

Griffith Asia Institute

Regional Outlook

THE POLITICS BEHIND THE STORY:
SIXTY YEARS ON FROM THE 1957
AUSTRALIA-JAPAN COMMERCE AGREEMENT

POLICY BRIEF

Michael Heazle

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The Politics Behind the Story: Sixty Years on from the 1957 Australia-Japan Commerce Agreement

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About the Author

Michael Heazle

Dr Michael Heazle is an Associate Professor with the Griffith Asia Institute and Griffith University's School of Government and International Relations, where he teaches International Relations and Politics. His works include a collection of books and edited volumes with various university presses and publishers (University of Washington Press, Cambridge University Press, Earthscan, Edward Elgar) and numerous peer reviewed book chapters and research articles. Dr Heazle's research has appeared in major international journals including Marine Policy, Environmental Science and Policy, Intelligence and National Security, The Pacific Review, and The Australian Journal of International Affairs.

Dr Heazle is the convenor and co-founder of the Annual 1.5 Track Australia-Japan Dialogue series.

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Executive Summary

The annual Australia–Japan Dialogue, jointly hosted by the Griffith Asia Institute and the Japan Institute of International Affairs in Brisbane in November 2017, brought together Australian and Japanese experts¹ to examine the political and strategic foundations of the Australia–Japan bilateral relationship.

Indeed, the 1957 Commerce Agreement's sixtieth anniversary in 2017 has provided a very timely opportunity to reflect on the contemporary Australia–Japan relationship and where it may be heading; an opportunity to examine change and continuity by revisiting the circumstances and ideas from which the relationship was re-established more than sixty years ago.

The economic benefits of the 1957 Commerce Agreement have been extensively covered, but the political and security drivers and benefits mostly have been overlooked in existing narratives. In order to balance the economic and trade narrative that has dominated perceptions and understandings of the relationship's post–war evolution, the 2017 Dialogue's papers and discussion focused instead on the politics of the relationship then and now, with an eye to locating parallels between the outlooks of the two countries in the current regional environment and those that motivated the rapid renewal of their bilateral relations from the early 1950s onwards.

Of particular interest in the various discussions among participants, were questions about how, if at all, the shared interests, aspirations, and values that underpinned rapprochement in the early post-war period have changed over time.

Two key questions guided the Dialogue's presentations and discussions:

- i) What have been the key political and strategic drivers of the Australia-Japan relationship and how have they evolved since 1957?
- ii) Are these drivers still, and likely to remain, important in shaping the contemporary relationship and its future?

The Dialogue's Australian and Japanese participants concluded that the following factors have remained pivotal in both driving and shaping the bilateral relationship's development throughout the post-1951 San Francisco Peace Treaty period:

- i) A common and enduring commitment to liberal democratic values and principles;
- ii) A common and enduring concern over the presence, or emergence, of revisionist threats to a US led regional status quo;
- iii) A shared priority in ensuring East Asia's prosperity and the development of an inclusive regional identity built on liberal principles, and also in ensuring Australia and Japan become and remain an established part of that identity;
- iv) A shared understanding of the importance of US engagement to regional stability and prosperity, and an ongoing commitment to ensuring US commitment and engagement in the region both militarily and economically continues.

Participants further concluded that the above priorities continue to drive developments in the contemporary relationship. But while the contemporary Australia–Japan political and security relationship has rapidly developed over the last ten years, there remain, as has been the case throughout the relationship, key differences in the types and level of

policy concern the above factors have generated for Australian and Japanese governments respectively.

One of the major points of interest revealed by the Dialogue discussions is that Canberra and Tokyo have over time, traded places on their respective concerns and balance of threat perceptions, most commonly but not exclusively on China. Examples of this pattern of alternating perceptions include:

- i) Reversals in perceptions of China;
- ii) Reversals on issues of concern within the bilateral relationship, particularly over altered political alignment commitment;
- iii) Alternating and/or differing levels of concern over the possibility/implications of US abandonment;
- iv) Alternating and/or differing levels of concern over the possibility/implications of one partner's commitment to the bi-lateral relationship weakening.

