

## Japan's Global Diplomacy: Japan-Australia Relations

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### EXECUTIVE SUMMARY

On September 16, Stimson hosted Tomohiko Satake, Fellow at National Institute for Defense Studies, for a roundtable discussion on Japan-Australia relations.

Satake opened his remarks by laying out what he believes to be Japan's policy objectives in its relation with Australia. They were to 1) strengthen, deepen security cooperation to build an inclusive, resilient order based on common interests and values, 2) deter China's provocations by enhancing cooperation while enmeshing China in institutions, rules and norms as a long-term strategic goal, and 3) expand cooperation with other regional middle-powers such as South Korea and India.

Japan-Australia relations rapidly began to develop from the 2007 Joint Declaration on Security Cooperation. Traditionally, cooperation had been in the context of global and regional efforts, such as Peacekeeping operations (PKO), counterterrorism, Humanitarian Assistance and Disaster Relief (HA/DR), and regional institution-building. Yet recent development includes more direct bilateral and trilateral defense cooperation including the US. Since 2007, bilateral and trilateral military exercises have been regularly conducted, including combat operations. There has also been increased bilateral information sharing, defense technology cooperation, and cyber/space cooperation. In July 2014, prime ministers Abe and Abbott agreed to upgrade the security partnership to a special strategic partnership. There has been criticism among Australian experts that closer security ties may drag Australia into an East China Sea conflict. However, Japan-Australia security cooperation has been developing not only for hedging against China, but more for constructing a liberal international order based on shared values and interests.

Japan and Australia have been major contributors in developing an international order based on institutions and norms and value of democracy, human rights and rule of law. Contributions include maintaining a stable balance of power with US presence; supporting decolonization, development and good governance; building and strengthening institutions; enhancing international legal frameworks for nonproliferation and disarmament; coping with nontraditional threats of terrorism, natural disasters and piracy; and promoting rule-making in fields of trade, investment and intellectual property. The security partnership has evolved through order-building efforts, not just responses to external threats.

There are three characteristics to order-building: Japan and Australia have 1) taken on roles in areas where the US did not or could not play major roles, such as PKO forces, institution building, and nonproliferation initiatives, 2) supported the development of a broadly inclusive rather than exclusive regional security architecture across the East/West divide, and 3) closely worked with ASEAN as an important partner for regional order building, respecting and supporting ASEAN centrality. However, the emerging great power rivalry between China and the US could cause such regional order-building to be

divided between maritime Asia and continental Asia. In order to build and maintain an open, inclusive, resilient regional order, Japan and Australia must partner with the US and other like-minded nations.

Challenges will be the future of US military posture in the region and the “China gap.” Successful hedging against China depends on continuous US military presence, but US posture has become increasingly unpredictable. Though Japan and Australia have increased defense budgets and cooperation, there are limitations, and they cannot replace the US. Furthermore, Japan views China as a direct, imminent threat to sovereignty and territory, while Australia sees China as an indirect, future concern for regional stability. Different perceptions of China limit cooperation, so bilateral cooperation should be enhanced in a broader context of “regional order-building,” rather than narrowly focusing on hedging.

The US has long encouraged Japan and Australia to assume greater burden-sharing in regional order building, under the Nixon Doctrine, Nye Initiative and the so-called Obama Doctrine. In this context, Australia and Japan have played major roles in PKO, strategic aid, capacity-building and other nontraditional security issues. The two have often been a bridge between the US and Asia, especially institutionally. Japan and Australia have actively contributed to US global strategy, to sustain a strong US presence in the region.

Satake offered the following policy recommendations:

- Enhance cooperation bilaterally and trilaterally, but also regionally and globally, to strengthen the region’s resilience, deepen partnerships with regional countries and reduce the US burden.
- Cooperate in PKO, nontraditional security (HA/DR, nonproliferation, counterterrorism), multilateral institution-building, and promotion of norms and values (democracy, human rights, rule of law).
- Coordinate defense engagements with Southeast Asia and the South Pacific, where both countries have historical relationships and influence, and play a bridging role between these countries and the US.
- Preserve an inclusive regional security order by supporting ASEAN -led security mechanisms.
- Build a middle-power coalition with India and South Korea, to enhance collaboration in capacity-building, strategic aid, multilateral security frameworks and nontraditional security issues.

