
Partnership Adrift: Reshaping Australia-Japan Strategic Relations

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The article analyses the past development and current condition of the Australia-Japan partnership. In conclusion, it identifies the absence of joint cooperation to shape Asian multilateralism, while the two countries have been successful in other areas such as cooperation with the United States and coordination of their policies in the South Pacific. Furthermore, the article proposes a strategy of the “prime mover” to systematically cooperate on multilateral building in Asia. The “prime mover” acts to integrate other regional countries including even China, into their bilateral cooperation of practical areas, and eventually encourage multilateralism to have practical use, and not be inflexibly ideological.

The rapid development of the formal partnership between Australia and Japan over recent years seems impressive in terms of its speed and broad agenda. John Howard together with his counterparts, Junichiro Koizumi and Shinzo Abe, developed and formalised the bilateral partnership at an unprecedented level. Some strategists in both countries praise the achievements of the partnership while others highlight the problems and risks resulting from the way Howard and Koizumi/Abe drove the collaboration. With the change of prime ministers in both countries, some questions have begun to surface. What exactly are the problems, if any, with the Australia-Japan strategic partnership that was created by the Howard and Koizumi/Abe governments? How are Rudd and his counterparts currently approaching the bilateral partnership that they inherited from their predecessors? And most importantly how can the current governments resolve these problems and reshape the Australia-Japan bilateral cooperation to benefit both Australian and Japanese strategic interests?

This article aims to answer these three interrelated questions by the following steps. The article begins by establishing an analytical framework through which strategists can assess the condition of the Australia-Japan partnership. This section argues that Australia and Japan can and should develop bilateral cooperation simultaneously within two larger contexts: the US security network and multilateral institutions. Using this framework, the second section identifies the problems with the bilateral cooperation under the Howard and Koizumi/Abe governments. Without assessing the policies of the leaders who initiated the formalisation of the bilateral relationship in 2007, one cannot offer any full-fledged analysis of the current partnership

under Rudd and his Japanese counterparts. Following this, the article moves to assessing current developments in the bilateral collaboration under Rudd and his counterpart governments. It argues that Rudd and his counterparts chose to fix serious problems with their predecessor's policies and have been largely successful except that Australia and Japan have yet to form a systemic bilateral cooperation approach in shaping the East Asia Summit and hence the overall regional security architecture of the Asia-Pacific. On this point the article lastly offers a policy recommendation, named the "prime mover" strategy, to overcome the remaining point of dysfunction of the current Australia-Japan partnership.

"Two-Wheel" Partnership: Possibility and Desirability

The Asia-Pacific regional security architecture, where Australian and Japanese strategic interests fundamentally lie, currently has three major layers of security cooperation.¹ The first layer is the US-led security network, which maintains "hub-and-spokes" alliance relationships and also has other security activities with regional countries. One of the key driving forces in this context is how the region can utilise and cooperate with the global superpower for regional security needs. The second layer is regional multilateralism. The Asia-Pacific Economic Cooperation (APEC), ASEAN Regional Forum (ARF), East Asia Summit (EAS), ASEAN and Pacific Island Forum (PIF) are examples of the second layer where regional countries promote multilateral security cooperation. The spirit of multilateralism is essentially cooperation with all parties within a certain geographical area. The third layer is a space where other forms of security cooperation such as bi- and mini-lateral, issue specific and ad hoc dynamics develop between the first and second layers.

The Australia-Japan partnership is a unique form of this third-layer security cooperation since it has opportunities and potential to shape the other two layers of the US security network and the regional multilateral endeavour. The reason relates to the similarity of Australian and Japanese security policies. Australia and Japan are among the closest allies of the United States and play significant roles in US-led security initiatives. Also the two countries have been significant players in the development of multilateralism in the Asia-Pacific region. Such a fundamental similarity of Australian and Japanese security policies enables both countries to have a unique bilateral partnership. It can be characterised as a "two-wheel" partnership, a bilateral relationship which greatly interacts with both the US security network and regional multilateralism. This "two-wheel" partnership means that Australian and Japanese policy-makers must comprehend how these two different security tools can be used to address regional security challenges. There are two major strategic developments in our time that complicate Asia-

¹ A similar idea can be found in Makoto Iokibe (ed.), *Post War History of Japanese Diplomacy* (in Japanese), (Tokyo: Yuhikaku, 2006), Chapter Six.

Pacific regional security, namely the rise of China and a complex set of non-traditional security threats. Without knowing how regional multilateralism and cooperation with the United States can be used to handle these challenges, no practical assessment of this bilateral partnership is possible.

Regional multilateral instruments have their own strengths and weaknesses in terms of non-traditional security challenges. Regional multilateralism can be a vehicle where a wide range of agendas are tackled. ASEAN, for example, has developed a very ambitious and broad list of goals designed to counter non-traditional security challenges.² ASEAN-led wider multilateral gatherings such as ASEAN plus Three (APT), EAS and ARF also look very ambitious and wide-ranging in countering non-traditional security challenges.³ The breadth of multilateralism is what makes it a desirable instrument for managing non-traditional security challenges. Regional multilateralism, however, does have a significant limitation. Many regional countries are still concentrating on national economic growth and building state unity, which impedes the formation and implementation of multilateral agreements. While the characterisation of multilateralism as a talk shop is overly simplistic, progress via regional multilateralism is often slow and incremental.

In terms of responding to the rise of China, multilateralism is of unique use. Cooperation through multilateralism provides a good opportunity to engage China and pursue mutually beneficial collaboration. Multilateralism is also a necessary tool to diplomatically counterbalance China. For example, the creation of the EAS highlighted the differences in vision between China on the one hand, and Australia and Japan on the other, on so-called East Asian Regionalism. China and some other countries reportedly promoted a closed type of EAS which would have excluded Australia, while Japan, Indonesia and some other countries worked to create an open EAS by including

² The ASEAN Secretariat provides a list of areas of cooperation on non-traditional security issues such as the Environment, Transboundary Haze, Transnational Crime and Terrorism, Legal Cooperation, Immigration and Drugs. Associate of Southeast Asian Nations Homepage, <<http://www.aseansec.org/4916.htm>> [Accessed 13 October 2008]. Also see ASEAN Singapore 2008 Homepage, 'ASEAN Chairman's Statement on the ASEAN Post Ministerial Conferences (PMC) + 1 Sessions', 23 July 2008, <http://www.41amm.sg/amm/index.php/web/info_for_delegates/statements/asean_chairman_s_statement_on_the_asean_post_ministerial_conferences_pmc_1_sessions_23_july_2008_singapore> [Accessed 29 September 2008].

³ For the East Asia Summit, see Japanese Ministry of Foreign Affairs, 'Kuala Lumpur Declaration On The East Asia Summit', 14 December 2005, <<http://www.mofa.go.jp/region/asia-paci/eas/joint0512.html>> [Accessed 1 September 2008].