Australia and Japan's Early Post War Political Agreement

The 2017 Australia–Japan Dialogue provided a retrospective analysis of the bilateral relationship's development during the post–war period. The aim of this retrospective, however, was not simply to revisit the well–known trade and economic benefits the relationship produced following the 1957 Commerce Agreement, nor only to trace the bilateral relationship's mostly untroubled evolution over the last sixty years. Participants at the 2017 Dialogue instead set out to assess the still largely neglected political and strategic drivers of the relationship, and look for evidence of continuity and change to explain its resilience over time. This approach, we believe, may provide for not only a more nuanced appreciation of the imperatives – beyond only the economic – underpinning the relationship's expansion today, but also some insights into the direction and depth of Australia–Japan engagement in the future.

The Commerce Agreement marked the first formal bilateral step towards normalising the post-war Australia–Japan relationship beyond only diplomatic recognition. While the 1951 San Francisco Peace Treaty re-established diplomatic relations between Australia and Japan, the bilateral relationship is widely considered to have remained without either political or economic substance until 1957. But an often overlooked development in political relations between Tokyo and Canberra at this time is the role of Colombo Plan negotiations in forging the first post–San Francisco political ties between the two nations. As archival material from the Menzies governments reveals, common foreign policy priorities, underpinned by shared security fears and aspirations beyond only trade interests, loomed large for both governments from the early 1950s onwards.

The major policy ambitions for governments in both nations at the time were containing communism, keeping the US committed the region, and stabilising and growing what was a still nascent regional order both politically and economically – in part to steer newly independent South East Asian nations away from communism, but also to help ensure the establishment and maintenance of a US led, pro-Western order.

Anti-Japanese sentiment in Australia, however, remained very high, posing a major obstacle to the Menzies governments plans to restore trade and political relations with Japan in order to keep both Japan aligned with Western interests and Australian trade interests in the region secure. Fears of an electoral backlash, as a consequence, initially prevented Australian government support for Japan joining the Colombo Plan, which was for Tokyo an important step in Japan's reintegration with the region. Canberra's attitude, however, soon began to shift as the benefits of a more prosperous Japan firmly anchored to Western interests became more compelling while pressure from the US and other Western states to accept Japan also began to grow. In 1954 Japan joined the Colombo plan with Australian support, thereby establishing both the initial political linkages – and an enduring strategic rationale – for the Commerce Agreement's successful negotiation only three years later.

The significance of the 1957 Agreement itself, moreover, went far beyond reestablishing trade relations between the two former adversaries, making Australia the first country to grant Japan Most Favoured Nation (MFN) trade status after the Pacific War. Indeed, the impetus for the agreement and its provisions was very much the product of common strategic concerns in both Canberra and Tokyo over the emerging and quickly changing international environment both countries faced in the 1950s, and in particular a common realisation – albeit at the elite if still not the popular level – that

the strengths and advantages of one could help overcome the challenges faced by the other.

In addition to a common concern over communist expansion and uncertainty over the level of US commitment, both nations also were facing grave challenges to their economic security. For Japan's early post-war governments, the immediate challenge was to rebuild the economy and manage a highly uncertain security environment within the limits of a pacifist constitution, while also establishing the "new" Japan as a trusted regional partner. For Australia's leaders, meanwhile, the need to begin shifting away from Australia's traditional reliance on Britain and the Commonwealth as the main providers of the nation's security and prosperity had been made clear by the Pacific War and contemporary developments in post-war Europe.

Australia's growing Cold War anxieties, in particular its strong hopes for permanent US extended deterrence guarantees, were made more acute by the implications of Western Europe's looming economic integration, and what that would mean for the favoured trade position Australia had enjoyed with the United Kingdom and Commonwealth. It is then no coincidence that the Menzies and Kishi governments' negotiation of the Commerce Agreement during 1956–1957 occurred at the same time as the build-up in Europe towards the creation of a European Economic Community.

A shared desire for political rapprochement between Canberra and Tokyo prior to 1957, driven in large part by Cold War insecurities and shared feelings of isolation, thus became the catalyst for the Commerce Agreement and its successful negotiation during 1956-57, which heralded much more than only rapidly growing bilateral trade relations and the development of Australia's natural resources industry. The late 1950s also marked the start of a paradigm shift in how Australians more broadly would think about Japan in particular and Asia more broadly, and also the beginning of Japan's international recognition as a major contributor to regional engagement and development.

