Roadmap to Quad success: Practical recommendations for action and sustainability

In 2021, the Quad gained momentum with the inaugural Leaders’ Summit, raising regional expectations of the framework. With the Quad having announced initiatives in ten distinct areas, the region is eager to see tangible progress that avoids increasing strategic tensions. In the lead up to the next Leaders’ Summit, the Quad should refine its efforts to better signal intentions, build credibility and deliver regional public goods. These should include consolidating and prioritising its existing areas for cooperation, and announcing new flagship projects in key fields – critical technology, infrastructure, and supply chains.
EXECUTIVE SUMMARY

The strategic purpose of the Quad grouping is widely misunderstood. While the conventional wisdom is the Quad is designed as military counterweight to China, its goals are in fact much broader. It now aims to support open, liberal and rules-based approaches to regional affairs across the defence, economic and diplomatic spheres.

Since upgrading to a Leaders’-level Summit in 2021, the functional remit of the Quad has dramatically expanded. Including recent commitments around COVID-19 vaccines, climate change, and critical and emerging technology, the Quad has now publicly declared ten priority areas for cooperation.

As the Quad agenda expands beyond the traditional security sphere, there is a pressing need to provide coherence and structure to its work. In the absence of a formal Secretariat, the Quad now requires a coordination mechanism to manage its work programs, track progress on implementation, and communicate its achievements to the world.

Developing thematic priorities would help focus the Quad’s expanding agenda. Its ten priority areas should be organised into three themes – regional public goods, technology and security cooperation – which would provide structure, prioritisation and resourcing to key initiatives.

To telegraph its commitment to regional public goods, the Quad should focus its next efforts in the ‘beyond security’ space. Its initiatives should be in domains with strong political convergence for action, complementary Quad member strengths, and have a sense of regional urgency and tangible benefit to countries.

Three domains – critical technologies, quality infrastructure and supply chain security – provide opportunities for the Quad to successfully expand its remit. Alongside the COVID-19 vaccine commitment, developing joint projects in these three areas could deliver concrete results and demonstrate the broader utility of the Quad as a provider of regional public goods.
INTRODUCTION

The ‘Quad’ grouping – comprised of Australia, the US, Japan and India – is one of the most controversial additions to the diplomatic architecture of the Indo-Pacific. Proponents laud the Quad as a potential response to China’s aggressive military turn, viewing it as a quasi-defence coalition. Detractors view the Quad as an inherently flawed grouping of countries with no common strategic objective, which is unlikely to act collectively on matters of strategic importance. More balanced assessments see the Quad as an evolving strategic grouping, reacting in an ad hoc manner to rapidly shifting regional strategic dynamics, with ambitions to secure the shared interests of its members.

The debate over – and broader lack of clarity around – the Quad’s purpose and intent has allowed speculation to flourish, adding confusion and anxiety to an already unstable strategic environment.

At the same time, the Quad must demonstrate its utility to its members and their regional partners. Quad statements consistently demonstrate that its interests lie in a stable, secure and prosperous Indo-Pacific. However, its patchy history of meetings, repeated shifts in focus, and ambiguities over its formality have all diminished confidence in the framework. Compounding matters, deteriorating relations among its members and China have called into question whether the Quad harbours ambitions to confront China, diplomatically or otherwise. A sense of lacking openness and transparency – founding principles of the Quad – has been growing within the region.

With its second Leaders’ Summit planned for late 2021, the Quad must now seize the initiative and better define its purpose, signal its intentions, build credibility, and deliver on its promises – a daunting list! This report argues the most effective path forward for the Quad in the short term lies in its recently “expanded” agenda, focused on non-traditional security challenges and delivering regional public goods and technology. A declaration of its specific intent in these areas and the announcement of concrete projects would greatly aid in clarifying the Quad’s value proposition for both its members and their regional partners.

