Introduction

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The Australia-Japan security relationship is developing into one of the most institutionalised bilateral relationships in the Asia-Pacific region. In 2007, Australia and Japan adopted the milestone "Joint Declaration on Security Cooperation" and identified this relationship as a "strategic partnership." [1] Five years later in 2012, the Australia-Japan Foreign and Defence Ministerial Consultations (the so-called "2+2" meeting) set forth a "Common Vision and Objectives" statement, which described the Australian-Japanese bilateral relationship as a "natural strategic partnership."

Historically, postwar Australian-Japanese ties were trade-focused and cooperation in the security domain was extremely limited. Why then has security cooperation suddenly accelerated in recent years? Why, moreover, is the relationship between two geographically isolated countries being described as a "natural" strategic partnership? To answer these questions, the Australia-Japan relationship is examined in this study at three levels—the national, regional, and global levels. The background behind the establishment of the strategic partnership is also explored here.

First, at the national level, Japan and Australia as developed countries enjoy economic prosperity and, flowing from this, have developed technological prowess. The two countries are among the few countries in the Asia-Pacific region that are OECD member states, and have many basic values in common. They share universal values, including liberalism and democracy in the political domain, liberal market economic systems, as well as rule of law and respect for human rights. With these common values and high-level capacities serving as foundations, Australia and Japan engage proactively in international

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[1]   Hereinafter, for the source of the citation regarding Australia-Japan cooperation, see "Appendix: Important Policy Documents for Security Cooperation between Australia and Japan" contained in this report.

reconstruction support and humanitarian assistance. In short, as mature and stable democracies the two countries share key commonalities in their foreign policy concepts, and accordingly, have tendencies to seek order based on international rules and norms. As a result, even should their national interests diverge, it is feasible for Australia and Japan to deal with them pragmatically.

Second at the regional level, both Australia and Japan are maritime nations located on the "outer edge" or "periphery" of the Asia-Pacific region. Given these geographic conditions, maintaining open trade and commercial relations between the two countries is critical. In this context, it is natural to expect policy-makers in both Canberra and Tokyo to direct their attention towards maintaining stability in the Southeast Asia littorals that lie in between the two countries. In the Southeast Asia region, non-traditional security issues remain acute, including piracy, international terrorism, and natural disasters. Australia and Japan therefore aspire to stabilize the whole of Southeast Asia, while extending capacity-building assistance to enhance the resilience of ASEAN countries. Applying this to the security sphere, it is reasonable that Australia-Japan joint military exercises and broader joint policy responses to Southeast Asia are promoted. This especially applies to the policy area of humanitarian assistance and disaster relief (HA/DR). These non-traditional security issues have come under the spotlight as an outcome of "cataclysmic" systemic changes, i.e., the end of the Cold War. Such changes have certainly affected Australia-Japan regional cooperation. Furthermore, in promoting regional cooperation, Australia and Japan have converging interests in ensuring direct engagement of the United States.

Finally, there is substantial room for Australia-Japan cooperation in a global arena. As noted above, the two countries have a common vision, namely creating and maintaining order through multilateral cooperation founded on international rules and norms. This has facilitated collaborative steps in the areas of United Nations peacekeeping operations (PKO) and peace-building. The Australian and Japanese approaches to resolve international disputes may be described as mutually enforcing. In Japan, it is forbidden to "integrate"

the operations of the Japan Self-Defence Forces (SDF) with the use of force by other countries. The legal and political constraints surrounding the SDF's authorization to use force remain significant. Thus, humanitarian and reconstruction assistance operations in non-combat areas make up the core of the SDF's functions. Consequently, in resolving international disputes, Japan has placed its priority on non-military approaches, the linchpin of which is the principle of "human security." In terms of policy tools, development assistance and civilian-led peace-building assistance have tended to come to the forefront for Japan. Australia, on the other hand, collaborates with multinational forces, including the U.S. forces, and participates in considerably high intensity military operations. For example, the Australian Defence Force (ADF) launched a military intervention with the U.S. and U.K. forces during the Iraq War. Also in Afghanistan, the ADF directly participated in the International Security Assistance Force (ISAF) and was deployed to southern Afghanistan where the political situation was unstable. Although by their very nature the Japanese and Australian approaches to international peace cooperation operations are antithetical to each other, in many instances Australia and Japan in fact administer peace-building assistance by combining their different approaches.[2]

As is exemplified in the three-level analysis of the Australia-Japan relationship, Australia and Japan have many aspects in common relative to those normative values underlying their democratic ways of governance. This spills over to their mutual commitment to international rules and norms, and their welcoming of U.S. engagement in the Asia-Pacific region. In this sense, Australia and Japan are blessed with the conditions for developing a mutually complementary relationship. This is the substance underpinning the two countries' "natural strategic partnership."

