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STRATEGIC MANOEUVRES: EXERCISE BALIKATAN AND THE INDO- PACIFIC STRATEGIES OF FRANCE AND GERMANY

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The Indo-Pacific region is a key region in terms of maritime geopolitics, security, trade and environmental issues. China's rise, increasing tensions over territorial claims and the region's growing strategic importance have pushed several European countries, including Germany and France, to implement comprehensive policies towards the Indo-Pacific region. Multilateral military exercises such as Exercise Balikatan, which demonstrate the United States' commitment to work with its Indo-Pacific partners, are one of the emerging strategies utilised in maintaining regional security. This policy brief discusses strategic manoeuvres in the Indo-Pacific, focusing on Exercise Balikatan and a comparative analysis of French and German regional approaches. Through these lenses, it investigates the broader consequences of military collaboration in regard to the role of the European Union in the region and the shifting geopolitical situation in the Indo-Pacific.

Exercise Balikatan: Building Strength in the Indo-Pacific

The Indo-Pacific region is currently the focus of many global players due to China's economic growth, as well as other more proactive countries in the region. The area is at the crossroads of world trade, with an estimated 32.2 million barrels of crude oil crossing annually, accounting for 40% of global exports. Competition between Beijing and Washington over economic and security issues dominates the region, with some countries seeing China's

growing military presence as a threat to regional stability. As a response, multiple actors, including the United States (US), have increased their presence in the region, most notably by implementing a rebalancing strategy known as the 'Asian pivot.' The Indo-Pacific notion arose in response to China's expanding influence, pushing Japan and other US allies and partners to devise concepts such as the 'Free and Open Indo-Pacific' (FOIP). The Indo-Pacific region has grown in geopolitical prominence in recent years, with many European states actively involved in its strategic terrain. The area is confronting maritime security issues, such as disputes in the East and South China Seas and increased hazards associated with the safeguarding of sea lines of communication (SLOCs).

Recognising these challenges, European countries have acknowledged the Indo-Pacific region's rising geostrategic importance. The European Union (EU) has increased its efforts to strengthen its presence, building upon important mutual connections, trade opportunities, investment commitments, as well as its projected role as a security actor in the region. Other global powers, particularly the US, are active in mitigating regional challenges through military means, as indicated by the proliferation of multilateral military drills, such as Exercise Balikatan, which have become a key component of the regional security architecture. This annual exercise is held in collaboration with the Philippines and demonstrates the commitment of the US and the 14 other participating nations to ensuring regional stability and strengthening military cooperation. The 2024 iteration of Exercise Balikatan was a multilateral military

training exercise involving forces from Australia, the Philippines, the US, and, for the first time, France. Germany was one of 14 observer nations, while other observers included Brunei, Canada, Great Britain, India, Indonesia, Japan, Malaysia, New Zealand, Singapore, South Korea, Thailand and Vietnam. The aim of the exercise was to practise seamless operations as a cohesive force, to prepare for any possible scenario and to improve coordinated deterrence in all areas.

More than 16,000 Filipino and American troops participated in the exercise, which was organised by a combined command headquarters and focused on response training. The exercise included several firsts, such as manoeuvres performed beyond Philippine territorial waters on high seas claimed by the People's Republic of China (PRC). Lieutenant-General Michael Cederholm of the US Marine Corps acknowledged the exercise as a 'great success' in terms of signalling the unity of the participating nations, demonstrating a deeper strategic commitment. Exercise Balikatan aims to improve the interoperability of the participating forces and the Philippines' defence capabilities in reaction to heightened tensions in the region. The presence of European countries in the Indo-Pacific area, notably in the Balikatan exercises, indicates a broader international commitment to maintaining regional stability, peace and security. This engagement underscores European nations' larger commitment, particularly by Germany and France, to upholding international law and promoting stability in the Indo-Pacific area through cross-continental collaboration. In this context, comparing France and Germany's Indo-Pacific strategies demonstrates the two EU countries' diverse but complementary approaches to

meeting regional issues and capitalising on possibilities.