The United States, Japan, India and Australia participate in the virtual Quad Summit, 12 March 2021. Credit: Official White House Photo by Adam Schultz
FROM MARITIME TO STRATEGIC GROUPING

The Quad has a long, and at times convoluted, genesis. Originally formed in 2004 to coordinate humanitarian responses to the Indian Ocean Tsunami, the Quad brought together like-minded countries for ad hoc cooperation on maritime security. Subsequent attempts to cohere the four countries into a formal grouping were launched in 2007 but then fell into abeyance following Chinese diplomatic protests and Australian withdrawal in 2008. However, following ongoing advocacy – most prominently by then-Japanese Prime Minister Abe Shinzo – the grouping was re-established in 2017. In subsequent years its meetings have grown in seniority and frequency, culminating in the first Quad Leaders’ Summit in March 2021. The resulting Leaders’ Joint Statement, which included a commitment to deliver COVID-19 vaccines to the region, represented a high-water mark in the history of the framework.
**FIGURE 1** TIMELINE OF THE QUADRILATERAL DIALOGUE AND SIGNIFICANT RELATED DEVELOPMENTS

- US, India, Japan and Australia establish 'Tsunami Core Group' to coordinate relief during Indian Ocean tsunami
- US Vice President signals American interest for a Quad dialogue, during a visit to Australia
- Japanese PM Abe speech to Indian parliament on bilateral maritime security
- Resignation of Japanese PM Abe

- DEC-2004
  - Japanese PM Abe first proposes the idea of the Quad, with endorsement from US Vice President
- DEC-2006
  - Australian PM John Howard visits India, Indo-US nuclear deal signed
- MAR-2006
  - Inaugural meeting of the 'Quadlateral Dialogue' on the sidelines of ARF Summit
- FEB-2007
  - Exercise Malabar Naval activity includes Australia and Singapore, sparking Chinese diplomatic protests
- MAY-2007
  - Australia overturned uranium export ban to India, which had previously weakened relations in the Quad
- AUG-2007
  - Australia requests to attend Exercise Malabar but is blocked by India
- SEP-2007
  - NINE YEAR GAP BETWEEN FORMAL QUAD MEETINGS

- FEB-2008
  - Australian FM announces departure from the Quad
- APR-2008
  - Australian PM Kevin Rudd announces withdrawal from further Quad military exercises
- SEP-2012
  - PM Abe proposes concept of a 'democratic security diamond' of Quad countries
- DEC-2012
  - Japan becomes formal member of previously bilateral US-India Exercise Malabar
- SEP-2014
  - Japan included in bilateral Australia-US Exercise Talisman Sabre
- FEB-2015
  - Japan-India Joint Statement – Japan’s Free and Open Seas policy and India’s Act East policy
- APR-2017
  - Japanese FM announces Japan will propose a dialogue with the US, India and Australia
- OCT-2017
  - US President Trump signs the Asia Reassurance Initiative Act, affirming commitment to 'Quad 2.0'
  - Quad considers new global infrastructure scheme to rival China’s Belt and Road Initiative
  - Third Senior Officials’ Meeting, Singapore
  - US Secretary of State Mike Pompeo telegraphs the Quad as vehicle for China-containment
  - Fourth Senior Officials’ Meeting, Bangkok

- SEP-2017
  - Inaugural Senior Officials’ Meeting, Manila
- NOV-2017
  - Navy chiefs from Australia, India, Japan, the US, and Indonesia meet at Raisina Dialogue
- DEC-2017
  - Fifth Senior Officials’ Meeting Bangkok, India hosts a Quad counterterrorism table-top exercise
- JAN-2018
  - Second Senior Officials’ Meeting, Singapore
- MAR-2018
  - Inaugural Quad Leaders’ Summit, virtual, leaders issue landmark Joint Statement and joint op-ed
- JUN-2018
  - US President Donald Trump announces efforts to “revitalise” Quad initiative during trip to India
- NOV-2018
  - Second Quad Leaders’ Summit is scheduled
- MAY-2019
  - Inaugural Quad Foreign Ministers’ meeting in New York, Senior officials’ meeting, Bangkok
- JUN-2019
  - Quad countries’ cyber experts meet on the sidelines of a summit
  - Quad countries participate in Exercise Malabar, criticised by China as a risk to regional stability
The uptick in Quad activity since 2017 is largely a response to hostile Chinese actions across several domains – military, political, economic and social. Chinese aggression has been felt by each Quad member individually, including in territorial disputes (in the East China Sea and along the China-India land border), malicious cyber-attacks, and/or economic coercion. As bilateral diplomatic representations have failed on each of these issues, the Quad countries increasingly see the utility of a strategic partnership that can buttress rules-based rather than coercive behaviour in the region. The Quad’s reboot as a Senior Officials’ meeting in November 2017 to a full Leaders’ Summit by March 2021 reflects the urgency of this agenda.

