



The **Free and Open** Indo-Pacific Strategy and **Mongolia**





MONGOLIAN GEOPOLITICS #2

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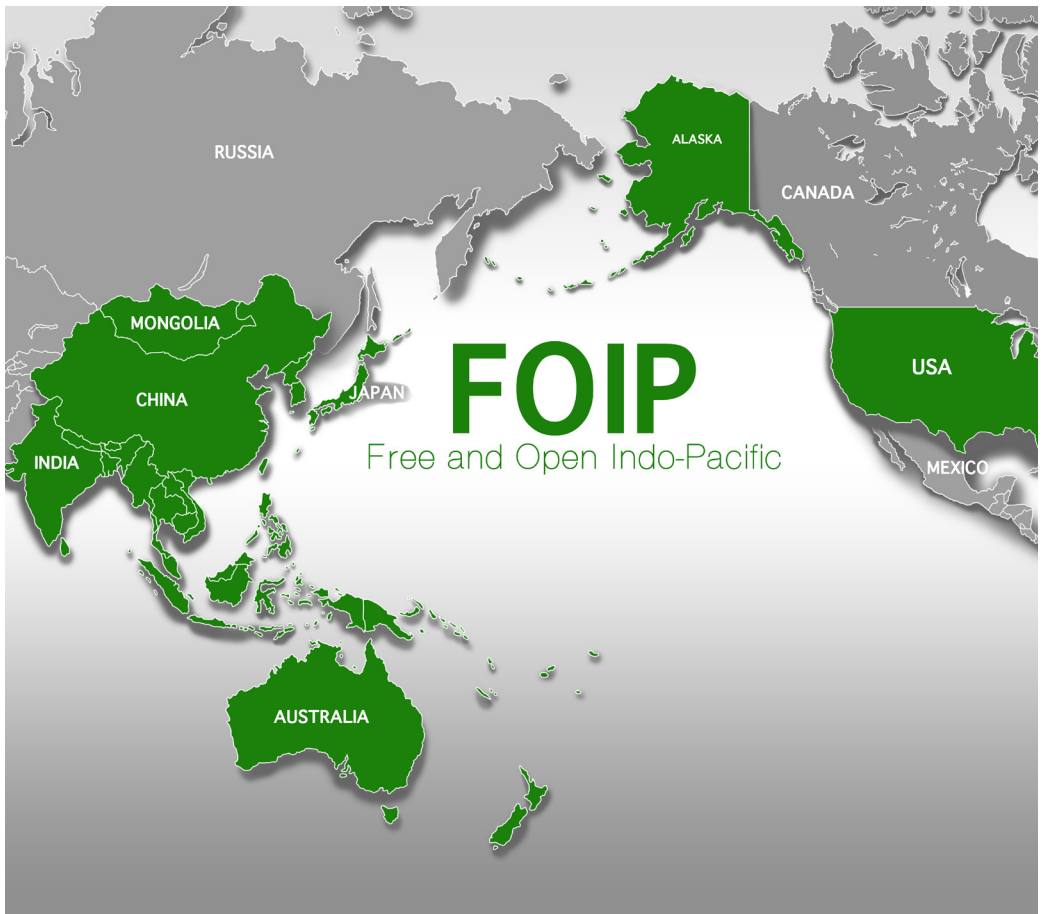
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Introduction

Mongolia emerged as an important country in the Trump administration's geopolitical strategy for a Free and Open Indo-Pacific (FOIP). The strategy takes a position against Mongolia's powerful neighbours, China and Russia, along with North Korea, which maintains amicable ties with Mongolia. In its FOIP strategy document, the US Defense Department identifies Mongolia as a "reliable, capable and natural partner" in the same vein as Singapore, New Zealand and Taiwan. The US State Department also includes Mongolia as a beneficiary of new initiatives under the FOIP strategy.¹

Surprisingly, amid the United States – China trade war of July 2019, then-President Donald Trump welcomed Mongolian President Battulga Khaltmaa with short notice and announced the United States' intention to help Mongolia diversify its trade due to its large economic dependence on China.² During that visit, the United States and Mongolia agreed to establish a strategic partnership, which also includes a commitment of cooperating to promote national security and stability across the Indo-Pacific region.³ In August 2019, US Secretary of Defense Mark Esper included Mongolia in his first international trip and stated that Mongolia was one of the key emerging partners in the Indo-Pacific region.⁴ Then in September 2020, US Secretary of State Michael Pompeo announced the inclusion of Mongolia in his trip to visit allies in East Asia—Japan and the Republic of Korea. Although the trip was ultimately cancelled due to an outbreak of COVID-19 cases among White House officials, Pompeo talked by telephone with President Battulga and highlighted shared commitments to democracy and regional security.⁵

From Washington's perspective, Mongolia fits within its FOIP vision.