The French Indo-Pacific Strategy

France was the first European country to outline an official Indo-Pacific strategy in 2018, reflecting a shift in the French perception of a rising China. China's growing military assertiveness and its implications for French interests altered the French perception of China from a site of economic possibility to a possible threat. First outlined in a speech by Emmanuel Macron at a naval base in Sydney, France's Indo-Pacific strategy was published in document form in 2022. French interests and aims, as highlighted in this strategy, include regional security stability, economic connectivity, free trade, climate change and sustainability, while emphasising the importance of the rule of law and multilateralism in pursuing these objectives. These areas of focus are understood to be crucial in terms of protecting French interests in a region that France sees as characterised by the Sino-US rivalry and at great risk from the devastating effects of climate change.

In terms of defence strategy, France outlines five central objectives. While it understands itself not to be an Indo-Pacific power, but an Indo-Pacific *country*, with seven overseas territories in the Indian and Pacific Ocean and the Indo-Pacific making up 90% of the French Exclusive Economic Zone (EEZ). As such, the protection of its national sovereignty and EEZ compounds the first pillar of the strategy, actioned primarily through the permanent presence of seven to eight thousand military personnel divided into five military commands, with eighteen defence attachés and approximately fifteen liaison and cooperation offers in the

region. The second priority relates to France's contribution to the regional security architecture, in which France aims to be a central player. The organisation of and participation in joint military exercises like Exercise Balikatan speaks to this. The third objective relates to the preservation of open access to trade routes, achieved through deepening partnerships and enhanced maritime information sharing. The fourth objective stresses the need for international action to maintain strategic stability and the military balance of power. The final objective emphasises the need for cooperation to mitigate the security risks posed by climate change. The emphasis on partnerships, internationalism and cooperation reflects France's preference toward a multilateral approach.

Relatedly, France champions greater European involvement in the Indo-Pacific through the EU. The EU adopted its own Indo-Pacific strategy in 2021 based on seven priorities: connectivity, ocean governance, green transition, inclusive prosperity, human security, digital governance and partnerships, and security and defence. For France, the motivations behind championing a greater EU presence in terms of defence strategy are varied. France's position as the only EU member state with territories and a permanent military presence in the region means it can support EU defence endeavours, while the EU can bring diplomatic and economic clout where France falls short. The EU and France also share security priorities in that they advocate for a greater European naval presence in the region, dialogue expansion and the protection of trade routes. Furthermore, the ever-growing relationship between the EU and ASEAN has resulted in the EU becoming a reasonably well-regarded

actor in the region. Thus, by expanding the EU's regional presence, and working within the EU framework, France is able to legitimise its individual presence.

Maiden French participation in Exercise Balikatan speaks to the Indo-Pacific defence strategy outlined above. The presence of the French frigate *Vendémiaire*, a warship responsible for patrolling French overseas territory in the region since the 1990s, is illustrative of French ambitions to project capability in territorial defence. Moreover, Exercise Balikatan is the largest maritime exercise held so far between the US and the Philippines, with the 2024 iteration being the most expansive. As previously noted, portions of the exercise were held outside of the Filipino EEZ, and involved simulated recapturing of island territories. Though no partaking state will specifically state that the drills are aimed at China, the sensitive location, huge scale and nature of the exercise sends a clear message. Thus, French participation in this iteration of Exercise Balikatan in particular highlights the ways in which France is working to manifest itself as a key regional military and strategic player. Finally, French participation, alongside German observation, speaks to France's commitment to both multilateral action and increasing EU naval presence in the region.

The German Indo-Pacific Strategy

Germany's participation as an observer in the latest Exercise Balikatan reflects its overall Indo-Pacific policy in several respects. This plan emphasises Germany's rising participation in the Indo-Pacific due to the region's economic and geopolitical significance. Though Germany is not

a maritime power, its participation in multilateral military exercises such as Exercise Balikatan demonstrates its commitment to increasing collaboration and involvement, particularly in maritime security. However, Germany's Indo-Pacific strategy is focused on ensuring peace, security and stability in the region and globally. A key aspect of this policy is the diversification of bilateral ties, which aims to reduce economic dependency on China while also boosting collaboration with governments that share common values, so-called 'value-based partners.' Despite the efforts being undertaken, the concept of value-based partnerships still lacks some clarity in terms of the core values described, who it identifies as value-based partners and how these partnerships differ from its other bilateral relationships. It also underlines the necessity to identify new partners, safeguard maritime lines of communication, encourage free commerce and participate in digital transformation and connectivity.