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[2]   For example, in the PKO in Cambodia during the 1990s, an Australian officer was the commander of the UN PKO, while a Japanese civilian headed the United Nations Transitional Authority in Cambodia (UNTAC). In Iraq, a mutually complementary relationship was developed, with the SDF taking charge of the humanitarian and reconstruction assistance and obtaining the support of Australia on the security front.

The Development of Australia-Japan Security Cooperation

How has this mutually complementary relationship been fostered? This is examined in detail through presenting an overview of the papers that are contained in this report. Part I entitled "Regional Security during the Transition Phase" considers what changes new developments, such as the rise of China and North Korea's provocations, have brought to the Asia-Pacific region. In the context of Australia-Japan ties, the major question is whether these new changes have provided a common policy foundation for the two countries, or have instead generated divergent understandings of the regional security situation and how best to respond to various regional contingencies. John Lee's paper, "Emerging Regional Threats & Outlooks: The Australian Perspective," focuses on The People's Republic of China's (PRC's) rise as a factor behind regional change, and argues that the regional destabilisation precipitated by rising and largely unchecked Chinese power has promoted greater Australia-Japan politico-security cooperation. Lee offers several reasons for the destabilisation caused by China's rise, including: (1) China's commanding size and capabilities; (2) the PRC's geographic and historical positionality; and (3) China's emergence as a military competitor to the United States. Lee argues that it is natural for Australia and Japan, both allies of the United States, to welcome the Obama Administration's "rebalancing" towards the Asia-Pacific region, and that this policy orientation's undercurrent is characterized as a "hedging strategy" in preparation for future threats.

The next paper, "China, North Korea, Nationalism and Regional Order," by Matake Kamiya also asks "whether or not China would leverage its rapidly increasing power to challenge the existing liberal, open, rule-based international order." Acknowledging that China's Gross Domestic Product (GDP) may soon eclipse that of the United States, Kamiya nevertheless argues that this development alone cannot lead to a reversal in the overall power balance between Beijing and Washington. Rather, he argues, U.S. dominance has not wavered in technological innovations and military capabilities (particularly in the area of high-tech conventional weapons). Meanwhile, Kamiya views the Democratic Republic of North Korea's (DPRK's) nuclear development

as a highly destabilising factor for the region. Nuclear development is seen by Pyongyang as an essential means for pursuing its political objectives of strengthening military security, securing diplomatic negotiating power, and ensuring legitimacy in the country. Kamiya presents a pessimistic outlook, noting that for this reason realizing a change in course on the part of the DPRK would be difficult.

During the first joint research workshop convened in Tokyo, the differences between participating Australian and Japanese analysts' understandings of the situation were more striking vis-à-vis North Korea than China. The reasons for this can be attributed to two factors: (1) North Korea is seen as a policy issue which is largely limited to the Northeast Asia region; and (2) The threat of North Korea is very much military in nature.

After canvassing the overall regional situation, Part II, "Maritime Security," evaluates the positions of Australia and Japan regarding their common domain—the sea. As noted in Euan Graham's paper entitled "Maritime Security and Capacity-Building," Australia and Japan have remarkable "symmetry" in maritime security interests and postures. This fundamental reality is acknowledged by U.S. policy-makers. With Australia located in the southern half of the Western Pacific and, Japan in the northern half, this Australia-Japan symmetry has afforded U.S. maritime strategy an expanded geographic scope. In addition, Australia and Japan naturally have an overlapping interest in ensuring the security of the South China Sea which is situated mid-way between them. From the standpoint of commerce, Australia exports various commodities to Japan, including LNG, coal, and bauxite. Obviously, securing commercial routes in the Indonesian archipelago and South China Sea is in the national interest of both Australia and Japan.

The next paper, "China's Maritime Strategy and Maritime Law Enforcement Agencies," by Masayuki Masuda describes the process of the transition from China's "conventional" national security strategy privileging economic development, to a great power strategy which contextualises geopolitics to a

greater degree. According to Masuda, China did not present clear maritime strategies in the past, but in recent years has stepped up its efforts to do so. In particular, after unveiling the "building China into a maritime power" strategic policy at the 18th National Congress of the Communist Party of China (CCP) in 2012, China's leadership underscored the need to integrate maritime law enforcement agencies. In June 2013 these agencies were realigned to form the State Oceanic Administration. In parallel with these efforts, enhancing interoperability between the Chinese navy and various maritime law enforcement agencies were consolidated as a national priority.