The Asian and Pacific Council

The political and broader strategic interests of Australia and Japan continued to converge during the 1960s and 1970s, in tandem with their now rapidly growing economic ties, despite some notable differences that had emerged over Indonesia, and in particular China. Australia and Japan were, and have remained, status quo orientated powers, relying on security guarantees from Washington and supporting communist containment in Asia. Australia and Japan also recognised the need for political and economic stability and development among Southeast Asia's newly independent nations both to deny communist groups a foothold and to build regional trade.

A key tension that emerged between the two nations during the 1950s was a sharp divergence in their policy thinking on communist China, which further widened in the late-1960s. Japan sought to engage and accommodate Beijing, while Australian conservatives maintained a hard-line stance against any diplomatic recognition and strongly supported continuing containment of Chinese power and influence in the region. The Menzies-led governments believed China and also Indonesia, under its Konfrontasi policies of the early 1960s, posed direct major threats to Australian interests².

The reasons for Japan's very different threat perception of China, participants agreed, warrant further investigation since a number of contributing factors exist, including the Sino-Soviet split; the Communist Party's internal preoccupations during this period and the huge gap between Soviet and Chinese military capabilities; Japan's Northern Territories dispute with the Soviets; and post-war domestic sentiment in Japan towards

China – are likely to have contributed. From Tokyo's perspective, moreover, building relations with China, and Indonesia, was essential to Japan's reintegration in the region.

For Australia's post-war ambitions in East Asia, membership of the Asian and Pacific Council (ASPAC - 1966-1975) became, contrary to most existing accounts, an important vehicle for developing a common regional identity among the region's non-communist states. ASPAC, moreover, served a number of valuable additional purposes for the Australia-Japan relationship, despite initial Japanese reluctance to engage in security-related discussions, and ongoing disagreement over China.

ASPAC, with its annual Ministerial Meetings and more frequent Standing Committee consultations, provided a regular, institutionalised forum for Australia–Japan relations. ASPAC also allowed for the development of a more independent relationship between Canberra and Tokyo than would otherwise have been possible had the US also been involved. Furthermore, and in addition to other Japanese efforts to build co-operation in the Pacific basin, ASPAC represented an early attempt at developing an 'Asia–Pacific' regional consciousness in which both Australia and Japan would no longer be seen by other nations as outsiders. This was the shared identity that both Canberra and Tokyo sought to create in order to overcome the outsider status in East Asian affairs that their strong extra–regional alignment and engagement with the West had created.

These early ambitions for a more inclusive regional identity arguably reached their zenith with the creation of APEC in 1989, but the dynamics of Australia–Japan bi-lateral relations continued to be very much tied to the region's changing structural circumstances, in particular the need to manage the potential effects of sometimes abrupt changes in US policy on the regional distribution of power. Such strategic concerns have become constant, reoccurring features within the bilateral relationship, often with some unexpected twists. Other issues of reoccurring concern include different threat perceptions of China; fears of declining commitment, not only from the US but also each other; alignment concerns; and perennial uncertainty and anxiety within both countries over their place and identity in the region.

2. Reoccurring Issues and Themes in the Bilateral Relationship

By the late-1960s, Australia and Japan had developed a close political relationship based on a number of factors deriving from the Cold War strategic environment in Asia. Australia and Japan were – and remain – status quo powers, privileging regional security and stability above all else in their foreign policy behaviour. Australia and Japan's respective alliances with the US and containing communism in the region thus became the fundamental strategic orientation of both countries' policy thinking. Canberra and Tokyo also were convinced that socio-economic development in the poorer countries of Southeast Asia was crucial, not only for stability and security against communist subversion, but also for their own economic prosperity.

In this respect Australia placed great emphasis on the security and territorial integrity of newly independent Southeast Asian states, and was more willing to take on a direct military role. Japan's regional involvement, however, remained constrained by its war time past, which made aid, technical assistance, and developing trade and investment opportunities within the region its key means of engagement. The major source of political disagreement between the two during this era, as earlier noted, was in their attitudes toward communist China, and to a lesser extent Indonesia under President Sukarno. Unlike the Australian delegates, Japanese representatives were very reluctant to be associated with anti-communist rhetoric in ASPAC forums and public communiques throughout the 1960s.