Germany's 2020 Indo-Pacific strategy follows France's lead in developing a comprehensive approach to the region, recognising its economic vitality and geopolitical significance particularly amid Sino-American competition. Germany has increased its involvement by participating in multinational exercises such as Talisman Sabre in 2023 and Exercises Pitch Black and Kakadu in 2022. The Indo-Pacific is also included in the scope of the German Federal Government's Enable and Enhance project to boost partner nations' maritime resilience. The policy aims to ensure regional stability and global economic security by defending a rules-based international order, promoting open maritime routes, open markets, free trade and

fostering inclusive collaboration. It also focuses on enhancing institutional structures to support this order, prioritising regional resilience and stability in the medium and long term while considering each nation's capabilities and interests. This could involve strengthening existing regional organisations, such as ASEAN and the East Asia Summit, and supporting the development of new multilateral frameworks aimed at addressing regional security challenges. Germany could also prioritise capacity-building initiatives to strengthen the capabilities of South Pacific nations to address common security threats, such as maritime security and disaster response. Furthermore, Germany's Indo-Pacific strategy emphasises joint initiatives on resilience and sustainability, expanding economic ties beyond China and increasing inter-agency cooperation to address grey zone activities such as cyber and maritime security.

A significant component of Germany's Indo-Pacific strategy is a shift in attitude towards China, which is now viewed more as a threat rather than an opportunity. This has resulted in increased collaboration with like-minded Asian countries, as well as a commitment to a more balanced approach towards China, besides its economic interests. The German Defence Minister has underlined the Indo-Pacific region's strategic importance, holding diplomatic negotiations with regional allies on issues such as open marine communication, territorial disputes, cyber cooperation and increased weapons proliferation. Germany's policy underlines the need to sustain global standards within regional frameworks and advocate for a rules-based liberal order in the Indo-Pacific. The main aim of the strategy is to seek out new partners, diversify

engagements and minimise dependence on China, addressing excessive economic dependence and promoting broader economic and strategic ties.

France and Germany: A Comparative Perspective

The EU's efforts to develop its relationship with ASEAN into a strategic partnership along with its initiatives to increase contributions to other regional organisations underscore its economic interest in the Indo-Pacific. This focus aligns with its broader goals. The EU's emphasis on trade, connectivity and addressing global challenges in the Indo-Pacific highlights its significant economic presence and engagement. Combined with the policies of its member states, these efforts reflect a robust commitment to regional economic cooperation and collaboration. Comparing the Indo-Pacific strategies of France and Germany is essential as both nations significantly contribute to the EU's overarching strategy, actions and objectives in the region.

The EU's economic interests in the region are underlined by its focus on trade, connectivity, maritime security and addressing global issues such as climate change and the United Nations' Sustainable Development Goals (SDGs). For example, the Global Gateway initiative shows that the EU's engagement in the Indo-Pacific is contributing to open sea routes connectivity and inclusive cooperation. In addition, the concept of a global gateway also encompasses the need for enhanced cooperation between European countries in the Indo-Pacific region. The European Council's implementation of 'coordinated maritime presences' aims to jointly align and synchronise

maritime actions and interests in the Northwest Indian Ocean, strengthening the EU's reliability as a maritime security provider.

This collaborative effort reflects the interconnectedness of Indo-Pacific security dynamics with European security interests, underscoring the importance and potential of the global gateway in shaping the regional economic and security architecture. The EU's development of comprehensive connectivity frameworks with Asia and the conclusion of trade agreements with partners in the region demonstrate its commitment to sustainable trade, effective multilateralism and respect for international legal standards. These combined efforts strengthen the EU's economic position in the Indo-Pacific.