For ASEAN plus Three, see Japanese Ministry of Foreign Affairs, 'Second Joint Statement On East Asia Cooperation: Building On The Foundations Of ASEAN Plus Three Cooperation', 20 November 2007, <<http://www.mofa.go.jp/region/asia-paci/asean/conference/asean3/joint0711.pdf>> [Accessed 1 September 2008]. For ASEAN Regional Forum, see ASEAN Singapore 2008 Homepage, 'Chairman's Statement: 15th ASEAN Regional Forum', 24 July 2008, <http://www.41amm.sg/amm/index.php/web/info_for_delegates/statements/chairman_s_statement_15th_asean_regional_forum_24_july_2008_singapore> [Accessed 13 October 2008].

Australia, New Zealand and India.⁴ This suggests that multilateral institutions are arenas where China can not only be engaged but also counterbalanced.

The other security vehicle for the Australia-Japan partnership, the triangular and wider cooperative framework with the United States, has a different set of advantages and disadvantages. The US security network is highly capable and action-oriented. After the 2004 Boxing Day earthquake and tsunami disaster, for example, the region witnessed how capable the US-led coalition was in the face of an unexpected upheaval. The United States and its allies lead a number of other regional security efforts including the Trilateral Strategic Dialogue (TSD), the Proliferation Security Initiative (PSI) and many regional military exercises.

The United States, its alliances and other security networks, however, do have their own limitations. The lesson that one can draw from the history of US foreign policy is that the commitments and interests of the United States to the Asia-Pacific can become unstable and narrow.⁵ The US commitment can appear unstable since the global nature of US power simply does not allow the United States to always place a high priority on the Asia-Pacific region. It also can be narrow as US policy does not always reflect overall regional security needs.

In the face of the rise of China, the US presence and security network have deterrence and hedging functions. Most importantly, the US deterrence policy is operational over the Taiwan Strait. However, this is not directly relevant to the Australia-Japan partnership at the moment since the development of the bilateral partnership or the wider TSD mechanism with the United States are not expected to function as deterrence over Taiwan but as a hedging policy vis-à-vis the rise of China. The hedging policy, unlike the deterrence which aims to shape the behaviour of the target actor, is essentially a set of preparations to face negative possibilities which however are not expected to materialise.⁶ Thus, the Australia-Japan partnership and their cooperation through other frameworks with the United

⁴ Ken Jimbo, 'An emerging East Asian Community?: The Political Process of Regionalism in East Asia', in Ralph A. Cossa and Akihiko Tanaka (eds.), *An East Asian Community and the United States* (Washington: Center for Strategic and International Studies, 2008), pp. 14-41.

⁵ This is typically an old and new security fear of abandonment. Yoshinobu Yamamoto discusses this specifically in the context of the Australia-Japan partnership. See Yamamoto Yoshinobu, 'Strengthening Security Cooperation with Australia: A New Security Means for Japan', *AJISS-Commentary*, no. 13, 9 October 2007, <http://www.jiia.or.jp/en_commentary/200710/09-1.html> [Accessed 15 September 2008].

⁶ The author developed the article's definition of the hedging based on the following existing studies: Evelyn Goh, 'Understanding "hedging" in Asia-Pacific security', *PacNet*, no. 43 (31 August 2006); Øystein Tunsjø, 'Managing Uncertainty in the Global System', presentation at The Norwegian Institute for Defence Studies, 13-15 May 2008, <http://www.mil.no/multimedia/archive/001110/Oystein_Tunsjo__Nor_110052a.pdf> [Accessed 14 October 2008]. Evan S. Medeiros, 'Strategic Hedging and the Future of Asia-Pacific Stability', *The Washington Quarterly*, vol. 29, no. 1 (Winter 2005-06).

States are characterised as a hedging tool. The TSD, for example, helps maintain the US diplomatic and military presence in the Asia-Pacific by sharing costs and maintaining regular high-level communications. The continuation of the US presence in the Asia-Pacific provides the capabilities to maintain overall readiness to initiate necessary counter-movements should a hostile China emerge.

There are serious risks associated with a hedging policy which require careful management by policy makers. The maintenance of the US presence, even though intended not to shape the behaviour of China but to hedge against a hostile China, inherently has an implicit deterrence effect beyond just preparations for the emergence of an unanticipated situation. The logic is simple. The higher the level of US presence in the region, the more reluctant China will be to make hostile moves. Although this “side-effect deterrence” may look useful in the sense that it can create a healthy pressure to positively influence China’s foreign policy, it principally has to be kept low profile.⁷ The reason is that if the policy-makers of the United States and its allies and friends unnecessarily stress this “side-effect deterrence” function, Chinese leaders could perceive that the US network is moving to contain the rise of China. Such misperception could prod China into taking counter-balancing actions, which paradoxically, is what the United States and the rest of the world are attempting to avoid. The policy-makers need to be aware of this risk of a self-fulfilling prophecy.⁸

The above discussions on the characteristics of both US-led security initiatives and multilateral endeavours in the Asia-Pacific suggest that it is not only possible but also desirable for Australia and Japan to develop their bilateral partnership within both regional security tools.⁹ First, the US security network and regional multilateral institutions are not necessarily mutually exclusive and it is possible to advance the bilateral partnership both in alliance and multilateral contexts simultaneously. Second, it is even desirable that the Australia-Japan partnership operates on these two platforms together. Pursuing regionally-oriented issues in the TSD and forging an open regionalism in East Asia, for example, would help bridge these two different security vehicles. Multilateral engagement with China ameliorates China’s perception of Australia and Japan as being hostile and,

⁷ Michel Wesley, ‘The TSD’s Institutional Politics’, in William Tow, Mark Thompson, Yoshinobu Yamamoto and Patu P. Limaya (eds.), *Asia-Pacific Security: US, Australia and Japan and the New Security Triangle* (London: Routledge, 2007), pp. 49-50.

⁸ Jonathan Pollack points this risk out in his interview on ABC Radio National, 21 August 2008, <<http://www.abc.net.au/pm/content/2008/s2343032.htm>> [Accessed 15 September 2008]. Harry Harding also discusses the same point in his interview on ABC Radio National, 1 April 2007, <<http://www.abc.net.au/correspondents/content/2007/s1886188.htm>> [Accessed 15 August 2008].

