On September 16, 2021, Prime Minister Scott Morrison, President Joe Biden, and Prime Minister Boris Johnson announced an enhanced trilateral security partnership between Australia, the United Kingdom, and the United States called AUKUS.

AUKUS is building on the three nations’ long-standing and ongoing bilateral ties and will enable the partners to significantly deepen cooperation on a range of emerging security and defense capabilities. It gives effect to the 2017 decision to allow Australia and the United Kingdom entry to the US National Technology and Industrial Base.

The first major initiative of AUKUS was the announcement that the US and UK would assist Australia with acquiring nuclear-powered (not nuclear-armed) submarines. The transfer of any nuclear-propelled technology would remain consistent with US, UK, and Australian long-standing commitment to the Non-Proliferation Treaty.

The rationale for AUKUS is sound and is based on urgent and important developments. As outlined in the 2020 Defence Strategic Update, Australia’s strategic environment has deteriorated more rapidly than previously anticipated, and the Indo-Pacific has become the center of military competition.

The Indo-Pacific region is in the midst of the most consequential strategic realignment since the Second World War, and trends—including military modernization, technological disruptions, and the risk of state-on-state conflict—are complicating Australian and US strategic interests.

AUKUS arises because of China. It is the only great power in the region demanding subservience and threatening to revise boundaries and maritime territories through force.

Neither is China standing still. China is decades into the most rapid military buildup in peacetime history. It spends more on
its military each year than the combined outlays of the rest of Asia and Oceania. As the gap continues to grow, there is no prospect of the stability that comes from balance without the US, and America needs the territory and assistance of regional allies to remain in Asia. The worry for most regional countries is not the formation of AUKUS but the possibility that the agreement will amount to less than it is promising.

Regional countries fear Chinese coercion but cannot afford to be on the losing side. They are watching and reacting to whether the US and allies such as Australia can provide an effective check against Beijing when the latter is not standing still. The American and allied calculation is that the longer we wait to counter and balance, the more difficult and costly it will be to do so in the future.

The Australian nuclear-propelled submarines are not due to be built and in service for at least a decade. Before then, Australia is seeking to work with the US and UK to develop long-range strike weapons and asymmetrical assets such as hypersonic missiles, unmanned attack drones, and offensive cyber capabilities. Australia hopes that these military assets will allow it to work with the UK and allies such as Japan to deter China from using force in East Asia—most of all in the Taiwan Strait.

Here is a to-do list to give intended effect to AUKUS and to ensure Australia can contribute meaningfully to a military balance in East Asia that favors America and its allies:

1. America needs to change its mindset toward technology controls.

While the intelligence relationship between the US, UK, and Australia is extremely close, this is not true of defense technology sharing. The latter is subject to a complex and often intractable regime of restrictive policies, regulations, and laws that were designed for a different strategic period. Currently, three agencies—the State, Commerce, and Treasury Departments—have the authority to issue (and refuse) export licenses. The US often requires applicants to apply to two or even three of these agencies.

The technology controls regime needs to not only be simplified for AUKUS members but also become more permissive. The extent of military technology sharing should be commensurate with the level of deep intelligence cooperation between the three countries.

2. The US Congress needs to be proactive in export and technology control policy.

Export controls and rules governing information exchange are not just unnecessarily onerous in substance for trusted allies but also labyrinthine, and the responsibility for enforcing them crosses multiple government departments. Congress should require the US government to identify existing barriers to defense technology sharing among the AUKUS members, draw out the steps necessary to overcome these barriers, and recommend steps by the executive branch or Congress to remove or reduce them.