Since the Quad’s inception, many defence strategists have evaluated the Quad principally in terms of its potential to counter military threats posed by China. As a group initially established around maritime security, the expectation is the Quad would evolve further in this direction. For example, the four countries might execute combined naval and air operations to respond collectively to offensive Chinese manoeuvres in the South or East China Seas. There is a foundation to support the development of a Quad defence coalition, with each country engaged in trilateral defence dialogue configurations covering all four, and all four navies participating in Exercise Malabar. Moreover, the Quad is seen as the most feasible and only sufficient military and economic counterweight in the region to a serious military contest involving China.

However, imagining the Quad in purely military terms fails to recognise its potential beyond the security space. Ultimately, Quad countries are not only trying to offset the military threat posed by China; they are seeking to compete with China’s share of regional influence and secure a liberal regional order characterised by freedom from coercion, freedom of movement and free trade.

By transcending the notion of the Quad as solely military framework and instead addressing increasingly harmful non-traditional security challenges, the Quad stands a better chance of achieving its aims.

Indeed, the utility of an expanded Quad agenda has already been recognised by Quad governments. In 2021, the Quad has adopted a more decisively constructive agenda encompassing health, climate change, and critical technology. The group has recognised its contribution to regional security will be maximised if it delivers across a broader set of foreign policy domains. Cooperation centred on non-traditional security cooperation will also assuage regional partners that are reticent about engaging with a defence-focused institution and provide it with long-term relevance in the Indo-Pacific regional architecture.

With the Quad now redefining itself as a full-spectrum strategic grouping, in what new areas has it decide to invest and why? And, given the unique resources and outlooks of its four members, how can these new efforts be calibrated to deliver the best results? Answering these questions will prove critical for the success of the second Quad Leaders’ Summit, scheduled for late 2021, and the longer-term pathway that this Summit will map out.
3 THE EXPANDING QUAD AGENDA

At the March 2021 Leaders’ Summit, the Quad greatly expanded the number of domains in which it operates (Box 1). The group made commitments for a number of new, beyond defence, issues including: cooperating on COVID-19 vaccine production and distribution, World Health Organisation (WHO) reform, action on climate change, critical technologies, and maritime security. Of these, particular emphasis was placed on vaccine distribution, critical technologies and climate change, with an expert group or working group established for each. These outcomes built on three previous Quad Foreign Ministers’ Meetings which resulted in mandates to establish working groups on maritime security, quality infrastructure, supply chain resilience, counterterrorism, humanitarian and disaster relief response (HADR), cyber, and countering disinformation.

The expanding domain of Quad initiatives is a major accomplishment given Quad members’ different interests, capabilities and priorities for each topic. But the very large number of issues on the agenda also poses the risk that the Quad may lose focus. With so many diverse issues now being discussed, it will become difficult to demonstrate progress publicly, as government resources are spread more thinly across multiple areas. It also risks over-committing the Quad at an early stage of its move towards becoming a broad strategic grouping, when the focus should be on a smaller number of issues where members can concentrate effort and deliver immediate results.

The sheer volume of publicly announced initiatives – now totalling ten – illustrates the challenge. Due to their complex nature, each has a working group, and in some cases there are multiple sub-working groups. For instance, the critical and emerging technology group has sub-groups on the Open Radio Access Network, technology standards, horizon scanning, and supply chains. Not only is the breadth of Quad cooperation a large body of work to resource, the challenges of the COVID-19 pandemic mean that policymakers are already very strained.