⁹ A similar idea can be found in the policy recommendations on US-Japan Australia cooperation jointly made by Research Institute for Peace and Security, Asia-Pacific Center for Security and Australian scholars such as Dr. William Tow and Dr. Michael Wesley. See US-Japan-Australia Strategic Cooperation (in Japanese).

as a result, minimises the risk of the aforementioned self-fulfilling prophecy.¹⁰ The Australia-Japan partnership can and should therefore utilise effectively both multilateralism and the US led security mechanism in Asia-Pacific.¹¹

The Howard-Koizumi/Abe Collaborations

The above discussion helps us identify the success and the problems with the Howard-Koizumi/Abe approaches. Under the Howard and Koizumi/Abe governments, the Australia-Japan bilateral partnership focused on close and systematic cooperation with the United States, which indeed brought huge benefits to Australia, Japan and the region.¹² As the previous section suggests, however, the Howard-Koizumi/Abe approach had serious problems with the absence or dysfunction of the systematic coordination in regional multilateralism. Poor coordination between Australia and Japan over the course of the EAS creation in 2002 to 2005 is representative of this. In 2002, Koizumi proposed his East Asia Community vision. Particularly after his speech, the APT countries started seeking to upgrade APT to EAS, into which Japan and some other countries invited Australia, though China and a few countries were reluctant to expand the membership. The outcome of this diplomatic struggle may look positive as eventually Australia acquired membership of the EAS in 2005. This is, however, too simplistic a conclusion at best, since contrary to the initial EAS plan, the APT remains (was not removed) a separate body from the EAS and has been officially in the position of the “main vehicle” for East Asian community building while the EAS is regarded as important but secondary.¹³ This means Australia failed to join the core of the East Asian multilateral endeavour.

This diplomatic defeat reflects the lack of coordination between Australia and Japan.¹⁴ On the Australian side, the Howard government’s apparent reluctance and sceptical views on Asian multilateralism and regionalism clearly undermined the Australian position in East Asia.¹⁵ Also Australia’s “relations with ASEAN countries, especially Malaysia and Indonesia, were

¹⁰ Yoshinobu Yamamoto, ‘Triangularity and the US-Japan Alliance: Collaboration, Collective Hedging and Identity Politics’, in Tow, Thompson, Yamamoto and Limaya (eds.), *Asia-Pacific Security: US, Australia and Japan and the New Security Triangle*, p. 78.

¹¹ A different version of the same view can be found in, William Tow, ‘Tangled Web: Security Architectures in Asia’, *ASPI Strategy Reports* (1 July 2008), p 21, <http://www.aspi.org.au/publications/publication_details.aspx?ContentID=174&pubtype=5> [Accessed 15 July 2008].

¹² David Walton, ‘Australia and Japan: Towards a New Security Partnership?’, *Japanese Studies*, vol. 28, no. 1 (2008), pp. 73-86.

¹³ Japanese Ministry of Foreign Affairs, ‘Kuala Lumpur Declaration On The ASEAN Plus Three Summit’, 12 December 2005, <<http://www.mofa.go.jp/region/asia-paci/asean/conference/asean3/joint0512.html>> [Accessed 1 September 2008].

¹⁴ Takashi Terada, ‘The Japan-Australia Partnership in the Era of the East Asian Community: Can They Advance Together?’, *ANU Pacific Economic Papers*, no. 352 (2005).

¹⁵ David Walton, ‘Future Directions in Australia-Japan Relations: An Australian Perspective’, *Australian Journal of International Affairs*, vol. 60, no. 4 (2006), p. 599.

strained until 2005”, which was the critical period of the EAS formation.¹⁶ Indonesia appeared uncomfortable over the repeated claim by Howard that Australia, if necessary, has a right to pre-emptively strike terrorists overseas.¹⁷ Also just a week before the historic visit by Howard to Malaysia in 2005, which was to be the first such visit for twenty-one years, Malaysian Prime Minister Abdullah Badawi sharply criticised Howard government of its close relationship with United States and the aforementioned “preemptive strike” statement by Howard.¹⁸

On the Japanese side, the Koizumi government, due to his controversial annual visit to the Yasukuni Shrine, did not have well functioning top-level channels with China and Korea so that Japan’s diplomatic activity in “expanding APT to EAS” was unnecessarily hindered.¹⁹ More importantly, Australia and Japan did little to raise the regional status of both countries in any coordinated manner except for disaster relief missions. Though it is hard to tell if the outcome would have been better if Australia and Japan had behaved differently for their common interest, these missteps and the absence of cooperation during the EAS creation period suggest that Howard and Koizumi could have done much more in jointly promoting an open East Asian regionalism.

A failure of cooperation in multilateralism can be identified in the South Pacific as well. The clearest example is seen in the case of the Regional Assistance Mission to Solomon Islands (RAMSI). This multilateral body has significantly contributed to the peace and stability of the Solomon Islands, a fragile islands country since 2003.²⁰ Australia has led this effort by providing armed forces, police units, as well as technical and financial assistance.²¹ It

¹⁶ Takashi, ‘The Japan-Australia Partnership in the Era of the East Asian Community’, p. 11. Michael Richardson, ‘Australia-Southeast Asia Relations and the East Asia Summit’, *Australian Journal of International Affairs*, vol. 59, no. 3 (2005), pp. 351-65. For details in the wider context of the Howard regional policy, see Michael Wesley, *The Howard Paradox* (Sydney: ABC Books, 2007).

¹⁷ Brendan Nicolson, ‘Howard defiant: I would launch strike’, *The Age*, 20 September 2004.

¹⁸ ‘Australia, Malaysia eye trade pact’, *CNN*, 7 April 2005, <<http://edition.cnn.com/2005/WORLD/asiapcf/04/06/australia.malaysia/index.html>> [Accessed 24 February 2009].

¹⁹ For example, the 2005 China-Japan-South Korea summit meeting was postponed. According to the statement by Chinese government which announced the postponement of the planned trilateral summit, the summit was postponed because of the “current mood and condition”. It diplomatically indicated that the Koizumi’s repeated visit to Yasukuni Shrine was the reason. ‘Dainanakai ChuNichiKan Sankakoku ShunouKaidan Enki’, The Embassy of China in Japan, <<http://www.china-embassy.or.jp/jpn/fyrth/t224653.htm>> [Accessed 24 February 2009]. Also Tan Jiaxuan, a member of the State Council of PRC clearly said that the reason that the bilateral relations between China and Japan have fallen in the stagnation was the visits by Japanese leaders to Yasukuni Shrine. ‘Yasukuni Sanpai ha Nichukankei wo Ichijirushiku sogai’, Consulate-General of China in Fukuoka, <<http://www.fmprc.gov.cn/ce/cgfuk/jpn/jlyhz/t268389.htm>> [Accessed 24 February 2009].

²⁰ Regional Assistance Mission to Solomon Islands, <<http://www.ramsi.org/>> [Accessed 15 September 2008].

²¹ Australian Department of Defence, ‘Operation ANODE’, <<http://www.defence.gov.au/opEx/global/opanode/index.htm>> [Accessed 1 October 2008].

is somewhat mysterious that Japan has not played any substantial role, as Japan has a clear interest in maintaining the support of Pacific island countries in the United Nations and other international organisations.²² The South Pacific is an important sea lane for the trading of natural resources and agricultural products. Furthermore Japan's development assistance, which stresses good governance and development, may be a desirable addition in a comprehensive nation-building effort such as RAMSI.²³ The South Pacific remained a potential, not active, arena of cooperation during the Howard-Koizumi/Abe period.