The Dialogue's discussion of the bi-lateral relationship following Japan's rise as the world's second largest economy and Western rapprochement with China in 1972, thereby solving the China tension for now at least, highlighted some important developments in the Australia–Japan relationship that often have been overlooked. The usual 1970s and 1980s narrative is a story of growing trade relations and optimism, culminating in the successful creation of the APEC Forum in 1989. Australian and Japanese governments, however, were becoming increasingly insecure about future US commitment and influence in the region following the Nixon administration's adoption of the Guam Doctrine, the so–called oil shocks, and the US defeat in Vietnam. These unexpected US policy developments and outcomes translated also into additional concern over the stability of the region's liberal order to which both nations had very much tied their long term economic and political interests.

Indeed, the angst caused in Canberra and Tokyo by the possibility of even a partial US withdrawal from Asia again highlighted both the depth of Australia and Japan's shared strategic interests and their common concern over a still fluid regional security environment. In Canberra, Australia's growing economic dependence on Japan coupled with an acute sense of relative weakness spurred policymakers and analysts to build for the first time a policy planning framework that went beyond only managing relations with Australia's "great and powerful friend" of the time. In this sense, Australia's relationship with Japan created a new template for Australian foreign policymaking that articulated a modus operandi for Australia as a middle power that has endured through to the present.

Australia's struggling domestic economy during the late 1970s and 1980s further compounded an already prevalent sense of vulnerability. And with a still rapidly growing Japanese economy – second only to that of the US, and tipped by some in the 1980s to soon become the world's largest – policy makers in Canberra fretted that the bilateral

relationship may soon diminish in importance for Tokyo, ironically creating an important reversal in perceptions compared with the 1950s when Japan looked to Australia as its key regional partner. The Fraser and Hawke governments thus undertook a number of initiatives to further strengthen the Australian relationship with Japan.

The 1976 Crawford-Okita report on "Australia, Japan and Western Pacific Economic Relations" was one prominent example of the Fraser government's emerging insecurities, which it sought to overcome by integrating bilateral Australia-Japan economic leadership into the Asia-Pacific. The 1978 Myer Committee Report, moreover, further demonstrates how national insecurities arose in Canberra during this period as Australian dependence on Japan continued to grow. Australia, in effect, saw itself as labouring under a power and culture deficit at the very moment policy makers in Canberra also realised the importance of keeping Japan bilaterally engaged and anchored in Australia's sphere of interest (i.e., the Asia-Pacific region).

Somewhat paradoxically, it has been the very success of bilateral trade and political relations between Japan and Australia that has led to feelings of insecurity within the relationship on either side. In Australia, the scale of dependence on Japan for Australia's prosperity provoked a flurry of high level anxiety as policymakers realised that the changing nature of trade and the restructuring of industry in the region might derail the neat complementarity of bilateral trade with Japan. This led Australian governments and private sector entities to seek to broaden the spectrum of interdependence away from a predominant focus on resources and raw materials exports. Later however, in the context of China's rapidly rising economic importance, it would be Japan that would raise concerns over Australia's commitment to the bilateral relationship. By the 1990s, again in part driven by US abandonment fears, isolation worries had again shifted back to Japan following the dramatic bursting of Japan's real estate and investment bubble in the early 1990s, the ending of the Cold War, accompanying fears of a declining US regional presence, and Australia's increasing trade dependency on a rapidly developing China.

The 1990s and early 2000s thus saw two important perception reversals on what were now familiar themes within the bilateral relationship. First, Tokyo's deepening preoccupation with Japan's relevance in the region during its so-called lost decade accentuated fears that Japan's importance to Australia was being eclipsed by China's growing economic clout. Second, the balance of threat differences that had existed between Australia and Japan over China during the 1950s and 1960's began to resurface in the early 2000s, and has since become an increasingly stark point of difference between the two partners. But unlike previous differences over China, in the contemporary bi-lateral relationship the China threat looms largest for Japan with Australia remaining far more ambivalent about China's intentions.

This difference, while not preventing security relations between the two nations from rapidly developing over the last decade, has nevertheless made the management of expectations within the bilateral relationship perhaps more important than ever. The acute disappointment felt in Tokyo over the Turnbull government's decision to reject Japan's bid to build Australia's new generation of submarines clearly demonstrated the need for governments on both sides to be frank about the limits on security cooperation and how such limits can be overcome, or at least managed within the relationship.