Germany's and France's Indo-Pacific strategies have certain parallels. Both nations emphasise the economic importance of the Indo-Pacific for Europe and share core values and goals. They call for an inclusive strategy, engaging with China while building regional ties. Both of them stress security and stability, advocate for a rules-based order, and emphasise multilateralism. They also acknowledge the Indo-Pacific's rising global relevance as a geoeconomic and geopolitical concept. Germany and France's plans aim to increase their regional presence and operations, create and deepen alliances with key nations and address concerns such as China's rise and territorial conflicts in the South China Sea. Both states also recognise the importance of the EU developing a coordinated Indo-Pacific policy. They have supported an Indo-Pacific vision for Europe, collaborating with other EU member states to secure their strategy. They have identified critical areas for EU involvement in

the region, such as commerce, connectivity, maritime security and global challenges like climate change and biodiversity. Overall, both nations' objectives are consistent with the Indo-Pacific's geopolitical significance, highlighting the importance of the area while balancing ties with China and strengthening alliances to handle important concerns. These strategies reflect a comprehensive approach toward engagement with the region.

Despite the existence of parallels between the French and German Indo-Pacific strategies, there are also notable divergences. While both states adopted an Indo-Pacific strategy as a response to shifting perceptions regarding China, they do differ in regard to their interests in the region. Unlike France, the absence of territory in the region means German interests are not bound up in sovereignty. Thus, while France's primary interest is territorial, German interests are rooted in economic preferences regarding trade stability. Relatedly, while Germany has sent ships on extended deployments to the Indo-Pacific since 2021, they lack a permanent military presence in the region, and are unlikely to build one in the near future, owing to Germany's long standing policy of military restraint. As such, both historical and geographical factors separate the German and French approaches to the region in terms of military presence and core interests.

Though both France and Germany are committed to multilateralism, their takes on the concept are distinct. The German Indo-Pacific strategy not only advocates for a greater EU presence in the region, it also makes clear that it intends to work within the North Atlantic Treaty Alliance (NATO) to develop its Indo-Pacific partnerships. This reflects both the German

understanding of multilateral action, namely through the structures of the EU and NATO, and Germany's willingness to work closely with the US in the region, despite German misgivings regarding the pressure that the Sino-US strategic rivalry puts on both Germany and the EU. By contrast, the French version of multilateralism is characterised by an emphasis on strategic autonomy, and a responsibility as a permanent member of the United Nations Security Council to uphold international law. Strategic autonomy entails the idea that France should pursue its own path in the region by crafting a multipolar environment which is both independent and inclusive. Put differently, France's version of multilateralism does not include propping up a US led order, be that through NATO or otherwise. This position was made explicit when President Macron expressed concern over NATO expansion in the region in 2023.

Relatedly, notwithstanding the emphasis on strategic autonomy, France understands itself to be a balancing or stabilising power, presenting Indo-Pacific partners with a 'third way,' representing a multipolar order led by neither the US nor China. Though France's approach to China has become more robust of late, its third way strategy relies upon the maintenance of a constructive dialogue with Beijing, and the avoidance of tension escalation. As such, Washington's desire to 'out-compete' China sits uncomfortably with France's strategic vision. Conversely, Germany expresses little explicit interest in providing a third way path in the region. Due to Berlin's lack of territory and minimal military presence it does not have the capability nor the influence or interest to spearhead a third way. Germany's desire to work within NATO suggests

that it is, in practice, relatively comfortable with Washington's position on China. Thus, while Germany favours multipolarity, and advocates for engagement with China on economic, nuclear non-proliferation and climate matters, the tone strikes somewhat differently compared to France.

These diverging positions are reflected in French and German participation in Exercise Balikatan. Their roles within the exercise were different in that France was an active participant, and Germany an observer nation. As previously noted, active French participation is reflective of its ambitions in terms of solidifying itself as a key player in the region. Germany's status as an observer nation can thus be understood in practical terms, as illustrative of limited maritime capability, and a historical commitment to military restraint. Significantly, the participating French warship *Vendémiaire* left the exercise before it reached the 'high-intensity phase.' This speaks to the French aim to obtain strategic autonomy, whereby France is committed to action on their own terms, conscious of lending too much support to a US led order, and wary of antagonising China. By contrast, even though Germany has stressed that their support of the Philippines is political rather than military, it accepted its role in Exercise Balikatan uncritically. In sum, while German and French participation in the exercise speaks to a joint commitment to an enhanced EU regional presence, their diverging versions of participation reflect the notable difference between the two states' strategic approaches.