Some have argued a permanent Quad Secretariat could assist officials in managing this increasingly complex workload. Creating a Secretariat might also further politically commit Quad members to the framework. However, the prospect of a Secretariat is controversial within and outside the group. Some Quad government officials fear it may add bureaucracy to an already burdened process, while some Southeast Asian countries feel it would undermine the principle of ASEAN Centrality in the regional architecture. Regarding the former, Feigenbaum and Schwemlein have pithily argued: “more form can mean less function.”
In the absence of consensus behind a Secretariat, the Quad could still work on better communicating its work programs and achievements therein. At present, the Quad countries publish information individually through national channels.

A dedicated and consolidated Quad web presence – similar to those of APEC or ASEAN – could help brand the framework and provide a record of past meetings, joint statements, working groups, and existing commitments.

Down the track, the virtual interface could help facilitate partnership opportunities with private industry, academia, or civil society groups.

Beyond communications, the Quad also needs to improve its capacity to prioritise and resource initiatives. This is partly happening organically. While some working groups have greater urgency, such as those on COVID-19 vaccines and critical technology, other working groups have yet to be stood-up more than six months after their announcement. The COVID-19 vaccine commitment is clearly the Quad’s number one priority and promises to deliver one billion vaccines to the Indo-Pacific by the end of 2022.14 This deliverable is the most collaborative thus far, with the US providing finance and technical expertise, Japan offering concessional loans, India undertaking the manufacture, and Australia carrying out regional delivery15.

The COVID-19 vaccine pledge illustrates the results which can be achieved with focused efforts.

The level of commitment signalled strong political convergence between members and a fundamental shift in the Quad, from dialogue to action17. The division of labour rationalised why the cooperation should take place under the Quad umbrella. The focus on an immediate and pressing challenge for regional governments meant the initiative offered benefits for countries beyond the grouping. The commitment was also applauded by countries that not only stood to benefit from a vaccine but appreciated that Quad cooperation in this area would be less provocative to China than other types of security cooperation18. Taken together, the COVID-19 vaccine cooperation:

→ Reflects strong political convergence for action
→ Leverages Quad member attributes, justifying the cooperation
→ Seeks to resolve an urgent, regional problem
→ Provides a tangible benefit to regional countries
→ As much as possible, avoids negative reactions

As a result of the vaccine commitment, the Quad has received a more positive regional reception. Now, regional countries are eager to see evidence of progress and receive additional detail in relation to the Quad’s other commitments.

### BOX 2 DIVISION OF LABOUR IN THE QUAD COVID-19 VACCINES INITIATIVE

<table>
<thead>
<tr>
<th>UNITED STATES</th>
<th>JAPAN</th>
<th>INDIA</th>
<th>AUSTRALIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance Indian biopharmaceutical company, Biological E, to produce one billion doses of COVID-19 vaccines</td>
<td>Provide concessional loans to the Indian Government to expand manufacturing of COVID-19 vaccines for export</td>
<td>Expand manufacturing of safe and effective COVID-19 vaccines at facilities in India, producing one billion by the end of 2022</td>
<td>Contribute US$77 million to vaccines and “last-mile” delivery support with a focus on Southeast Asia16</td>
</tr>
</tbody>
</table>
4 CONSOLIDATING AND PRIORITISING

With the Quad now elevated to the Leaders’-level, expectations of the grouping are rising to match. It is uncertain the initiatives launched in March will, as presently organised and resourced, be able to deliver outcomes that match increased expectations. A way to promptly and effectively raise supply to meet demand is to establish ‘pillars’ that will provide structure and coherence for existing and future Quad initiatives.

The ten Quad working groups should be organised into three pillars: regional public goods, technology, and security cooperation.

‘Regional public goods’ would include the COVID-19 vaccine delivery, climate change action, quality infrastructure and HADR. Within ‘technology’ would be the critical and emerging technology, supply chain resilience, and cyber working groups. The ‘security’ pillar would include maritime security, counterterrorism, and countering disinformation. Rather than ten lines of effort competing for resources, there would be three priority areas, with individual working groups representing sub-topics. This would give structure to Quad cooperation, better articulate its priorities, and provide scope to reduce resourcing loads. If implemented, all future Quad cooperation could fall into one of these three categories and, over time, this could serve to better define the Quad itself.