In the context of the Australia-Japan relations, these changes in China are noteworthy in at least two ways. The first pertains to changes associated with defending Chinese maritime interests from further afar due to China's increased rate of dependence on other countries in the areas of energy and trade. The second is how such an expansion in Chinese maritime activities has impacted on the existing regional security order. As history shows, in many cases increasing the size of one's own vessels and extending the cruising range of such units has affected relations with neighbouring countries. Capacity-building for the purpose of securing national interests is prone to manifesting "security dilemmas." However, if domestic arrangements are strengthened in a way that leads to improvements in crisis management capabilities, it may be possible to lower the odds of a conflict breaking out during unforeseen crises.

Bearing in mind the above points, Part III deals with the transformation of Australia-Japan defence cooperation. It is revealed that the critical question is no longer "whether or not Australia and Japan should proceed its cooperation" but rather "how they should cooperate." The paper by Andrew Davies, "Future Japan-Australia Pathways to Defence Collaboration," examines security cooperation issues in a multifaceted manner, according to the "sensitivity" of the areas for bilateral security cooperation.[3] In low sensitivity areas (HA/DR, anti-

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[3]   For an analysis of the Australian national defence policy by the same author, see "Military Capability Management for Australia in the 21st Century," ed., The National Institute for Defense Studies (NIDS), Ministry of Defense of Japan, *Strategic Management of Military Capabilities*, October 2013, pp. 127-140.

piracy patrols and counter terrorism, cyber defence) and in medium sensitivity areas (military exercises, collaboration on equipment and technological development), opening pathways to Australia-Japan cooperation is anticipated to be relatively easy. Conversely, collaboration in high sensitivity areas, such as cooperation on intelligence collection, mutual responses to a U.S. concept of operations and to the development of such asymmetric capabilities as cyber warfare and electronic attack, present no small number of challenges. What sets this paper apart is that it brings collaboration in the high difficulty areas to the forefront of deliberations about Australian-Japanese defence coordination. For example, Davies examines Australia's and Japan's response to the "Air Sea Battle" concept presented by the United States, the two countries' collaboration on technology transfer with Japan including submarine repair, and future challenges such as tabletop exercises related to cyber. He leaves the impression that Australia is the driver's seat when one discusses Australia-Japan security cooperation.

The paper by Yusuke Ishihara, "Japan-Australia Defence Cooperation in the Asia-Pacific Region," offers a detailed description of the development of the cooperation since the 2007 Joint Declaration. As its main themes, the paper covers the standardisation of policy dialogues, joint exercises of the two countries' various military units (e.g., anti-submarine warfare exercises, anti-surface warfare exercises, tactical manoeuvre exercises, and communication exercises), developing legal foundations (Acquisition and Cross-Servicing Agreement [ACSA] and Information Security Agreement [ISA]), and the strengthening the foundations of domestic political support for such bilateral collaboration. The paper provides particular insight on the institutionalisation process of Australia-Japan cooperation. These types of collaborations between the two countries are also noteworthy for being in line with the Obama Administration's policy of "rebalancing towards the Asia-Pacific region," and have had the effect of further strengthening the Japan-U.S.-Australia trilateral framework. Additionally, this paper examines the so-called "China gap theory," namely the question of whether there is a gap in the Australian and Japanese understanding vis-à-vis China. On this topic, policy convergence

points between Australia and Japan are emphasized more than those of policy divergence. In short, this paper observes that the two countries have common interests in easing regional tensions through promoting compliance with international rules, and by welcoming U.S. strategic engagement in the Asia-Pacific.

The Future of the Australia-Japan Defence Cooperation

Having sketched out the process in which Australia and Japan are building a "natural strategic partnership," this last section assesses the current status of and challenges facing Australia-Japan defence cooperation. As reference benchmarks, the assessment uses the four *I*s which were developed and presented during the joint research workshops. The four benchmarks are: (1) Implementation; (2) Integration; (3) Internationalism; and (4) Innovation.

Implementation assesses to what extent the collaborative measures agreed upon, spelled out in Australia-Japan policy dialogues or agreements, have been implemented. As previously intimated, the Joint Declaration on Security Cooperation of 2007 is a strategic document that marks a watershed in Australia-Japan cooperation, and an explicit framework for cooperation was established by this document. The Joint Declaration designates specific examples of areas of cooperation and opens up a pathway to implementing cooperation. These areas mainly consisted of the so-called "non-traditional security" issues such as: (i) law enforcement for international crimes; (ii) border security; (iii) counter-terrorism; (iv) disarmament and counter-proliferation of weapons of mass destruction (WMDs), (v) peace operations; (vi) exchange of information related to strategic assessments; (vii) maritime and aviation security; (viii) humanitarian relief and disaster relief; and (ix) contingency planning for infectious diseases. These nine policy areas which were presented as examples had already been considered by Australia and Japan during sidetalks convened at such multilateral frameworks as the ASEAN Regional Forum (ARF) and the Proliferation Security Initiative (PSI), and the areas themselves were nothing new. The important point here is that the two countries were conscious about