The dysfunction of the Australia-Japan partnership in the context of Asian and South Pacific multilateralism causes four problems. First, Australian and Japanese efforts in the non-traditional security arena feature less cooperation with a smaller number of nations than they would if the partnership operated along more systematically multilateral lines. The second problem is less room to engage China in areas of common interest. The APT, which sets more agendas and has already taken more actions than the EAS would no doubt give the Australia-Japan partnership a chance to cooperate with China in many more areas. Another problem is balancing China's influence where necessary. In the South Pacific, for example, a deeper engagement by Japan in stabilisation operations and development assistance would reduce the risk posed by the rising influence of China.²⁴

Fourthly and most importantly, a potentially more dangerous problem with the partnership under the Howard and Koizumi/Abe governments is with the control of China's perception of Australia-Japan relations and the wider TSD process with the United States.²⁵ The TSD, upgraded to the ministerial level in 2006, has been cautiously watched by China. As Hugh White demonstrates in his article on the TSD, its opaque objectives and the intention of the increased coordination among these three democracies require analysts (including Chinese officials) to look at the background and

²² Japanese Ministry of Foreign Affairs, 'Reference Material: The 4th Japan-PIF Summit', <http://www.mofa.go.jp/mofaj/area/ps_summit/palm_04/pdfs/about.pdf> [Accessed 15 September 2008].

²³ Japanese Ministry of Foreign Affairs, 'Official Development Assistance Charter', <<http://www.mofa.go.jp/policy/oda/reform/revision0308.pdf>> [Accessed 14 October 2008].

²⁴ Graeme Dobell and Fergus Hanson provide empirically rich studies on the growing influence of China in the South Pacific. Graeme Dobell, 'China and Taiwan in the South Pacific: diplomatic chess versus Pacific political rugby', *Lowy Institute Policy Brief*, January 2007, <<http://www.lowyinstitute.org/Publication.asp?pid=533>> [Accessed 15 September 2008]. Fergus Hanson, 'The Dragon Looks South', *Lowy Institute Analysis*, January 2008, <<http://www.lowyinstitute.org/Publication.asp?pid=814>> [Accessed 15 September 2008].

²⁵ This risk is well discussed in William Tow, 'The Japan-Australia Joint Declaration on Security Cooperation and Asia-Pacific Strategic Geometries', *Nautilus Institute Austral Policy*, 6 September 2007, <<http://gc.nautilus.org/Nautilus/australia/apsnet/policy-forum/2007/the-japan-australia-joint-declaration-on-security-cooperation-and-asia-pacific-strategic-geometries/>> [Accessed 15 September 2008].

the underlining dynamism of the TSD development.²⁶ Australia's 2007 Defence Update explicitly disclosed Australia's cautious stance towards China, stating that

the pace and scope of (China's) military modernisation, particularly the development of new and disruptive capabilities such as the anti-satellite (ASAT) missile (tested in January 2007), could create misunderstandings and instability in the region.²⁷

The Abe government launched a series of foreign policy initiatives which were provocative from China's perspective such as the "Arc of Freedom and Prosperity", which attempted to create democracies around China and Russia, and the controversial quadrilateral democratic alliance with India.²⁸ The obscure nature of the TSD, aided by the Australian and Japanese foreign policy stances, clearly sent the wrong message to China and was counterproductive in terms of encouraging China to become more responsible and less hostile. The explicit identification by the United States of China as its target, when shifting its armed force concentration to the Pacific theatre and coordinating more with its allies and friends, keeps China on the alert.²⁹ In fact, various levels of the Chinese government have already shown their uncomfortable and cautious feelings towards the TSD and the intentions of the participant countries, particularly with the TSD considering a potential inclusion of India.³⁰ The aforementioned self-fulfilling prophecy could be caused by the mismanagement of the hedging policy. This overall situation seems to suggest that more needs to be done to mollify China's concerns towards the Australia-Japan partnership and the TSD. Indeed these missteps and the resulting risk could be modified by heavy engagement in multilateralism where Australia and Japan could demonstrate their willingness to coexist and cooperate with China. But the Howard-Koizumi/Abe approach dangerously failed to utilise such a huge benefit from multilateralism.

The Howard-Koizumi/Abe approach developed the bilateral partnership disproportionately in the context of the US security network. Indeed it is not

²⁶ Hugh White, 'Trilateralism and Australia: Australia and the Trilateral Strategic Dialogue with America and Japan', in Tow, Thompson, Yamamoto and Limaya (eds.), *Asia-Pacific Security: US, Australia and Japan and the New Security Triangle*, pp. 101-102.

²⁷ Department of Defence, *Australia's National Security: A Defence Update 2007* (Canberra, Commonwealth of Australia, 2007), p. 19.

²⁸ Then Japanese Foreign Minister Taro Aso, 'Arc of Freedom and Prosperity: Japan's Expanding Diplomatic Horizons', 30 November 2006, <<http://www.mofa.go.jp/announce/fm/aso/speech0611.html>> [Accessed 13 October 2008].

²⁹ Condoleezza Rice, 'Roundtable with Australian, Indonesian and Latin American Journalists', 9 March 2006, <<http://www.state.gov/secretary/rm/2006/62968.htm>> [Accessed 15 September 2008].

³⁰ Rory Medcalf, 'Chinese Ghost Story', *The Diplomat* (March-April 2008), <<http://www.the-diplomat.com/article.aspx?aeid=5250>> [Accessed 15 September 2008]. Mahmud Ali, 'New "Strategic Partnership" against China', 3 September 2007, <http://news.bbc.co.uk/1/hi/world/south_asia/6968412.stm> [Accessed 15 September 2008].

an entirely misguided policy. The results demonstrate that it has brought enormous benefits to Australia, Japan and the region. But in the context of multilateralism, the “two-wheel” partnership under Howard and Koizumi/Abe did not work well. This indicates that the Australia-Japan partnership failed to react to the evolving dynamics of the regional security architecture. In the 1990s, APEC and ARF were clearly in the centre of regional multilateral institution building. So the multilateralism pillar of the “two-wheel” partnership was to function in APEC and ARF. But in the new millennium, they lost the initial momentum while other dynamics inside the Asia-Pacific gained new momentum. The South Pacific proved itself to be more unstable and the PIF steadily transformed to become a provider of legitimacy to more assertive Australia-led stabilisation operations such as RAMSI.³¹ East Asia developed less inclusive bodies such as APT and EAS than the Asia-Pacific wide multilateralism. The failure of the Howard-Koizumi/Abe approach meant that the Australia-Japan partnership was not successful in responding to these new developments. The consequence of this dysfunction, as this article has already argued, is that strategic opportunities were lost in terms of both countering non-traditional security issues and managing the rise of China. What is worse, some provocative discourses and policies regarding China taken individually by Japan and Australia aggravated the situation.