Streamlining into pillars would also enable sharper prioritisation between initiatives. The underlying driver of prioritisation should be increasing collaboration among the Quad and reassuring partners in the broader Indo-Pacific. Regional support is key to the Quad achieving its end goal of shaping regional behaviour, norms and standards. The same metrics associated with the region’s positive response to the COVID-19 vaccine commitment have been employed, namely: strong political convergence for action; Quad member strengths are leveraged; the challenge is urgent and regionally focused; and cooperation provides a tangible regional benefit and avoids provocation.

Table 1 illustrates how priority could be triaged for the Quad’s existing commitments. It assesses how the ten committed areas of Quad cooperation (x-axis) align to five prioritisation criteria (y-axis). The coding is based on insights from relevant officials, analysts and academics from across the four Quad countries, who contributed personal views via interviews.
### Table 1 – Existing Quad commitments and common metrics

<table>
<thead>
<tr>
<th>Quad commitment</th>
<th>Strong political convergence for action</th>
<th>Leverages member attributes</th>
<th>Shared sense of regional urgency</th>
<th>Tangible benefit for regional countries</th>
<th>Limits negative reception</th>
</tr>
</thead>
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<tr>
<td><strong>REGIONAL PUBLIC GOODS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>COVID vaccine delivery</td>
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<td>✓</td>
<td>✓</td>
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<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Quality infrastructure</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>HADR</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>TECHNOLOGY</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Critical and emerging technology</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Cyber</td>
<td>✓</td>
<td>?</td>
<td>✓</td>
<td>✗</td>
<td>✗</td>
</tr>
<tr>
<td>Supply chain resilience</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>SECURITY</strong></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Maritime security</td>
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<td>✓</td>
<td>✓</td>
<td>✗</td>
<td>✗</td>
</tr>
<tr>
<td>Countering disinformation</td>
<td>✗</td>
<td>?</td>
<td>✗</td>
<td>✗</td>
<td>✓</td>
</tr>
<tr>
<td>Counterterrorism</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

**NOTE: DETAIL FOR INDIVIDUAL METRICS**

**Strong political convergence for action:** All four Quad governments are strongly committed to undertaking action beyond existing national efforts to address the challenge.

**Leverages member attributes:** Quad members possess complementary skills or attributes and the challenge has the potential to be more effectively addressed through Quad cooperation than through unilateral or bilateral action.

**Sense of regional urgency:** The majority of countries in the Indo-Pacific feel a sense of immediacy in addressing this challenge.

**Tangible benefit for regional countries:** Cooperation is likely to have a felt benefit for countries in the region beyond the Quad members.

**Limits negative reception:** Cooperation is broadly seen as positive and not specifically targeted at any one country, such as China.

**KEY:**

Information required to make an assessment was not available or no consensus emerged from consultations.

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IDENTIFYING QUAD PROJECTS

The pledge to deliver one billion COVID-19 vaccines was a clear, bold policy announcement that commits to delivering a tangible good. If the Quad is going to remain at the leader- and ministerial-level, it needs more of this style of high-level commitment going forward. If the Quad were to make bold announcements around critical technology, quality infrastructure and supply chains that satisfy the aforementioned criteria, what could these be?

Critical and emerging technology

The critical and emerging technology field is vast. Technologies commonly considered within this field include Fifth Generation (5G) technologies, quantum, artificial intelligence, hypersonics, space, and biotech. Additional technologies can become critical if their supply chain is disrupted, such as during the COVID-19 pandemic or if geopolitical factors restrict access. The Quad critical and emerging technology working group has pledged to develop a statement of principles; coordinate on standards development; cooperate on telecommunications deployment and diversification of equipment suppliers; monitor developments in the field, including in biotechnology; and hold dialogue on supply chains.

Quad members have not created a list of common critical and emerging technologies as each differs in how they assess technologies. Even within individual countries it can be challenging to establish a list of critical technologies because, as technologies evolve, they can transition to the critical category. Pinpointing that moment is not always clear or unanimously agreed. The closest the Quad is likely to come is a common mapping framework showing where each country stands in relation to the other.

