

THE INDIA-AUSTRALIA STRATEGIC RELATIONSHIP: DEFINING REALISTIC EXPECTATIONS

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Mutual indifference has long characterized relations between India and Australia, but the two countries' interests are increasingly converging. In particular, New Delhi and Canberra are both wary of China's growing assertiveness in the Asia-Pacific region. Yet there are several constraints hindering the development of a strong India-Australia partnership, and both countries need to be realistic about the prospects for a closer strategic relationship.

Key Themes

- Trade between India and Australia has increased in recent years, as have the countries' shared strategic interests in the Indian Ocean region.
- China's rise concerns New Delhi and Canberra, but for different reasons. New Delhi is anxious about persistent territorial disputes with Beijing and China's increased military presence in the Indian Ocean. Canberra fears being caught in a confrontation between Beijing, its closest economic partner, and Washington, its closest security ally.
- India and Australia do not want to antagonize China, especially given Beijing's superior military capabilities, but they want to prevent the emergence of a China-dominated regional order.
- Neither country views the other as a potential security provider in the face of China's rise, yet Australia hopes India will play a leading role in building a new regional order that is not dominated by China.
- India is preoccupied with domestic economic and security concerns, and it must walk a fine line in building partnerships that hedge against China without compromising its own strategic autonomy. Because both India and Australia enjoy strong ties to Washington, they have few incentives to look for alternative partnerships.
- India-Australia cooperation in multilateral organizations is likely to remain limited to low-level regional security issues, such as piracy, for some time.

Implications for the Future of the Relationship

Shared concerns do not necessarily mean a common approach. India and Australia's overlapping interests and mutual concern about China will not provide a sufficient unifying force to form the basis of a stronger strategic partnership.

Strategic and security cooperation is likely to remain limited. Significant collaboration in the larger Indo-Pacific region will be difficult to achieve. It will require increasing the military capacities of both countries and building mutual trust.

Low-level technical cooperation can build confidence and capacity. India and Australia are likely to deepen cooperation on nontraditional security issues where their interests overlap, such as maritime security in the Indian Ocean. Such cooperation will strengthen the relationship and lay the foundation for future joint efforts to tackle larger strategic issues.

The relationship will not change overnight. Patience and realistic expectations are central to the construction of a deep India-Australia strategic partnership.

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