This policy paper explains the Trump administration's FOIP strategy, reviews international reactions to the strategy and then discusses the opportunities and challenges it presents for Mongolia.

What is the Free and Open Indo-Pacific strategy?

In November 2017, the United States introduced the FOIP strategy to defend its influence and interests in that region. A month later, the US National Security Strategy prioritized the Indo-Pacific region over other regions in the United States' global politics and acknowledged the return of the great power competition in this region.⁶ The document posits that China aims to displace the United States in the Indo-Pacific area, promote a state-driven economic model and reorder the region in its favour. In 2018, the US National Defense Strategy, a long-term defence planning document, identified China and Russia as revisionist powers seeking to change the existing international order; therefore, the United States needs to establish a "networked security architecture capable of deterring aggression, maintaining stability and ensuring free access to common domains".⁷

Despite the ambiguity of the strategy, the US government implemented a series of initiatives in support of the FOIP. In May 2018, the US Pacific Command was renamed the Indo-Pacific Command, which is now responsible for protecting United States' interests and strengthening ties with key allies and new partners in the region. The Trump administration increased security assistance funding for Southeast Asia, South Asia and the Pacific islands to improve

maritime security. In addition, the United States launched three assistance projects: (1) the Digital Connectivity and Cybersecurity Partnership, (2) Enhancing Development and Growth Through Energy and (3) the Infrastructure Transaction and Assistance Network. These projects were created to compete with China's Belt and Road Initiative by investing in global infrastructure connectivity in the Indo-Pacific region.

The Trump administration's strategy received legislative backing when the US Congress passed the Asia Reassurance Initiative Act in December 2019.⁸ The act supports the Indo-Pacific strategy, requires annual reporting on the region and mandates that the US administration develop other strategies in priority areas, including trilateral security cooperation with Japan and South Korea, diplomatic coordination with allies, an Indo-Pacific energy policy and promotion of human rights and democracy.⁹

The FOIP is not a new strategy. China's economic development, military modernization and maritime expansion have been concerns for the United States since the late 1990s. The Bush administration sought ways to create quadrilateral security ties with Australia, India and Japan, entered a security partnership with India and developed security ties with Vietnam and other Southeast Asian nations. During the Obama administration, the United States began its strategic rebalancing with regards to the Asia-Pacific region, especially increasing its naval presence and exercises with treaty allies and new partners.¹⁰

The FOIP is a maritime strategy centring on freedom of navigation, access to maritime infrastructure and security for maritime trade and critical resources. From the United States' perspective, the FOIP

was quickly initiated in response to the rise of China's maritime and air and space capabilities, its increased presence in disputed waters in East and Southeast Asia and its investment into deep sea ports in the Indian Ocean.

The United States recognizes that the current defence alliance system, which is backed by mutual-defence treaties with Australia, Japan, New Zealand, the Philippines, South Korea and Thailand, cannot fully address the emerging security concerns. Therefore, all strategy documents of the United States stress the importance of new partners and security architecture in the Indo-Pacific region.

Moreover, the US administration tries to give an ideological appeal to this purely geopolitical and economic strategy. The strategy document describes the emerging geopolitical competition as one between "free and repressive visions of the world order" of the United States and its allies on one side and China and Russia on the other side.¹¹

International reactions

Australia, India and Japan are major supporters of the FOIP. All three are maritime States and concerned with China's growing economic power, military capability and influence in the Indo-Pacific region. India and Japan have territorial disputes with China, whereas Australia is wary of growing Chinese influence in the South Pacific. Japan, under Shinzo Abe's leadership in 2007, initiated the Quadrilateral Security Dialogue, known as Quad, with Australia, India and the United States.¹² Beginning in 2015, Japan formally joined in the US-India Malabar, an annual naval exercise in the Indian Ocean.

China's Belt and Road Initiative financing of major infrastructure projects in South Asia, especially in Pakistan, and increased Chinese naval presence in the Indian Ocean provided reasonable justifications for India to partner with Japan and the United States. In 2016, India became a major defence partner of the United States and expanded their trade relationship. Australia is an important mutual-defence treaty ally of the United States in the Pacific. However, because of its complicated domestic politics, the Australian stance on the FOIP fluctuates. For example, Australia joined the Malabar exercise in 2007 but then abandoned it so as not to antagonize China; it rejoined in 2020, when it began to pursue a harsh stance on China. But Australia, along with India and Japan, strives to maintain normal political and economic ties with China rather than antagonizing China militarily. Within the Quad, India's close relations with Russia and its membership in the BRICS grouping (of Brazil, Russia, India, China and South Africa) and in the Shanghai Cooperation Organization call India's real commitment for the FOIP into question. Three other mutual-defence treaty partners—Canada, New Zealand and South Korea—have remained silent on the FOIP, apparently not keen to be caught in the geopolitical competition between China and the United States.