A commitment to roll-out 5G communications networks to the Indo-Pacific would constitute a significant announcement. However, it would also be a complicated and expensive undertaking that the Quad framework is not currently mature or robust enough to tackle. Instead, there is one critical technology that underpins the development of all emerging technologies – digital connectivity.

While digital connectivity is not typically categorised as critical to all Quad countries, improved digital communications will underpin future communications networks, including 5G.

Digital technology is, itself, expansive. It can refer to any electronic tools or systems that generate, store and process data, but the key to digital connectivity is high-quality internet access. Internet relies on hard infrastructure such as satellites, undersea fibre-optic cables, landing stations to receive the cables, as well as affordable and reliable electricity grids. Therefore, digital connectivity in the form of telecommunications networks supported by undersea cables, landing stations and electricity grids is ripe for a keystone critical technology project.
Quality infrastructure

In recent years, the announcement of new mini- or multilateral infrastructure partnerships involving the Quad countries has flourished. In 2017, Japan and India published their vision for an Asia-Africa Growth Corridor\(^{25}\). In early 2018, India, Japan and the US met under their Trilateral Infrastructure Working Group\(^{26}\). In late 2018 Australia, the US and Japan launched the Trilateral Infrastructure Partnership (TIP)\(^{27}\). And in mid-2021, the Group of 7 launched its ‘Build Back Better World’ (B3W) initiative. The Quad countries are already spoiled for choice in vehicles for advancing infrastructure diplomacy.

While the Quad has flagged an interest in building infrastructure in the Indo-Pacific (the US has indicated infrastructure will be a focus of the next Leaders’ Summit\(^{28}\)) the Quad countries must first reconcile this with their existing infrastructure initiatives. For instance, should India be included in an existing framework such as the TIP and its parallel ‘Blue Dot Network’ certification scheme, or should Quad countries work more globally with the G7? As the Trilateral Infrastructure Partnership is still in an early phase and the B3W has only recently been announced, the Quad could get in on the ground of both initiatives. However, narrowing down a single Quad project is challenging. Beyond reports Quad senior officials have discussed transparent, principles-based investment\(^{29}\) and so-called ‘green-infrastructure’ such as solar plants,\(^{30}\) no specific project has been announced. Previously, there have been useful recommendations the Quad establish a critical infrastructure funding scheme for small states\(^{31}\) or an Indo-Pacific Infrastructure and Development Coordination agency\(^{32}\). However, a funding scheme may be seen more as in direct opposition to China’s Belt and Road Initiative than a helpful alternative and a coordination agency may communicate a prolonged period of discussions. Unless the Quad can show it is serious about infrastructure development in the near term, regional countries will not consider the framework a credible alternative to other financiers.

As part of other collaborative infrastructure partnerships, Quad countries have already informally recognised digital connectivity as their infrastructure priority.

For example, the first and only project under the TIP is an undersea, fibre-optic cable that will provide the Pacific Island country of Palau with reliable, secure digital communications\(^{33}\). In addition, the Trilateral Partnership countries and New Zealand have launched the Papua New Guinea (PNG) Electrification Partnership to connect 70 per cent of PNG’s population to electricity by 2030\(^{34}\). Japan and India, bilaterally, have also focused on enhancing digital connectivity infrastructure via their Asia-Africa Growth Corridor partnership\(^{35}\). Timor-Leste, Vanuatu and Nauru have already expressed interest in working with Australia to design and build undersea fibre-optic cables and, undoubtedly, there are opportunities in Southeast Asia to upgrade existing sub-sea communications systems. Considering existing interest and current efforts by Australia, the US, Japan and India in digital connectivity infrastructure, synergies may be achieved via Quad cooperation.
Supply chain resilience

Outside a secure COVID-19 vaccine production line, a Quad-specific supply chain activity is unknown. Like the challenge of identifying a specific technology for cooperation, each Quad country imparts different value to various supply chains. However, there appears to be both a clear frontrunner in terms of national priority—the semiconductor supply chain—as well as a frontrunner in terms of Quad-value-add—battery storage.