The "strategic interests" Japan emphasized in its submarine bid, for example, were not shared by the Australian side to anywhere near the same degree expected by some Japanese policymakers. The Japanese bid's failure, while not attributable only to Australia and Japan's differing views on China, thus highlights some of the subtle, yet important, differences that exist between the two countries in terms of their priorities and thus also the need for bi-lateral expectations to be more carefully managed by both sides.

Contemporary Linkages and Trends

The fundamental strategic and political commonalities that made the 1957 Commerce Agreement possible, as outlined above, remain unchanged in 2017. The US-centered hub and spokes regional security system continues, as it has for almost seventy years, to be the cornerstone of foreign policy thinking in both Canberra and Tokyo. It has remained, despite the uncertainties created at times under various US administrations, an indispensable instrument for maintaining regional stability under the post-war order. More recently, the US alliance network in East Asia has become the foundation of spoke to spoke security cooperation, thereby demonstrating the traditional hub and spokes system's potential to evolve and become a framework for broader security cooperation.

Japan and Australia are integral parts of this system. They are mature democracies sharing basic liberal values, and also maritime nations with strong interests in maintaining the current rules based order. Furthermore, the expansion of the Australia-Japan bilateral relationship – up until more recently at least – has received bipartisan political support in both countries. For Japan, the "special" strategic partnership with Australia also has served as a type of "proving ground" for a range of new Japanese foreign policy objectives such as arms exports, overseas military operations, and intelligence sharing. Japan's long and mostly dispute free relations with Australia also have provided an important diplomatic "demonstration effect", which has helped Japan further establish its credentials over the years as a responsible "normal" power and partner in the region.

The status of the Australia–Japan security partnership, however, may have reached its "natural limits" as a "special" security partnership for the time being at least; there is little evidence to suggest it will, or needs to be, formalized as a bilateral defence–treaty type alliance in the absence of a major regional crisis – any further deepening of Australia–Japan security commitments thus will depend on developments in the regional strategic environment. How the ongoing Sino–American contest for leadership/influence in the Asia Pacific plays out over the next one to two years, for example, will be one major factor in determining the extent and nature of Australia–Japan bilateral security cooperation in the short to medium term. That said, some further deepening of bilateral security engagement vis–a–vis closer trilateral cooperation with the US is likely given the priority both nations give to encouraging US engagement in the region. A quadrilateral arrangement including India has now also again been raised. The likely level of engagement and commitment among the four parties, especially from Australia and India, however, remains very unclear.

Key Political and Strategic Drivers

China's increasing power, influence, and revisionist ambition clearly has helped make the case for greater bilateral security cooperation between Australia and Japan over recent years more compelling, particularly from a Japanese perspective. But because Beijing's behaviour, at least until more recently, has not significantly affected the development closer of security ties between the two US allies, China's ability to shape the future scope of Australia–Japan security relations should also be seen as questionable, again depending on short to medium term developments in the region.

The 2007 Australia-Japan Joint Declaration on Security Cooperation, for example, emphasized a number of regional and global security challenges, including terrorism,

WMD proliferation, natural disasters, and pandemics; it did not specifically mention China. Increasing spoke to spoke Australia–Japan security cooperation, moreover, also facilitates greater burden sharing in their respective US alliances and is thus an important means of supporting an ongoing US commitment to East Asia and avoiding accusations of "free–riding" from Washington. Increased Australia–Japan burden sharing additionally may serve as a partial hedge against any future, although still unlikely, US drawdown in the region.

Japan-Australia security cooperation, it should also be noted, is far from new. As early as the 1960s, Australia and Japan began developing, albeit limited, links between their foreign affairs and defence staff in the form of information exchanges and goodwill training. The case for further building government to government interaction and exchange then further strengthened with US President Richard Nixon's expectation for regional allies to take on greater regional security responsibilities. Australian governments responded to the pressures and uncertainties generated by the Nixon Doctrine by seeking closer defence engagement with Japan.