Two subregions critical to the FOIP strategy are Southeast Asia and South Asia. Although US administration officials define Southeast Asia as the centre of the Indo-Pacific region, US policies towards the subregion have not been consistent. The Bush and Obama administrations developed close ties with the Association of Southeast Asian Nations (ASEAN) region, whereas the Trump administration downplayed ASEAN's role in its foreign policy.¹³ ASEAN members are divided on the FOIP even though some of them (the Philippines

and Vietnam, for instance) like to balance with the United States against China and receive economic and security assistance. Most ASEAN members largely rely on China's market and investments. Except for the four States that are party to South China Sea territorial disputes with China, all ASEAN members maintain close ties with China. As a result, they avoid openly endorsing the FOIP.

In South Asia, the United States reduced its security and defence commitments to Afghanistan and Pakistan while increasing its engagement with India, the Maldives and Sri Lanka—all three of which are critical for the US FOIP strategy. The United States will provide new development assistance to Nepal and Sri Lanka because both countries are considered new democracies and have passed the thresholds of good governance, economic freedom and democracy.¹⁴ However, Nepal and Sri Lanka are also identified as important South Asian countries for China's Belt and Road Initiative projects.

Reactions from US allies in Europe have been mixed. Except for France and the United Kingdom, European allies are only responding to Washington's pressure on banning China's hi-tech companies from participating in the development of a 5G network. Having territories and military installations in the Indo-Pacific region, France has a defence arrangement, known as the Quadrilateral Defence Coordination Group, with Australia, New Zealand and the United States. The United Kingdom maintains close ties with Australia, Malaysia, New Zealand and Singapore through the Five Power Defence Arrangement. Yet, France and the United Kingdom have not made any explicit endorsement of the US initiatives; rather, both countries are advancing their own bilateral and multilateral agendas in the Indo-Pacific region.

Not surprisingly China criticizes the United States' FOIP strategy as the re-emergence of a cold war-type of mentality and destabilizing of regional security. Chinese experts perceive the quadrilateral security cooperation of Australia, India, Japan and the United States as an emergence of an Asian North Atlantic Treaty Organization (NATO).¹⁵ The United States' recognition of Russia as a revisionist power in the Indo-Pacific region serves as an endorsement of its role in the region and its importance in global politics. Both have been key objectives of President Vladimir Putin's foreign policy since 2000.

Opportunities and challenges for Mongolia

Mongolia, like Nepal, seems to have little geographical connection to the American FOIP strategy, but it is included because of its democracy and location next to China and Russia the two so-called revisionist powers as referred to by Washington. Therefore, the FOIP presents opportunities as well as challenges for leaders in Ulaanbaatar.

First, it is recognition of Mongolia as an important partner, democracy and sovereign State by the United States and its key allies. Mongolia has sought such recognition for a century as it survives between two expansionist great powers. Only after the Kremlin's approval and the demise of Taiwanese President Chiang Kai-shek, who inherently opposed Mongolia's independence, did Mongolia gain United States' recognition, in 1987. The United States established its embassy in Ulaanbaatar basically to observe the Sino-Soviet rapprochement and Soviet military withdrawal from Mongolia.

Then, Mongolia's self-led democratization process in 1990 gained interest by the United States to assist the country in its political and economic transition, which the Americans saw as a model for other Asian communist States.

As American interests in Mongolia waned in the late 1990s, Mongolia made an unexpected move to deploy its military in support of US military operations in Afghanistan and Iraq. This resulted in Mongolia's inclusion in the US Pentagon's map—as a reliable and steadfast partner for peacekeeping. Even though American economic interests emerged in Mongolia during the commodity boom, major American companies did not succeed at investing in large mining projects, such as the Tavan Tolgoi coking coal deposits. Now, Mongolia's geopolitical location is an allure to the American geopolitical strategy. Such recognition and interest from the United States are crucial for Mongolia, given its geographical isolation.

Second, the FOIP strategy aligns with Mongolia's security and foreign policy objectives. In addition to prioritizing equidistant relations with its two neighbours, the revised National Security Concept (2010) and the Foreign Policy Concept (2011) stress the importance of developing close political, economic and cultural ties with "third neighbours" (such as the European Union, India, Japan, South Korea, Turkey and the United States) and active involvement in the Asia-Pacific region in general and East and Northeast Asia in particular.