In June 2021, the White House released a national report into supply chain disruption. The first supply chain vulnerability identified was semiconductors and the second was large capacity batteries. The Japanese Government has also identified the semiconductor supply chain as a national interest and Prime Minister Suga’s first economic policy and growth strategy includes a plan to secure the battery market and strengthen supply. India and Australia have similarly identified semiconductor and battery supply as critical. The Indian Government has encouraged semiconductor companies to set up shop in India and released a national battery storage strategy in 2019. In Australia, the Supply Chain Resilience Office has identified the semiconductor supply chain as a key vulnerability and Australia’s 2019 Critical Minerals Strategy outlined an integrated national policy to develop the battery industry. The above reflects a shared interest across the Quad nations to shore-up their semiconductor and battery storage supplies.

In a similar manner to how digital technology underpins other technology, semiconductors and batteries are critical intermediary goods, feeding multiple industry value chains.

Semiconductors and batteries are ubiquitous in electrical devices and the digitisation of goods, vehicles and services across industries. Due to the value of semiconductors across fields and the vulnerability of this supply chain to all Quad countries, many scholars have argued compellingly for the group to protect this supply chain. Scholars have also highlighted the large complementarities that exist across Quad countries in relation to securing the battery supply chain. These supply chains are ripe for a Quad project because they highlight the value of an integrated, global supply chain supported by free trade.

For semiconductors, the complementary strengths of each include the US’ dominant chip design and US owned production companies, as well as a recent $52 billion investment in the industry; India’s design engineering talent; Japan’s advanced manufacturing and skilled workforce; and Australia’s raw materials and research and development. However, Quad country attributes alone cannot fully secure the supply chain and, therefore, other trusted regional partners will need to be brought on board. The benefit to regional countries could be for the Quad to out-source assembly, packaging and testing to Southeast Asia, supporting job creation and further diversifying the supply chain. The Quad could also look to expand production sites and sources of supply for some critical materials to other countries in the region.

RECOMMENDATIONS

→ Create a Quad public presence via an online portal to brand the initiative and provide a single, joined up source of information
→ Consolidate existing commitments through condensing working groups into three ‘pillars’: regional public goods, technology and security cooperation
→ Prioritise areas for cooperation within the three pillars to provide more structure to Quad engagement and focus official resources
→ Establish Quad projects for critical technology, quality infrastructure and supply chain resilience
→ Specific projects could include enhancing regional digital communications, new undersea fibre-optic cable infrastructure, and securing the semiconductor and battery supply chains
The Quad is a fledgling group and has only very recently made moves beyond the sphere of traditional security. To succeed, it needs to focus and prioritise its activities and then deliver concrete outcomes to demonstrate its utility to the region. The Quad can go some way towards building credibility through consolidating its existing commitments into three pillars, such as regional public goods, technology and security, and making flagship announcements in key areas.

As Quad members consolidate this agenda, their progress must be demonstrated to the world. An outward expression of progress is essential if regional partners are to be reassured regarding the positive benefits the group brings to the Indo-Pacific. At future Quad meetings and summits, the group should focus on demonstrating progress against its existing commitments rather than adding more initiatives to an already over-burdened agenda. Articulating specific Quad goals in relation to critical technology, infrastructure and supply chains could help provide a sustainable approach to demonstrating Quad progress over several years.

Should the Quad prove to be an effective framework, it could spur greater confidence in the benefits of minilateral instruments for the Indo-Pacific. This is particularly important in an era of waning confidence in global multilateralism, especially given crises within the UN, WHO and WTO. A successful Quad could reduce the current reliance on bilateral mechanisms in regional diplomacy, particularly as many of these rely on US leadership through its hub-and-spoke alliance system. Networked diplomacy through minilateralism such as the Quad could improve responses to new challenges, fairly share the burden of responses, and help generate regional resilience. These are the regional public goods that are sorely needed in a period of economic, social and political upheaval.
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ENDNOTES


2 Author’s discussions with Southeast Asian officials.

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10 Author’s discussions with Prime Minister and Cabinet officials.


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22 See endnote #8.

23 Author’s discussions with government officials.

24 Ibid


Author’s discussions with government officials.


See endnote #11.


Author’s discussions with Australian Government officials.


See endnote #35


See endnote #36.


See endnote #39.

See endnote #35.