New Momentum, New Prime Ministers and the Remaining Question

The formalisation process of the bilateral partnership which started in 2007 showed that Howard and Abe intended to redirect the bilateral partnership and fix the problems of the lack of cooperation in East Asia and the South Pacific.³² This policy momentum can be characterised as an adjusted “two-wheel” partnership rather than a completely new strategic idea. Firstly, both governments have confirmed that the TSD and other forms of the US-Australia-Japan trilateral cooperation will continue to be the strategic driving force of the Australia-Japan bilateral partnership. Second, the two governments seemed willing to bolster the other pillar of the “two-wheel” partnership, engagement in multilateralism. Australia and Japan in 2007 agreed to strengthen their cooperation to encompass East Asian regionalism and South Pacific cooperation. In other words, the newly modified partnership aims to advance through three regional security dynamics: expanding cooperation with the United States; jointly shaping East Asian

³¹ Jim Rolfe, 'Beyond cooperation: towards an Oceanic Community', *Australian Journal of International Affairs*, vol. 60, no. 1 (2006), pp. 83-101; Alan Goodall, 'Cops of the South Pacific', *The Japan Times*, 16 May 2006.

³² Japanese Ministry of Foreign Affairs, 'Japan-Australia Joint Declaration on Security Cooperation', 13 March 2007, <<http://www.mofa.go.jp/region/asia-paci/australia/joint0703.html>> [Accessed 15 September 2008]. Japanese Ministry of Foreign Affairs, 'Japan-Australia Joint Foreign and Defence Ministerial Consultations Joint Statement 2007', 6 June 2007, <<http://www.mofa.go.jp/region/asia-paci/australia/joint0706.html>> [Accessed 15 September 2008].

Regionalism in the context of the overall regional security architecture; and bringing Japan into Australia-led regional multilateral efforts in the South Pacific. These shifts are clearly in the direction of a better functioning “two-wheel” partnership, fixing the problems which the previous section of the article discussed. This potentially ameliorates China's perception of the Australia-Japan partnership as threatening, as China will deepen cooperation with Australia and Japan in multilateral bodies over time. Also Australia and Japan will add to their effectiveness in their joint efforts to counter non-traditional threats in multilateral bodies.

However, Howard and Abe left office before implementing this new vision. Now the real policy focus has moved to the question of whether this new found momentum will continue under their successors or not. In fact, the Rudd and (former Prime Minister) Fukuda summit meeting in July 2008 confirmed that they would continue strengthening the bilateral relationship based on the 2007 agreements.³³ Does this mean that the 2007 momentum will stay on track even after Howard and Abe left office? In order to answer those questions, some serious concerns surrounding the current Australian and Japanese foreign policies have to be addressed.

There is a concern over the style of Rudd's foreign policy. Indeed Rudd seems visionary as he described his “dream” about creating an Asia-Pacific economic, political and security community.³⁴ His idea certainly sounds ambitious but he has yet to show how to achieve that goal and how exactly Australia can benefit from such a regional framework. The new nuclear commission also proposed by Rudd himself has the same type of problems.³⁵ While it is certainly good to talk about the ultimate abolition of nuclear weapons, it is questionable whether or not the creation of another dialogue will contribute meaningfully to such an ambitious goal. In sum, visionary foreign policy can become rhetoric without substance.³⁶

However, closer examination of Rudd's regional foreign policy shows that Rudd wisely aims to engage in various parts of the current regional security architecture, not simplistically and exclusively promoting the idea of an Asia-Pacific community.³⁷ The Minister for Defence Joel Fitzgibbon announced

³³ Japanese Ministry of Foreign Affairs, ‘Joint Statement by Prime Minister Yasuo Fukuda of Japan and Prime Minister Kevin Rudd of Australia on “Comprehensive Strategic, Security and Economic Partnership”’, 12 June 2008, <<http://www.mofa.go.jp/region/asia-paci/australia/joint0806.html>> [Accessed 15 September 2008].

³⁴ Matthew Franklin, ‘Kevin Rudd to Drive Asian Union’, *The Australian*, 5 June 2008.

³⁵ Australian Prime Minister Kevin Rudd, ‘Building A Better World Together’, 9 June 2008, <http://www.pm.gov.au/media/Speech/2008/speech_0294.cfm> [Accessed 14 October 2008].

³⁶ For an example of a skeptical view, see John Lee, ‘Rudd's “Security Community” Annoying Asia’, *The Jakarta Post*, 30 June 2008.

³⁷ Australian Minister for Foreign Affairs, ‘Australia, ASEAN and the Asia-Pacific’, 18 July 2008, <http://www.foreignminister.gov.au/speeches/2008/080718_lowy.html> [Accessed 15 September 2008].

that Australia aims to enhance military ties with ASEAN as a whole.³⁸ At the bilateral level with ASEAN countries, his visit to Malaysia for example has already helped in the development of a positive rapport between Malaysia and Australia, which Howard was unable to achieve in a stable manner for 11 years.³⁹ Also in his speech in Singapore, Rudd discussed Asia-Pacific security as being multi-layered by describing APEC, ARF, EAS and ASEAN as all being important vehicles.⁴⁰ These facts illustrate that the Rudd administration is taking practical policies in order to bolster its regional engagement in not only his visionary Asia-Pacific community but also other multilateral bodies. Criticising Rudd foreign policy as being rhetorical and too simplistic fails to capture the substance of Rudd's regional policy.

Another concern which appeared serious particularly during the initial few months of the Rudd government was that Rudd government placed more importance on the relationship with China while the priority with the Australia-Japan relations was lowered. A few factors combined to contribute to spreading this perception. The new Prime Minister's career background which is highlighted by his professional and personal experiences in studying and working in China generated the speculation that Rudd has personal affinities with China.⁴¹ Rudd government was quick to reject the idea of forming the quadrilateral cooperation mechanism between Australia, Japan, United States and India, which was originally proposed by the former Japanese Prime Minister Abe. The fact that Minister for Foreign Affairs Smith officially opposed the idea at the joint press conference with the Chinese Minister of Foreign Affairs also was considered as an indication that Rudd government sees more importance in its relationship with China than its predecessor.⁴² The exclusion of Japan from the list of the countries which Rudd visited on his first overseas trip as the Prime Minister was received in the media that Australian bilateral relations with Japan was not placed in the highest priority. Lastly, the Labor's tougher stance on the issue of whaling has been considered as a strong factor destabilising Australia-Japan relations.

³⁸ Patrick Walters, 'Push to join ASEAN defence talks', *The Australian*, 4 June 2008.

³⁹ Indeed Howard, particularly after 2005, was partially successful in deepening ties with Asian countries. Thus it is not a balanced assessment to describe Howard regional policy as a entire failure. Also about Rudd's successful visit to Malaysia, see Dennis Shanahan, 'Kevin Rudd Pledges 'New Phase' in Relationship with Malaysia', *The Australian*, 11 July 2008.

⁴⁰ Australian Prime Minister Kevin Rudd, 'Building on ASEAN's Success: Towards an Asia Pacific Century', 12 August 2008, <http://www.pm.gov.au/media/Speech/2008/speech_0419.cfm> [Accessed 29 September 2008].