In 1976, an intelligence exchange agreement was concluded between the two countries, followed by Japan's Maritime Self-Defense Forces joining the US-led multilateral RIMPAC exercises for the first time; whether Japan's RIMPAC participation included any intention to develop closer Japan-Australia defence links, however, is unclear. By the late 1980s, some Australian politicians were even proposing a more formal basis for trilateral security cooperation between the US, Japan and Australia in the late 1980s and early 1990s. Australian Prime Minister, John Howard later raised the prospect of an Australia-Japan-US security dialogue during meetings with Japan Prime Minister Junichiro Koizumi in 2002. The trilateral security arrangement was realised in 2006, and seven Trilateral Dialogues have since been held.

As in the contemporary regional environment, Japan and Australian engagement and cooperation on political, economic and security issues from the 1950s onwards has been collectively driven by the nature and extent of their shared fears, ambitions, and national interest priorities in the region. Chief among these has been, and remains, the goal of regional stability under a Western aligned, and preferably US led, order. Japan's growing engagement in the broader Asia-Pacific as the world's number two economic power complemented and supported US leadership in the region and thus also the further development of the region's liberal order. Ironically, Japan's success also generated concern in Canberra over both Australia's level of regional influence and in particular the level of future Japanese commitment to the bilateral relationship.

But despite Japan's huge economic influence and power, its governments remained tightly constrained by Japan's constitutional limits on security cooperation, and externally hamstrung by lingering Pacific War suspicion of Japan's intentions. As a consequence, defence and security exchange between Japan and Australia during the Cold War was limited in scope and mostly facilitated by the United States, rather than through direct cooperation between Canberra and Tokyo. Australia continued to play an important role in diffusing regional concerns about what an increasingly powerful Japan would mean for the region, particularly in the negotiation of the APEC Forum. However, it was not until the end of the Cold War that Japan and Australia could begin developing, in tandem with the US, more substantial defence and security cooperation.

Contemporary Challenges

Australia–Japan relations have developed from a strong foundation built on post–WWII reconciliation, common political values and ambitions, trade complementarities, and in particular a shared sense of the extent to which continuing US engagement in the region underwrites the region's prosperity and security. Yet the bilateral relationship, in spite of

its maturity, stability, and "special" character, still lacks the ability to respond more decisively to the region's changing balance of power, or act collectively with others to protect the very core interests that have made the Australia–Japan relationship so long lasting and resilient.

Dialogue participants agreed the Australia–Japan relationship, despite the strong and enduring convergence of political values it is based on, requires a much more compelling ideological narrative, one able to facilitate a level of bilateral security cooperation that is more clearly and consistently focused on maintaining the many interests both countries share. In addition to the constitutional limits on collective defence faced by Japanese governments, the relationship's prospects for more effective security cooperation in support of the existing order continue to be complicated by a persistent divergence in balance of threat perception over China, caused in part by geographical location and in part by differing domestic political and economic concerns.

China, as in the 1950s and 1960s, again features as a point of divergence in Australia and Japan's contemporary regional outlooks, but now with Australia placing restraints on its security cooperation due in part to a strong reluctance to damage its trade relations with Beijing and also because of entrapment fears. Indeed, in addition to domestic opposition in some quarters to any risk of Australia becoming entangled in a China–Japan conflict through closer security ties with Japan, policy and public debate in Australia also remains divided over the conditions under which Australia would need to, or should, commit to its ANZUS obligations with the US.

The Turnbull government voices strong support for both the ANZUS alliance and the US led regional order, but so far has avoided any risk of direct physical confrontation with China, or any additional regional security commitments outside of its alliance with the US. The position taken by the Labor opposition, in contrast, appears to prioritise trade relations with China over resisting Beijing's challenge to the regional status quo (and for some in Labor over the US alliance also), and is highly critical of actions that may jeopardise Australia's economic interests with China, or draw Australia into any regional conflict. The current indications, therefore, are that the prospects for deeper bi-lateral security cooperation with Japan in support of the US led status quo, including in any trilateral or quadrilateral configuration, would become much more limited under a Labor government.

Policy Observations and Recommendations

Based on broad agreement among participants on the core drivers of the Australia-Japan relationship and their relatively unchanging nature over time, as set out in the Executive Summary, participants also were generally agreed on the following observations and recommendations for policy makers in Australia and Japan.

