can we be relied. Yes, because in our interest. And that's what drives nations interest.

Christian Smith: You touched on something just then. You touched on Taiwan, which we haven't talked about yet. Just want to ask you something about that in one minute. But before we do that, speaking of the sort of idea of the balance changing in the Pacific and that sort of thing, I mean, how much of this is about the. The US and other and its allies wanting to

maintain the current balance in both trade in the way that the world sort of works in the Pacific. At what point will, if that balance starts to tip, will something go wrong there?

George Friedman: Geopolitics has two dimensions. One is economic. Without economics, you cannot have a military. Without military defending the world country, you cannot have an economy. So these are both two dimensions. In fact, these two dimensions are now being negotiated with the Chinese. In this sense, the United States has become very dependent on Chinese exports. That's a dangerous thing to do because if you have hostile military relations with a country and are dependent on their economies to supply goods and services, you might wind up in a very bad position militarily if they struck and you no longer had access. So one of the things that the US Is saying to the Chinese is, look, we can't both have an intimate economic entanglement, if you will entanglement. We can't do that. And also constantly be at each other's feet, oddly enough, in the negotiations, which now are in two tracks. One is an economic track that we're talking about constantly, but also a military discussion on how to be safer from each other that's going underway. So when we talk about geopolitical relationships, they're both dimensions. You cannot be dependent on a country economically as the United States or China, and China is on the United States and access to its markets and have the threat of war over something like Taiwan, you know, flare up, make your decision, friends or foes or whatever. But we can't have this mixed relationship. So I think what Trump is doing basically, is saying, look, we are happy to have lower tariffs. We are happy to have trade. We need it, you need it so far. But we can't maintain this military hostility. It was very interesting that a few weeks ago, the Chinese fired nine of their major senior generals, cleaning out the high command. This may have to do with internal politics and nothing else to do with it, but it's all the symbol that they may be somewhat changing their stance militarily. Certainly, the number of exercises they're carrying out has declined. The number of times they surround Taiwan with a blockade is down to zero of late. So I think these talks are going. But there are two ways to pressure countries. One is economics, if you have the ability to do that. The other is military, if you have the ability to do that for allies, you can, if they have a good economy, try to extract some military risks, military power to supplement things. So when we talk about relationship between nations, there are at least two dimensions that must be thought about the economic relationship, the military relationship. They can't not coincide in some sense.

Christian Smith: Yeah, yeah. Let me put to you, which is a sort of fact or reminder that people love to roll out, is that before the First World War, it was said that Germany and Britain would never go to war because they were too economically interdependent. What's the difference here?

George Friedman: Well, they went to war. Economic independence wasn't enough. The Germans had a hostile relationship. They were worried about the Poles, believe it or not. They're worried about the French. The British did not want them on the English Channel on the other side. So there was a military interest, because nations can be threatened both militarily and economically. So the idea that economic relations alone preclude war, sometimes it's true, but sometimes it triggers war because they're so distrustful each other and so intertwined that it leads to that. So there has to be moderation. And one of the things that the United States did not have Since World War II until recently is moderation in foreign policy, where they align their economic policy with, with their national interest, helping all other nations to become allies through our economic activities and simultaneously carrying out military operations against proxies of the Soviet Union. So while Trump is a very strange man and does things in a strange way, what he's doing is actually, I like to call it, he is the ultimate anti war guy. He wants American involvement in wars. I once wrote, he's the oldest, ugliest hippie in the world. This is like 1960s negotiate, don't go to war. Well, when he does that in Ukraine, everybody gets mad at him. And there is a shift going on in the United States. It's well underway, and it began under the Biden administration. It's not just the president, but it's in this sense that Australians take a look at the world and say, okay, it's not a question of can we rely on the Americans, Will we pitch in? And if we don't pitch in, why should the Americans come to our aid? So looks like that.

Christian Smith: Well, speaking of, I mean, let's finish by talking about Taiwan, because as you say, what's the geopolitical argument, I suppose then, for Taiwan being defended by the US because obviously, in many respects, as you were saying, there are moral cases and geopolitical cases. So if we're not thinking about the moral case here in the sense that America said it will, what's to stop it walking away and saying it's not in our geopolitical interest?

George Friedman: If you look at a map, you see Taiwan in a very important position between Japan and the Philippines. We have intimate relationships with Japanese. We have four bases in the Philippines. And what we want is to make sure that no fleet from China can enter the Pacific Ocean and be safe, able to return. The gap between Taiwan and Japan and Taiwan and the Philippines is narrow enough to make it dangerous to try in a time of war to pass through, given drones and everything else at the same time. If they did pass through, getting home might be very different. So Taiwan is a very valuable asset for the United States, for Australia, for Japan, and so on. Okay. From the Chinese point of view, all these claims about sentimentality, about this used to be part of us. That's the plug that has to be pulled. If they control Taiwan, then the Philippines far, far enough away from Japan, they can somehow

come through more reliably. From the American point of view, this is the plug on China, and they'd like to keep it there. So it's a narrow path. And this is why the Japanese are. The Chinese, I should say, are always very interested in it. It has to do with not only how about history and everything else. They've lived for 80 years without Taiwan. But Taiwan is strategic and valuable. And one of the things that's happened now is that Taiwan has increased its own defense budget. But invading Taiwan by the Chinese would be very difficult because a landing craft, we estimate, would take about 15 hours to leave China and land troops in Taiwan. In those 15 hours, at least two days would be spent massing the troops at the port. US satellites would see that if they launched, they'd be 15 hours of sea. And the possibility of drones from Guam in particular, taking them out would be perhaps happening more important than if they landed. They would have to supply themselves over the oceans. And so our air bases in Japan and Philippines would be able to converge on them. So there's a reason that the Chinese have not invaded Taiwan. They can't because they are part of a structure that is heavily defended by the United States in its own interest. So Taiwan is a very important thing to China, but it's a very valuable thing for the United States and for Aukus and for the quad. It bottles up Chinese forces. So when you look at a map there, all the way down to Australia, there are very narrow passageways for the Chinese fleet to enter the Pacific. They could be blocked potentially. And so this is why, when we say, what are the Chinese afraid of? They're also afraid of this ring of islands around it, that we might become aggressive or they might block their access to trading routes if they couldn't get out there, and so on. So this is the kind of game. And Taiwan is not just a symbol for China. It is a massive geopolitical threat.

Christian Smith: Final question, George. Is it worth the US and Japan and Australia going to war over, though?

George Friedman: Well, the issue would be if they didn't, the Chinese fleet would have open access to the Pacific. So the question is defending Taiwan limits to some extent, their access to the Pacific and their ability to support forces. Would you rather have that fight down around Sydney, around Tokyo, or what have you? So when you look at it that way, this is an easy way, a cheap way to do it. The Taiwanese want that. They're not hostile to. We're not occupying a hostile country. And while it's not a guarantee that the Chinese fleet can get free, it makes it much more dangerous for them and causes them to be prudent. So when you think of the possibility of the Chinese sending a substantial fleet. They're quite capable what they have roving the Pacific. Neither the Japanese nor the Australians want this and certainly the United States has been on watch for a long time doesn't want this. So when you look at that, that little

island there happens to be there is not in itself something that might be worth fighting for. But given its position, it's valuable.

Christian Smith: George, as always, thank you so much for your time on the podcast today. Thank you out there for listening as well. We'll leave it there. We'll be back again soon with another podcast from Geopolitical Futures. Remember, if you've got any questions or you want to read more about what Geopolitical Futures is doing, you can go to geopoliticalfutures.com you can send us a comment or an email and we'd be happy to have a look. Thanks very much. Bye bye.

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