French Regional Prospects and the Implications for the EU

The diverging interests of member states is an ongoing struggle for the EU in terms of presenting a united front in its approach to regional security. As highlighted above, the differing Indo-Pacific strategies of France and Germany are rooted in distinct histories, commitments, and interests, factors which either cannot or are unlikely to undergo a significant shift. Therefore, the need to act where interests can and do align is essential if the EU is to take on a legitimate and meaningful role as a security actor in the region. Moreover, the Indo-Pacific strategies of France, Germany and the EU date back a few years by now, calling for a need to update the policies, reflecting the current geopolitical climate and to include more concrete actions. Despite the competing motivations and divergent roles France and Germany played in Exercise Balikatan, participation in multilateral military exercises may offer a path through which EU member states can present a united front. The ways in which France and Germany were able to participate in Exercise Balikatan through means which reflected their distinguished interests and strategies, suggests that multinational exercises could serve as a space for EU member states to act, simultaneously furthering individual and joint interests, while mitigating the struggle to find cohesion. Therefore, while the 2021 EU Indo-Pacific strategy includes the joint conduction of naval exercises, the policy should also ensure the space within these exercises for individual EU member states to cooperate, projecting a coordinated front in spite of diverging capabilities and interests between them.

A common criticism of France's strategic autonomy approach is that it serves to isolate France rather than preserve its autonomy. An often cited

example in this regard was the 2021 announcement of AUKUS, a military alliance between the US, Australia and the United Kingdom, which led Australia to retract its commitment to an arms deal with France in favour of a deal with the US. Examples such as this, alongside Germany's desire to work within NATO in the Indo-Pacific, illustrate a reality whereby European states are hesitant to pursue a strategy which does not include ever closer ties to the US. Thus, the validity of strategic autonomy can be brought into question, underscoring the need for a more realistic strategy which recognises the limits of French influence and capability relative to that of the US. As Exercise Balikatan highlights, by working within an EU framework to further shared goals, such as the increased naval presence of EU member states in the Indo-Pacific, France can straddle the line between preserving some elements of strategic autonomy, while fostering a closer connection with the US. This serves both to limit the risks of isolation, while enabling France to pursue a strategy which better reflects the limits of its regional influence. As the EU provides a framework through which the challenges that come with the commitment to strategic autonomy can be mitigated, an updated French Indo-Pacific strategy could advocate for selective participation in US-led multinational exercises with other EU member states.

Finally, the legitimacy of an EU presence in the Indo-Pacific is inseparable from the one linked to the presence of France and other member states in the region. France pins its status as a legitimate actor on its seven overseas territories. However, it is impossible to consider overseas territory as an anchor of legitimacy without paying attention to the role of colonial legacies. France's Indo-

Pacific strategy has been implemented from Paris in a rather top-down manner, a style of governance that islands such as New Caledonia have not taken kindly. France must thus do more to centre the particular security concerns of those who live in these French overseas territories, with climate change standing out as a key issue. Participation in multinational exercises focusing on humanitarian relief from climate induced natural disasters should be more at the core of France's Indo-Pacific strategy, reflecting the current state of relations between Paris and for instance New Caledonia. This could also be enlarged within the framework of EU-ASEAN cooperation and potentially as part of a revised ASEAN green initiative.

German Regional Prospects and Implications for the EU

Germany's Indo-Pacific policy is closely aligned with the EU's overall approach, reflecting a concerted effort to strengthen engagement in the region. This alignment underlines Germany's commitment to protecting a rules-based international order, fostering economic cooperation, and addressing common security concerns. Both Germany and the EU recognise the importance of active engagement in the Indo-Pacific region to safeguard their interests, maintain stability, and promote regional development. Germany's focus on economic potential, security cooperation, and strategic relations reflects the EU's ambition to develop long-term connectivity in the region. Through this alignment, Germany and the EU intend to play a greater role, deepen cooperation with regional players, and contribute to peace and stability.