⁴¹ There was a discussion within Japan on how Rudd's personal closeness to China would affect Australia-Japan relations. See, Emily O'Keefe, 'Will Rudd Cool Relations with Japan?', *The Japan Times*, 26 November 2007.

⁴² Australian Department of Foreign Affairs and Trade, 'Joint Press Conference with Chinese Foreign Minister', 5 February 2008, <http://www.foreignminister.gov.au/transcripts/2008/080205_jpc.html> [Accessed 24 February 2009].

Despite such a widely spread perception, however, the argument that Japan became less significant in Rudd's foreign policy was largely misplaced.⁴³ For example, the early rejection by Rudd Government of the quadrilateral initiative does not indicate that Rudd is "anti-Japanese" or "pro-China" considering that Japanese government had already silently stopped promoting the issue at least publicly after Prime Minister Abe resigned and his successor Fukuda came in office a few months earlier than the Rudd's victory in the election.⁴⁴ This simply means that the idea that Rudd Government opposed had been already abandoned by Japanese government. The fact that Rudd did not visit Japan on his first travel has been over exaggerated. Additionally, in hindsight, the continuing development of the Australia-Japan partnership under Rudd Government and the multiple and frequent visits to Japan by Australian government top officials including Prime Minister himself particularly after the first quarter of 2008 suggest that Australia remains to see Japan as one of the high priorities in Australian foreign policy.⁴⁵ The issue of whaling has remained a problem in the bilateral relations until the time of writing this article. However, Australian and Japanese governments skilfully "agreed to disagree" and kept this single issue from affecting the overall relationship between the two nations.⁴⁶

There are voices from the Australian side saying that Japan and Australia have fundamentally different approaches towards the rise of China.⁴⁷ They argue that Australia, based on mutual economic stakes, is primarily concerned with engaging China, while Japan is increasingly concerned about balancing against the rise of China. Indeed, Japan and China have ongoing disputes over the Senkaku/Daioyu islands, Okinotorishima (which the Chinese side claims is not an island but a rock, while Japan officially treats it as its own territorial island), energy development in the South China Sea and the vision for East Asian Regionalism. Japan's newest strategic policy manifesto (2004 National Defense Program Guidelines) made explicit reference to China, and the 2005 US-Japan 2+2 meeting declared that the

⁴³ Greg Sheridan posits there was a misjudgement on Rudd's policy over China and Asia overall. See Greg Sheridan, 'No pandering to China in PM's Asia plan', *The Australian*, 5 November 2008.

⁴⁴ Also it is too simplistic to see that Howard was for and Rudd is against the idea of the quadrilateral cooperation framework. Howard government did show its reluctance to proceed with high-profile cooperation between the four democracies. See Brahma Chellaney, "'Quad Initiative': An Inharmonious Concert of Democracies', *The Japan Times*, 19 July 2007.

⁴⁵ For example, Australia's foreign minister visited Japan as many as four times in the single year of 2008. The Australian prime minister visited Japan twice in 2008. In addition, Trade and Defence ministers visited Japan once respectively in 2008. See the Japan-Australia bilateral relations section on the website of the Japanese Foreign Ministry, <<http://www.mofa.go.jp/region/asia-paci/australia/index.html>> [Accessed 24 February 2009].

⁴⁶ Tim Colebatch, 'Rudd Lets Japan off Hook', *The Age*, 13 June 2008.

⁴⁷ Nick Bisley, 'The Japan-Australia Security Declaration and the Changing Regional Security Setting: Wheels, Webs and Beyond?', *Australian Journal of International Affairs*, vol. 62, no. 1 (2008), pp. 38-52.

peaceful resolution of the Taiwan problem is a common strategic interest.⁴⁸ These issues are often raised as examples of Japan's hard-line approach to China in contrast with the softer line of Australia's engagement policy.

Though arguments of this type correctly identify the cautious stance of Japan towards the rise of China, it is misleading to imply that Japan and Australia have fundamentally different policies towards China. Instead, the core of Japan's China policy is still that of engagement and is therefore largely compatible with Australia's China policy. Yoshihide Soeya argues that the reference to Taiwan in the 2+2 joint statement may appear to be a significant policy development, but what Japan and United States actually stated is in substance just a repeat of their long-standing position over the Taiwan Straits for the past few decades.⁴⁹ Similarly, in 2004 National Defense Program Guidelines simply stated that Japan needs to be attentive but not treat China as a threat. It is clear that those two often-cited documents do not indicate any substantial strategic changes in Japan's China policy towards a harder line. Rather, as Mike Mochizuki argues, the current Japanese official policy and the majority of the discussions within Japan's wider policy community agree that engagement is and should be the main policy towards China.⁵⁰ In fact, recent Sino-Japanese relations reflect such a firm engagement. Japan and China agreed to take a historic step in solving their territorial dispute in the South China Sea.⁵¹ They also have agreed to coordinate their Official Development Assistance (ODA) in some areas.⁵² Also in recent years China and Japan, along with South Korea, have agreed on a number of practical cooperative projects in business fields.⁵³

In this regard, a silent change of the TSD process should also be noted. Officials of the three participating countries obviously reached a common consensus of not including India into this gathering of three democracies

⁴⁸ Ministry of Defense, *National Defense Program Guidelines: FY2005-* (Ministry of Defense: Tokyo, 2004).

Japanese Ministry of Foreign Affairs, 'Joint Statement: US-Japan Security Consultative Committee', 19 February 2005, <<http://www.mofa.go.jp/region/n-america/us/security/scc/joint0502.html>> [Accessed 13 October 2008].

⁴⁹ Yoshihide Soeya, 'Trilateralism and Northeast Asia', in Tow, Thompson, Yamamoto and Limaya (eds.), *Asia-Pacific Security: US, Australia and Japan and the New Security Triangle*, pp. 95-96.

⁵⁰ Mike Mochizuki, 'Japan's shifting strategy toward the rise of China', *Journal of Strategic Studies*, vol. 30, no. 4 (2007), pp. 739-76.

⁵¹ Japanese Ministry of Foreign Affairs, 'Press Release on Sino-Japanese cooperation in East China Sea (in Japanese)', 18 June 2008, <http://www.mofa.go.jp/mofaj/area/china/higashi_shina/press.html> [Accessed 1 November 2008].

⁵² Japanese Ministry of Foreign Affairs, 'Japan-China Joint Press Statement', 11 April 2007, <<http://www.mofa.go.jp/region/asia-paci/china/pv0704/joint.html>> [Accessed 14 October 2008].

