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AUKUS and Indo-Pacific Security

In 2021, Australia, the United Kingdom (UK), and the United States [announced](#) a trilateral security partnership intended to “deepen diplomatic, security, and defense cooperation in the Indo-Pacific region.” Some experts and Members of Congress describe the partnership, known as AUKUS, as a response to the growing military capabilities of the People’s Republic of China (PRC, or China) and what one Senator described in a press statement as the “[urgent challenge China poses](#).” U.S. Secretary of Defense Pete Hegseth has [indicated](#) that the Trump Administration plans to continue U.S. support for AUKUS.

AUKUS consists of two main pillars of cooperation. Pillar I involves the provision by the United States and UK to Australia of [nuclear propulsion technology](#). The UK and Australia plan to develop, with U.S. assistance, a new class of [nuclear-powered attack submarines](#) for delivery to their respective navies in the late 2030s and early 2040s. (Australia currently does not have nuclear-powered submarines.) Pillar II focuses on cooperation to develop [advanced capabilities](#) in areas such as hypersonic weapons, undersea capabilities, electronic warfare, cyber capabilities, artificial intelligence, and quantum technologies.

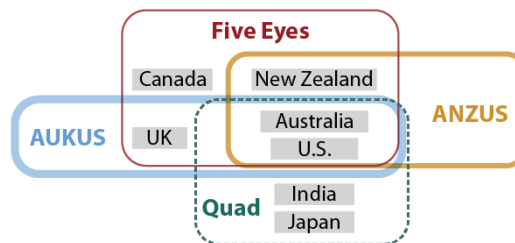
AUKUS also may prompt new engagements and “minilateral” structures among Indo-Pacific partners. Canada, Japan, New Zealand, and South Korea have sought to [engage with the AUKUS partners](#) on Pillar II.

AUKUS and U.S. Security Ties

AUKUS augments several existing alliances, security arrangements, and regional initiatives (see **Figure 1**) that frame U.S. defense and intelligence ties with Australia and the UK.

- The United States and Australia are allies under the 1951 Australia, New Zealand, United States (ANZUS) alliance (but as of 1985, the United States has suspended its [security guarantee to New Zealand](#)), and the United States and the UK have been allies in the North Atlantic Treaty Organization (NATO) since 1949. [The UK](#), and [now Australia](#), are the only countries with which the United States shares nuclear propulsion technology.
- The United States, Australia, and the UK, along with Canada and New Zealand, make up the Five Eyes intelligence-sharing group (established in 1946).
- The United States joined with Australia, Japan, and India initially in 2007 and again in 2017 to form the [Quadrilateral Security Dialogue \(Quad\)](#).

Figure 1. Defense, Intelligence, and Security Groups



Source: CRS.

Australia and AUKUS

Since assuming office in 2022, Australian Prime Minister Anthony Albanese and his Labour Party government have [embraced](#) AUKUS. Australia’s 2024 [National Defence Strategy](#) conveys the Australian government’s concerns about China’s “coercive tactics in pursuit of its strategic objectives” and reaffirms its view that Australia’s security is underpinned by its partnerships with regional countries and its alliance with the United States.

Through AUKUS, Australia [intends](#) to acquire additional long-range strike capabilities to deter and respond to potential security challenges. This includes the acquisition of Tomahawk cruise missiles for its Hobart Class destroyers, Long-Range Anti-Ship Missiles for its F/A-18 Hornet aircraft, extended-range Joint Air-to-Surface Standoff Missiles for its F/A-18 and F-35A aircraft, hypersonic missiles, and uncrewed underwater vehicles.

AUKUS appears to be part of broader Australian efforts to bolster the country’s military capabilities. [Australia’s defense budget](#) for Fiscal Year (FY) 2024-2025 is expected to be approximately \$35.5 billion (AU\$55.7 billion), equivalent to about 2.0% of gross domestic product (GDP). By FY2033-2034, the government says it intends to spend approximately \$64 billion (AU\$100 billion) on defense annually, equivalent to about 2.4% of GDP.

The United Kingdom and AUKUS

Since winning office in July 2024, UK Prime Minister Keir Starmer and his Labour Party government also have [expressed support](#) for the AUKUS agreement. Close ties with Australia have been a cornerstone of the UK’s approach to the Indo-Pacific region. The two countries signed a new Agreement for Defense and Security Cooperation in 2024, refreshing an earlier treaty signed in 2013. In addition to cooperation in developing new AUKUS-class submarines, UK company BAE Systems is

constructing six new anti-submarine warfare frigates for the Australian Navy.