going beyond the boundaries of "talk" and adopting a functional-oriented approach of turning talk into action. In fact, this led to the conclusion of ACSA and ISA between Australia and Japan, and in 2012, the two countries discussed global security issues and challenges facing bilateral cooperation at the "2+2" level. As illustrated below, there is a sense that Track 1 working-level cooperation made progress in the areas of integration and interoperability, and has taken a lead over Track 2.

Integration refers to carrying out activities of the two countries in line with shared policy goals. In the military and security areas, ensuring interoperability among the Japanese and Australian military organisations is critical for ensuring integration. Steady strides have been made in this area in recent years. The relationship between Australia and Japan as "natural strategic partners," has evolved to the point where one could reasonably conclude that they have a shared strategic goal of ensuring long-term peace, stability, and prosperity in the Asia-Pacific region and the world.

The convergence of such strategic goals has evolved gradually through a range of operations. For example, the Australia-Japan partnership has been fostered through specific actions, such as post-conflict reconstruction assistance in East Timor, division of roles between the SDF and ADF in Iraq, and HA/DR cooperation following the earthquake in Pakistan and the Great East Japan Earthquake. The epitome of such high-level integrations between Australia and Japan is interoperability. In the 2012 "Common Vision and Objectives," "maritime security, peacekeeping operations, humanitarian assistance and disaster relief, and evacuation operations" were identified as fields in which interoperability should be improved. The document also expressed that regular air, land, and maritime exercises would be conducted, and that information exchanges would be deepened at the strategic, operational, and tactical levels. Such cooperation at the working-level has clearly been expanded and the momentum underwriting this trend has become perpetual.

Internationalism means that Australia-Japan security cooperation is not

contained to merely bilateral exchanges but is linked to partnership covering a broader region. In this project's workshops, considerations were raised from the perspectives of: (1) trilateral defence relations, including the United States; and (2) strengthening bilateral security cooperation in the Asia-Pacific region. With regard to Australia-Japan-U.S. cooperation, the aforementioned September 2012 document stressed that priority would be given to "robust, regular and practical cooperation among Australia, Japan and the United States through the Trilateral Defence Ministers' Meeting, the Trilateral Security and Defence Cooperation Forum (SDCF) and trilateral service-specific talks." The document also identifies strengthening interoperability amongst the defence organisations of the three countries, conducting trilateral exercises, and conducting mutual observer exchanges to bilateral exercises with the United States, and these activities have already entered the implementation phase. With regard to strengthening bilateral defence relations in the Asia-Pacific region, Australian and Japanese coordination in strengthening the defence capacity-building in Southeast Asian countries and the Pacific region was presented, with specific emphasis directed toward cyber and maritime security. It can be surmised that the workshop participants shared the understanding that Australia and Japan are natural "volunteers" in this field.

Lastly, *Innovation* asks whether the Australia-Japan cooperation itself has self-sustaining dynamism. In the Asia-Pacific region, "hub-and-spokes" has long been operative as a security system in which the U.S. presence is at the centre (hub), supported by a network of alliances with the United States (spokes). Under this framework, the United States has maintained a policy of supporting the strengthening of partnerships between the spokes, and the Australia-Japan cooperation tended to be described in this context. That is to say, the Australia-Japan defence cooperation has been identified as a sub-system of the hub-and-spokes.

As already noted, until recently Japan-Australia security cooperation has largely dealt with mainly non-traditional security issues, including counter-terrorism, non-proliferation of WMDs, and HA/DR. Against this background,

what needs to be done for the increasingly dynamic Australia-Japan cooperation of recent years to develop into a truly innovative and in-depth relationship? In recent years, the bilateral security cooperation between the two countries has expanded to cover such areas as joint exercises aimed at increasing tactics and skills, cyber security, and technology cooperation. Exploring partnerships in these highly sensitive areas will likely lead to the development of the bilateral relationship into an even more innovative relationship. In other words, the Australia-Japan relationship may be at the point of transcending beyond the existing moderate cooperative relationship and entering a phase in which more formal partnerships are explored. To what extent can the conventional framework of hub-and-spokes be overcome? Examining this question will be the next task for those interested in assessing and promoting Australian-Japanese security cooperation for the remainder of this decade and beyond.