Germany's 'Policy Guidelines for the Indo-Pacific' constitute a comprehensive plan based on eight fundamental interests, such as guaranteeing peace and security in the region, particularly with regard to nuclear powers and potential security threats, complying with the UN Convention on the Law of the Sea and supporting the UN's development goals, especially with regard to sustainable development. The strategy also sets out seven principles that argue in favour of a united EU approach to protecting and asserting its interests in the Indo-Pacific region. These include strengthening political, economic, and security networks to reduce unilateral dependencies and promoting a rules-based order through international law and multilateral agreements, underscoring the region's economic and geopolitical importance for Europe.

To effectively implement this policy, Germany should focus on several key areas, such as strengthening governmental and military cooperation, or fostering collaboration with governmental and military actors in the Indo-Pacific region to improve understanding of and responses to grey zone activities. This could include joint military exercises, information exchange programmes, and collaborative projects to build resilience and stability in the region. Recommendations urge intensifying and strengthening economic relations with key trading partners outside China, such as Japan, India, and Taiwan, in order to reduce dependence on China and support the rules-based international order. Deepening trade relations with these countries will help to diversify trade relations in Asia and strengthen economic cooperation.

There should be a strong focus on programmes and projects that address resilience and sustainability in the Indo-Pacific region, particularly in areas affected by climate change. Collaborative efforts in the areas of climate-induced displacement, renewable energy, and disaster management are essential to support regional stability and address human security issues, but also to provide and commit the necessary financial and human resources it is ready to commit to successfully implement the Indo-Pacific policy. Proactive measures such as the creation of a regional information centre in Singapore and the deployment of a frigate to the region in 2021 illustrate Germany's willingness to actively participate on several fronts in the Indo-Pacific region. Military escalation in the region could jeopardise European interests, underscoring the need for constructive engagement to maintain peace and security.

The impact of this Indo-Pacific strategy could be significant, as it would enable Germany to reduce its vulnerability to potential destabilisation in the Indo-Pacific region as a result of a further deterioration in Sino-American relations. This is important because the Indo-Pacific region is the most economically dynamic region in the world and is also at the centre of the Sino-American rivalry. Even a partial destabilisation of this region as a result of for instance a further deterioration in Sino-American relations would have a massive negative impact on Germany's economic interests in the Indo-Pacific.

In addition to reducing economic dependence, Germany's strategy also aims to strengthen the political dimension of its relations in the Indo-Pacific region. This involves seeking

partnerships with countries with which it shares common values, particularly in the context of systemic competition between liberal democracies and other states. The impact of this approach could lead to closer cooperation with like-minded partners and contribute to the preservation of the rules-based international order, as well as to the strengthening of multilateral cooperation in the region. However, cooperation with diverse partner countries presents challenges in negotiating diverse interests. China, South Korea, Japan, India and Taiwan each have their own priorities and approaches to regional engagement, which can pose difficulties for Germany when navigating and negotiating collaborative efforts and diplomatic relations. For example, South Korea focuses on economic diversification and cooperation, while Japan emphasises military cooperation and security activities. It will be essential for Germany to balance these divergent interests in order to achieve favourable results in the Indo-Pacific.

Overall, Germany's Indo-Pacific Strategy establishes a solid foundation for future involvement and collaboration, significantly strengthening the EU's standing in the area. Nonetheless, the strategy must take into account the delicate balance between security and environmental concerns and manage the complex regional dynamics, particularly with regard to China. The German government should ensure that the Indo-Pacific strategy continues on its current path. To sustain stability and the rules-based international order, Germany must continue diplomatic engagement, extend security obligations and enhance military deployments. It is critical that Germany establishes clear guidelines for dealing with an

assertive China while also finding alliances to diversify and limit risks. Furthermore, Germany should reach a broad agreement across all government sectors to justify and strengthen its Indo-Pacific presence while managing tensions with Beijing without disengaging.

At the EU level, the impact of the evolution of the Indo-Pacific strategy could be significant, especially in strengthening its role in international security and defence. Specifically, there should be closer coordination between the EU and its member states like France and Germany, resulting in a more coherent and coordinated approach toward the Indo-Pacific region. Overall, the evolution of the EU's Indo-Pacific strategy could have a significantly long-term impact on the region and shape the international order of the future.

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