Mongolia has special relations with Australia, India and Japan—major supporters of the American FOIP strategy. Through the large mining project, Oyu Tolgoi, Australia now has strong economic in-

terests in Mongolia. Based on historic cultural ties and geopolitical interests, India declared a Strategic Partnership with Mongolia in 2015, and Mongolia expressed its support to India's Indo-Pacific Vision.¹⁶ Japan declared a Strategic Partnership with Mongolia in 2010, entered into a free trade agreement with Mongolia in 2015 and included Mongolia in its own FOIP strategy. Interestingly, in regard to Mongolia's relations to the Asia-Pacific region, the US Indo-Pacific Command has had a crucial role in facilitating Mongolia's participation in the regional political and security networks. Therefore, the FOIP strategy provides a unique opportunity for Mongolia to be a part of the larger region.

At the same time, if Washington attempts to deepen its security ties with Mongolia or to include Mongolia in its coalition to pressure Beijing and Moscow, it will increase Mongolia's vulnerability in relation to its powerful neighbours.

Ideally, Mongolia wants to be a part of the regional security architecture, which would provide it some type of security guarantee from its neighbouring great powers. In reality, however, none of the FOIP-supporting countries endorse binding arrangements with Mongolia.

Mongolia's increased security ties under the FOIP strategy would contradict its non-aligned principles and trigger unnecessary security concerns from Beijing and Moscow. Mongolia's enhanced security cooperation with India, Japan and the United States would be perceived as a Mongolian balancing act against China and the American encirclement strategy. Similarly, Mongolia's ties with NATO members would easily add another concern for Moscow, which is already wary of NATO's engagements in Eastern Europe

and Central Asia. Therefore, Mongolia should limit its security engagements to defence diplomacy exchanges, peacekeeping, humanitarian assistance and cybersecurity.

The other challenge is the US administration's attempt to use Mongolia as a signalling post for its messages to China or Russia. Due to Mongolia's competitive elections and its democratic institutions protecting human rights, especially political and religious freedom, the country is considered a likeminded ally by the United States. This has led to the United States sometimes using Mongolia as a signalling post and even pressuring Mongolian officials to engage in democracy promotion not only with its two neighbours but also with important partners in the wider neighbourhood (North Korea, Kazakhstan and the Lao People's Democratic Republic). For example, in 1995, then-First Lady Hillary Clinton denounced human rights abuses in China during her visit to Mongolia. Later, from Ulaanbaatar, President George Bush in 2005 and then-State Secretaries Madeline Albright in 1998, Hillary Clinton in 2012 and John Kerry in 2016 praised Mongolian democracy as an exemplary model for authoritarian States, which certainly was directed at Mongolia's neighbours.¹⁷ This naturally triggered concerns in Beijing and Moscow. Therefore, the external promotion of Mongolia's fragile democracy in geopolitical competition is rather counterproductive and potentially hazardous for the country.

Conclusion

The FOIP is a geopolitical strategy of the United States to protect its strategic and economic interests in the Indo-Pacific region, where China's growing economic and military power would inevitably change the existing balance of power.

The core intent of this geopolitical strategy—to contain China's influence—remains the same even though the presidency has changed in Washington. As frequently stated by Joe Biden during his pre-election campaigning, his administration would collaborate more with its allies in Asia and Europe than the Trump administration committed to doing.¹⁸

Considering the popular concerns of all key partners and ASEAN members to neither antagonize China nor be drawn into Sino-American geopolitical competition, the new administration in Washington might invest resources to increase the American presence and involvement in the region, particularly in Southeast Asia.

Although Mongolia will not be a priority country for the Biden administration's foreign policy, Mongolia should seek opportunities to deepen political, economic and cultural relations with the United States and its key allies while keeping security cooperation at the current level of defence diplomacy, peacekeeping, cybersecurity and humanitarian assistance. It is desirable from the Mongolian perspective that the United States remain careful about using Mongolia for its geopolitical agenda against the neighbouring great powers.

The bottom line for Mongolia is to continue its third neighbour policies and outreach to the Asia-Pacific region rather than endorsing an ambiguous FOIP strategy.

Endnotes

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- ¹⁷ US Defense Secretary Chuck Hagel suddenly visited Mongolia amid the European Union and NATO debate on how to respond to Russia's takeover of Crimea in 2014. Defense Secretary Mark Esper visited not long after the release of the Pentagon's FOIP strategy in 2019. Both could be interpreted as a signal to Mongolia's neighbours.
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