- 1) Bipartisan support for the Australia–Japan relationship, and for increased security cooperation has remained strong in both countries. Division in Australia over its commitment to maintaining the current order and Australia's trade interests with China continues, however, and is of growing concern in Japan and the US.
- 2) The US alliance framework remains essential to keeping the existing liberal order in place. But US alliance and security partners, in particular Australia and Japan, need to promote and engage in greater security cooperation if they believe continued US engagement and political support for the existing order is essential.
- 3) The Australia-Japan relationship can be justified as "special" by referring to its longevity, relative lack of bilateral disputes, multi-dimensional character, and many complementarities. But its ability to produce tangible outcomes and benefits in terms of contemporary regional challenges remains unclear. Realistic benchmarks for measuring its success, beyond only trade and investment and the reiteration of broadly defined common goals, need to be established based on a clearer articulation of shared policy "means and ends".
- 4) Australian and Japanese governments, therefore, must also develop a more clearly argued policy rationale for the Australia-Japan relationship if they are to build political support for further cooperation domestically. Policy makers in both countries need, in particular, to explain how and in what ways the Australia-Japan relationship can contribute to regional stability and prosperity at the current time of mounting uncertainty and flux.
- 5) To these ends, and in order to acknowledge the many important changes in the region's security environment over the last decade, the 2007 JSDC should be renegotiated as soon as possible. Participants agreed that the 2007 JDSC has provided a well-thought out and effective framework for initiating and building more formalised security cooperation between Australia and Japan over the last decade. Participants also agreed, however, that the JDSC is now outdated and thus requires urgent revision if the Australia–Japan security relationship is to retain practical relevance to managing contemporary developments and trends in the broader region, particularly in East Asia.

Notes

- The following participants, listed in alphabetical order, attended the 2017 Australia-Japan Dialogue in Brisbane (*denotes paper presenter):
 - o Professor Caitlin Byrne, Director, Griffith Asia Institute, Griffith University, Australia
 - o Professor Ian Hall, School of Government and International Relations, Griffith University, Australia
 - o Dr Dan Halvorson, Senior Lecturer, School of Government and International Relations, Griffith University, Australia*
 - o Mr Ryosuke Hanada, Research fellow, Japan Institute of International Affairs (JIIA), Japan*
 - o Associate Professor Michael Heazle, Griffith Asia Institute and School of Government and International Relations, Griffith University, Australia
 - o Professor Purnendra Jain, Head of Asia Studies, University of Adelaide, Australia
 - o Professor Rikki Kersten, Dean of School of Arts, Murdoch University, Western Australia*
 - o Dr Sheryn Lee, Lecturer, Department of Security Studies and Criminology, Macquarie University, Australia*
 - o Minister Tadayuki Miyashita, Political Affairs, Embassy of Japan in Canberra, Australia
 - o Mr Yasutaka Miyazawa, Director of Research Coordination, Japan Institute of International Affairs (JIIA), Japan
 - o Dr Takayuki NAGANO, International Relations and History, Department of Foreign Studies, Dokkyo University, Japan*
 - o Nahoom Oh, Australian Department of Foreign Affairs and Trade
 - o Professor Andrew O'Neil, Head, School of Government and International Relations, Griffith University, Australia
 - o Dr Tomohiko Satake, Senior Research Fellow, National Institute for Defense Studies (NIDS), Tokyo*
 - o Mr Hideshi Tokuchi, Visiting Professor, National Defense Academy, Japan*
 - o Dr Thomas Wilkins, Senior Lecturer, Department of Government and International Relations, University of Sydney, Australia*
 - o Ms Ayusa Koshi, Manager, Art and Culture Department and Japanese Studies and Intellectual Exchange Department, The Japan Foundation, Australia
 - o Professor Alan Rix, Emeritus Professor, School of Languages and Cultures, University of Queensland, Australia
 - o Ms Keiko Yanai, Consul-General of Japan, Brisbane, Australia
 - o Mr Takahiko Watabe, Deputy Consul-General of Japan, Brisbane, Australia
- Tokyo's more accommodating attitude to China is a prominent theme in Australian archival documents on ASPAC, although the reasons behind it are not clearly articulated on the Australian side. Despite this tension, both countries cautiously sought to foster a regional consciousness, in the form of an Asia-Pacific identity, to overcome their isolation from the region.