⁵³ Japanese Ministry of Foreign Affairs, '2007 Progress Report of the Trilateral Cooperation among the People's Republic of China, Japan and the Republic of Korea', 20 November 2007, <<http://www.mofa.go.jp/region/asia-paci/eas/report0711.pdf>> [Accessed 14 October 2008].

after direct and indirect protests from China.⁵⁴ And the TSD is seeking more practical areas of cooperation such as South Pacific stability rather than merely making provocative statements.⁵⁵ Rudd's personal performance in Beijing perhaps helped improve China's perception too. Overall, the TSD in 2008 looks less provocative to China than when it was initiated in 2006. Based on the above analysis of Japan's China policy, the current practical and (not necessarily provocative) profile of the TSD will likely continue to be supported by not only Australia and United States but also Japan.⁵⁶

Aside from the above concerns among the public and policy community, the real challenge and strategic question for the Australian and Japanese governments is whether they can form a bilateral strategy in a way that allows them to effectively shape the multi-layered regional multilateralism. The successful management of overall relations with China and efforts to counter non-traditional threats will depend to a great extent on whether Australia and Japan can find each other as strong partners in multilateralism. Here the formalisation process since 2007 partly gives us an answer. As previously stated, Australia and Japan are reforming their "two-wheel" partnership with more recognition of East Asian and South Pacific dynamics.⁵⁷ In terms of South Pacific stability, this reorientation has already reached some specific agreements. At the PIF meeting of August 2008, Japan pledged to contribute to RAMSI, the first time for Japan to play a substantial role in a stabilisation and reconstruction process in one of the PIF states.⁵⁸ This decision is a part of the new Australia-Japan partnership as Rudd and Fukuda agreed in June 2008 in advance.⁵⁹ Australia and Japan

⁵⁴ An alliance of democracies comprising Australia, Japan, the United States and India was openly discussed among policy makers including former Prime Minister Shinzo Abe by 2007. However, no open moves or discussion at the official level to build such a new framework is in place anymore.

⁵⁵ Japanese Ministry of Foreign Affairs, 'Trilateral Strategic Dialogue Joint Statement', 27 June 2008, <<http://www.mofa.go.jp/region/asia-paci/australia/joint0806-2.html>> [Accessed 14 October 2008].

⁵⁶ Rudd seems to understand a fundamental necessity of combining engagement and hedging well vis-à-vis China. Kaji Yasuo, 'The factors behind Kevin Rudd's Japan Visit (in Japanese)', 21 July 2008, <http://mediasabor.jp/2008/07/post_440.html> [Accessed 15 September 2008]. Susenjit Guha, 'Rudd: Up From Down Under', *FPIF Commentary*, 15 April 2008, <<http://www.fpiif.org/fpiftxt/5150>> [Accessed 10 September 2008].

⁵⁷ A slightly different view is also available among public policy discussions. David Walton, for example, foresaw that such an orientation towards the regional security would be accelerated under Rudd and Fukuda governments while this article argues that such a momentum is largely in continuity from the previous governments of Howard and Abe. See David Walton, 'Australia and Japan: Towards a New Security Partnership?', *Japanese Studies*, vol. 28, no. 1 (2008), pp. 73-86.

⁵⁸ 'Japan offers civilians dispatch to Solomon (in Japanese)', *Kyodo*, 22 August 2008, <<http://www.iza.ne.jp/news/newsarticle/world/asia/172217/>> [Accessed 10 September 2008].

⁵⁹ Greg Sheridan, 'Japan's troops welcomed for peaceful mission in the Pacific', *The Australian*, 19 July 2008. Japanese Ministry of Foreign Affairs, 'Summary of the Japan-Australia Foreign Minister Meeting', 23 July 2008, <http://www.mofa.go.jp/mofaj/kaidan/g_komura/asean_08/jaust_gk.html> [Accessed 14 October 2008]. Also, Japanese Ministry of Foreign Affairs, *Joint*

have started taking actions for cooperation in South Pacific through PIF and more specifically RAMSI. As the article has argued, Japan's larger role will buttress Australian stabilisation efforts countering non-traditional security problems and help promote democratic-liberal principles even importantly in the face of the growing influence of China, an undemocratic power.⁶⁰

Contrary to their enhanced collaboration in South Pacific however, Australia and Japan have not yet managed to create a policy of cooperation on the East Asia Summit. More concretely speaking, it remains unclear how they can jointly encourage East Asia to become more open and inclusive in the way that it provides a useful platform to counter non-traditional security problems and manage the rise of China. Economically a network of Free Trade Agreements (FTAs) and Economic Partnership Agreements (EPAs) among Asia-Pacific regional countries will promote an open and inclusive East Asia. On this assumption, Japan and Australia should work to form a network of FTAs and EPAs, as this helps open East Asia economically for them and potentially other states such as United States. But Australia and Japan have not shown any strategic vision of developing an open and inclusive East Asia in terms of security. Nor do scholars so far offer systematic policy recommendations for the Australia-Japan bilateral partnership to effectively shape East Asian regionalism. A key remaining question is how Australia and Japan collaborate in East Asian multilateralism. Otherwise, lost opportunities will continue to pile up and the potential damage to Australian and Japanese security interests will grow in terms of both managing the rise of China and a complex set of non-traditional security challenges.

Policy Recommendation: Australia and Japan in Asia

The final section of the article is a policy recommendation to fix the problem of the absence of a bilateral strategy to develop an open and inclusive East Asia. The Asia-Pacific sees a dynamic interaction between ideas and functional needs. There are different ideas in forming regional groupings. Some try to frame institutions based on common cultural backbones. Others do so, on common political values such as democracy. There are also people trying to deepen cooperation within a given scope of countries. APT, EAS, ARF, PIF and APEC all embody different forms of such ideas. The important thing here is that sometimes these ideas collide with functional necessities. FTAs are a good example. The idea of an FTA network based on APT, for example, does not explain why they exclude other countries from their agreement. However, any policy moving directly against these existing ideas would not be successful but would instead cause suspicions,

Statement by Prime Minister Yasuo Fukuda of Japan and Prime Minister Kevin Rudd of Australia.

⁶⁰ Benjamin Reilly, 'Japan's Return to Guadalcanal', *The Wall Street Journal*, 1 August 2008.

mistrusts and even antagonism among countries. Therefore, a policy to forge an open East Asia should take an indirect approach to promote functional needs to prevail over inflexible ideas of regional groupings.

Australia and Japan can take such an indirect but very action-oriented policy to help functional needs prevail over inflexible ideas by networking their own bilateral cooperation to other regional countries. The policy has two steps. First, the Australia-Japan partnership pursues bilateral cooperation in practical areas. Subsequently they should try to include other regional countries into such practical areas of common interests. The rationale is that Australia and Japan should not stay narrowly in bilateralism but try to expand their practical cooperation from bilateralism through “mini-lateralism” to eventually a wider multilateral basis. Doing so means increasing the projects and strengthening the network of practical cooperation, hence facilitating functional needs to prevail over inflexible ideas in Asian multilateral-institution developments.