One participant noted a double-hedging strategy against the rise of China and potential US retreat, questioning what Australia and Japan would be most worried about in a US decline. Satake responded that Japanese policymakers seem to be so far focusing on how to support US presence, rather than how to hedge against decreasing US power. Politically, it is important to maintain a visible and symbolic US military presence in the region, even if it is not significant militarily. The marines on Australia or LCSs in Singapore are good examples of that. Another participant added that there have been many recent changes in the defense element of the rebalance that constitute some of the most significant changes to US military posture in the region for the past 50 years. These changes enhance and demonstrate the enduring nature of US presence in the region.

One participant commented that Australia has close security ties with all the Pacific island countries; relations with Japan are a part of a broader effort. Relations with Japan were stalled largely because of

Japan's approach to defense policy – because Australia is not a treaty ally, there have been limitations to cooperation. Many of the recent improvements in the relationship correspond to Japan's normalization.

Satake elaborated on a Lowy article's approach to middle power coalition: to manage US-China rivalry, the regional order must be more resilient, for which middle powers should enhance security cooperation through a strategic maritime Asia coalition. Yet unlike the authors of this article, this type of coalition should not be targeted at any particular country, Satake noted. One participant commented that Australia does not view itself or Japan as middle powers, so the terminology is off-putting. Satake suggested "non-superpower" or "non-major superpower." Another participant responded that even if Japan, India, and Australia are all middle powers in a sense, they are each have markedly different strengths when considering population, size, economy and military. He questioned whether that identity can spur cooperation among these countries. Satake responded that each regional power can share burden for regional order-building by taking advantage of their comparative advantage. There is no single player that can determine the future of the region, so the question is how to utilize the resources available to create a stable order.

One participant disagreed with the "China gap" theory, describing an opposite pattern: as Japan-China tensions have increased, Japan-Australia cooperation has also grown. He questioned whether tensions may instead spur cooperation as a form of balancing. Satake replied that such a correlation did not necessarily exist: Japan-Australia relations have steadily improved since before the 2010 Senkaku issue, while Japan-China relations have rapidly deteriorated since 2010. Moreover, if the US does not want to get involved in the East China Sea dispute, all the more reason Australia should hesitate, given its strong economic ties with China and greater vulnerability. Japan-Australia relations can further improve by broadening the focus to regional and global issues.

One participant posited whether Japan-Australia relations may provide a lesson for the US-Japan-South Korea trilateral, because there are similar aspects of history, Japan's image, shared democracy, and a need for security cooperation. Satake responded that the Australian public used to express concerns about Japanese remilitarization, but trust between the SDF and ADF increased through peacekeeping operations together in Cambodia and East Timor. Japan has a history to cooperate with South Korea in East Timor and Haiti, but South Korea was hesitant to build up that history of cooperation in South Sudan mainly for domestic reasons.

One participant noted concern for ASEAN's role, questioning if it was reasonable to expect ASEAN to accommodate the enormous dynamic force of China's rise. Satake shared the concern but suggested all the more reason to encourage ASEAN countries to deal with South China Sea, rule of law, and freedom of navigation. Another participant noted that though ASEAN unity is challenging to achieve, ASEAN is the only capable institution– there are no viable alternatives. Even just a conversation is important. Satake agreed with this remark.

One participant asked whether bilateral cooperation is dependent on the administrations, comparing the previous Australian government to the current. Satake responded that party changes don't affect relations as much as people think. The submarine deal was first discussed by the DPJ and Labor Party,

not the governments currently in power. Another participant questioned whether Japan really has such strong political consensus and public support for increased defense cooperation with Australia. Satake responded that most people are indifferent, but support Abe's decision for enhanced cooperation against China. There is consensus on Senkaku, so there is support for closer ties with Australia in this context.