The UK government's 2023 [foreign and defense policy review](#) stated that "China poses an epoch-defining challenge to the type of international order we want to see." UK-China relations have been strained over disagreements in areas such as human rights, repression of democracy activists in Hong Kong, and Russia's war against Ukraine. The UK has been increasing its [engagement in the Indo-Pacific region](#) to counter China's influence, including through military exercises with partners such as the United States, Australia, India, and Japan; the deployment of two naval patrol vessels in the region; and the planned deployment to the region of a carrier strike group in 2025. The UK has a relatively small permanent military presence in the Indo-Pacific region, with facilities in Brunei, Diego Garcia, and Singapore. Starmer has [indicated](#) that while his government seeks to continue challenging China on areas of concern, it also seeks greater cooperation with China on issues such as trade, energy, and climate change.

According to the International Institute for Strategic Studies (IISS) *Military Balance 2025*, the UK had the world's fifth-highest defense expenditure in 2024, approximately \$81.1 billion. At 2.3% of GDP, the UK's defense spending exceeds the target agreed to by NATO members of spending at least 2.0% of GDP on defense. In February 2025, Prime Minister Starmer [pledged](#) to increasing defense spending to 2.5% of GDP by 2027.

Indo-Pacific Reactions to AUKUS

Japan

Japan [welcomed](#) AUKUS "in the sense of strengthening engagement in the Indo-Pacific region." In [November 2024](#), AUKUS partners welcomed Japan's consultation under Pillar II, with an initial focus on improving interoperability between AUKUS partners and Japan's maritime autonomous systems. In 2024, Japan was an observer in [Maritime Big Play](#), a series of Pillar II experiments and exercises focused on the use of autonomous naval systems.

South Korea

The AUKUS partners have consulted the Republic of Korea (ROK, or South Korea), to identify collaboration opportunities under Pillar II. In October 2024, the Biden Administration and South Korean government pledged to establish a vice-ministerial defense science and technology executive committee within the year to, among other things, explore cooperation on Pillar II.

New Zealand

New Zealand's Prime Minister Christopher Luxon has [welcomed](#) AUKUS as a "good thing for regional security." Some analysts suggest New Zealand may be interested in joining AUKUS Pillar II, but New Zealand's foreign minister has said that his government was ["a long way from being able to make such a decision."](#)

China

PRC officials [have said](#) that AUKUS undermines regional peace and stems from "Cold War mentality." PRC officials have argued Australia's planned submarine acquisitions

breach the South Pacific Nuclear-Free-Zone Treaty and undermine the international nuclear non-proliferation regime.

Southeast Asia

Countries in Southeast Asia have mixed views of AUKUS. Indonesia and Malaysia [expressed concern](#) "over the continuing arms race and power projection in the region." The Philippines, Vietnam, and Singapore appear to view AUKUS favorably as a means to deter threats from China. A third camp of Southeast Asian states including Thailand, Cambodia, Brunei, and Laos, have abstained from publicly commenting on AUKUS, possibly to avoid the appearance of aligning with the United States or China.

India

The Indian government has refrained from taking a strong position on AUKUS, instead emphasizing India's role in the Quad. In 2021, India's former foreign secretary claimed AUKUS was ["neither relevant to the Quad, nor will it have any impact on its functioning."](#) Some Indian observers characterize AUKUS as a ["pushback"](#) against China, similar to their views on the Quad. Analysts [debate](#) whether AUKUS (regardless of whether India is interested or has the capabilities to participate in Pillar II) offers India strategic value by (further) deterring China and affording it more space to exercise power in the Indian Ocean region, or whether it complicates India's strategic environment.

Congressional Interests

Members of the 119th Congress may wish to assess the AUKUS partnership in the course of conducting oversight of U.S. treaty alliances and security cooperation with Australia and the UK, as well as oversight of the Trump Administration's policies toward the Indo-Pacific region. Supporters of the partnership argue AUKUS strengthens allied security cooperation in the Indo-Pacific region and allows AUKUS partners to develop important new military capabilities. Critics of the partnership, especially PRC officials, assert that AUKUS contributes to deepening regional security tensions.

Some Members of Congress have expressed support for expanding AUKUS Pillar II partnerships; the National Defense Authorization Act for Fiscal Year 2025 (P.L. 118-159) directs the Departments of Defense and State to engage with "the relevant stakeholders in the government of Japan" to assess the potential for Pillar II cooperation with Japan. Congress may wish to further assess potential benefits or drawbacks of expanding AUKUS Pillar II to include more countries. Supporters of expanding AUKUS have argued that it would strengthen the U.S. position in the Indo-Pacific by making additional military, technological, and industrial capabilities available to regional partners, and by strengthening U.S. relationships in the region. Opponents of expanding AUKUS claim that additional participants may increase the risk of sensitive U.S. technology or information falling into adversaries' hands.

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