This policy also fits the current dynamism of the evolving security architecture for two reasons. First, multilateral development in Asia does not jump into rule-based institutional integration but takes an incremental approach to accumulate practical collaborations in areas where member countries are willing and able to cooperate. APT and EAS have evolved with this principle. Perhaps ARF and APEC did not start as a functionalistic framework. ARF has aspired to set rule-based mechanism of preventive diplomacy. And APEC has been expected to integrate the Asia-Pacific wide economy as a mega-free open economic zone. However, in recent years, these two multilateral institutions have clearly shifted from the initial rule-based approach towards more slow, steady but “pragmatic” methods. APEC’s increasing cooperation in areas such as counter-terrorism, anti-pandemic efforts and border-control since 11 September 2001 exemplifies such a transformation.⁶¹ So does ARF.⁶² For example, in 2008 ARF agreed to hold a multilateral disaster relief exercise in the Philippines in 2009. These facts all suggest that more practical areas are better starting points for any cooperation in Asia.

Second, in Asia, instead of starting cooperation on the multilateral basis first, it is more common that capable “prime movers” take a lead first and later expand their cooperation to include other states.⁶³ In other words, those who took the first action have a greater chance to lead the cooperation in a

⁶¹ For more details, see APEC Secretariat Homepage at <<http://www.apec.org/>> [Accessed 14 October 2008].

⁶² Yuzawa Takeshi, ‘The Current Course and Prospects of the ASEAN Regional Forum (in Japanese)’, *JIIA Column*, 30 April 2008, <http://www.jiia.or.jp/column/200804/30-yuzawa_takeshi.html> [Accessed 10 September 2008].

⁶³ The notion became famous after the speech by Former Thailand Prime Minister Thaksin Shinawatra, see Thaksin Shinawatra, ‘Asia Cooperation Dialogue: New Asian Realism’, 6 October 2002, <<http://www.aseansec.org/13965.htm>> [Accessed 14 October 2008].

particular area in a wider multilateral framework. The recent disaster relief cooperation, for example, illuminates this “prime mover” nature of Asian multilateralism. The cooperation first started within the US allies and friends. After they served as “prime movers” in the disaster relief operation in the aftermath of the Boxing Day tsunami, the membership of the disaster relief exercises and preparation now is expanding to encompass the ARF. Also Australia is reportedly preparing to propose disaster relief cooperation in the 2009 APEC summit.⁶⁴ The development of the regional disaster relief effort illuminates that the “prime movers” cumulatively expand the membership scope of the cooperation.

In the Asia-Pacific where “prime movers” take a lead in practical areas of multilateral cooperation, it is important for Australia and Japan to think about how they can become “prime movers”. A number of bilateral collaborations already envisioned by the Australia-Japan partnership can include other regional countries in the future. By doing so, Australia and Japan can encourage functional necessities to prevail over inflexible ideas in building the regional security architecture. This is particularly significant for EAS to prevail over APT and strengthen an open and inclusive regionalism. For this purpose, the following steps are examples of the actions which Australia and Japan should jointly take to implement the “prime mover” strategy.

EXPANDING MILITARY-TO-MILITARY COOPERATION WITH OTHER COUNTRIES

Australia and Japan have already agreed to hold joint military and law-enforcement exercises.⁶⁵ This does not have to be limited to the two countries or TSD participants and it will be useful if Australia and Japan expand their military exercises to include other regional countries. Good candidates are South Korea, New Zealand, Singapore, Thailand, the Philippines, Indonesia and most importantly China. Regular interactions of this kind at the military unit level would help (1) forge a region-based military community, (2) reduce the extent of China’s suspicions towards the Australia-Japan partnership and (3) strengthen the presence of Australia in the struggle of regionalism between APT and EAS.

DISASTER RELIEF SEMINARS AND TRAINING; INITIALLY ON A BILATERAL BASIS AND SUBSEQUENTLY ON A MULTILATERAL BASIS

This is another area where Australia and Japan can initiate and network their partnership with other regional powers. Bilateral collaboration in the disaster relief area, agreed in 2007, does not need to be limited to Japan and

⁶⁴ Brendan Nicholson, ‘Regional Disaster Relief Plan for APEC’, *The Age*, 15 October 2008.

⁶⁵ According to the joint statement of Japan-Australia Joint Foreign and Defence Ministerial Consultations 2008, Japanese Maritime Self Defense Force participated in “Exercise KAKADU” in the 2008 July for the first time. Also Australia and Japan have agreed to have a range of joint exercises and trainings on the bilateral, TSD and ARF bases which are listed up in the aforementioned Joint statement and the Action Plan agreed in September 2007.

Australia but should expand to other countries. Again, acting as “prime movers” will strengthen the Australian and Japanese voices in shaping and regional momentum towards an inclusive and open regional security architecture. The 2008 round of ARF began cooperation on this issue. In the future, Australia and Japan should consider hosting the next ARF disaster relief exercise after the Philippines in 2009.

Conclusion

Australia and Japan can and should become a full-fledged “two-wheel” partnership. The rationale behind this “two-wheel” partnership is self-evident: Australia and Japan need both the US-led security network and the multilateral bodies in handling the two major security challenges of our time; non-traditional security issues and the rise of China. The implementation of the idea, however, has proven much more difficult than forming it since the two countries have to constantly review the partnership and adjust it, if necessary, to the evolving security architecture of the most dynamic region in the 21st century. Indeed, Howard and his counterparts have moved the bilateral partnership to the next level by closely collaborating with the United States in the TSD and other security initiatives. But they failed to grasp the new dynamics in the South Pacific and East Asia. The formalisation process since 2007 is clearly intended to overcome these problems of dysfunction in the bilateral partnership. Rudd and his counterparts have committed to this new momentum, which has already brought some visible benefits to the two countries. The Japanese participation in RAMSI will open a pathway for Japan to shoulder a greater share of the burden and responsibility of promoting the stability of the South Pacific. However, they have yet to create a strategy to jointly shape East Asian regionalism embodied by APT and EAS to be more open and inclusive.

The “prime mover” strategy in practical areas of cooperation will guide the Australia-Japan partnership to shape East Asia and enable the “two-wheel” strategy to function well. Indeed this article did not list every single policy initiative that Australia and Japan can and should take to implement the “prime mover” strategy and to realise a balanced “two-wheel” partnership. Instead, the above preliminary set of two recommended actions is meant to demonstrate how the idea of the “prime mover” strategy can be transformed into concrete policy actions. It remains an agenda for future studies to further explore functional and issue-specific areas where the Australia-Japan partnership can be advanced. However, the “prime mover” strategy and the concept of the “two-wheel” bilateral partnership which this article described in detail will serve as a strategic vision to analyse and shape the Australia-Japan partnership.

Challenges lie ahead in the future. The continuing domestic political instability of Japan has cast a long shadow on the future of the Australia-Japan partnership. Momentum will be impeded if the Rudd government

pursues only populist and visionary but groundless foreign policy initiatives of its own. But the rise of China and increasing non-traditional challenges will never wait for them. Australia and Japan have huge stakes and responsibilities in promoting the peace and prosperity of the region. Thus, it would be as huge a loss should Australia and Japan fail to successfully reshape the bilateral partnership since no other combination of any regional countries could replace this unique partnership of the two Pacific democracies. The strategic vision described by this article will help maximise the chances that the two countries can succeed in meeting these responsibilities.

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