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US LEADERSHIP IN THE ASIA-PACIFIC: TRENDS AND POLICY IMPLICATIONS FOR THE AUSTRALIA-JAPAN RELATIONSHIP

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Policy Brief

Michael Heazle and Andrew O'Neil

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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 Tokyo in December 2016, brought together experts from Australia, Japan, and the US[1] to consider the nature of the Australian and Japanese commitment to the US as guarantor of the current Asian security order and how the shared interests underpinning that commitment can best be managed in the future.

Three key questions guided the Dialogue's discussions, each of which were agreed by participants to be fundamental to understanding Australian and Japanese policy thinking, given that so much of Canberra and Tokyo's outlook and ambition in the post-war period has been predicated on continuing US extended deterrence and support for the region's liberal order. These questions merit particularly careful consideration in Canberra's highly anticipated Foreign Policy White Paper.

1. How far are Japanese and Australian policy makers likely to go in keeping the US committed to strategic engagement in the Asia-Pacific?
2. What does maintaining the commitment to US leadership mean in terms of bilateral security cooperation between Australia and Japan and with other likeminded nations in the region?
3. How can Australia and Japan most effectively manage the risk of either a declining US commitment, or a US-China military confrontation?

In the context of these questions, this brief provides several policy observations and recommendations drawn from the 2016 Dialogue's assessment of Australian and Japanese perceptions of their respective alliance relationships with the US. This assessment represents points of broad agreement among Dialogue participants, and emphasizes the key role of US alliance perceptions and expectations in gauging the drivers and likely nature of further bilateral security cooperation between the two US allies and with other likeminded countries in the region.

1. Australia-Japan Security Cooperation: Perceptions of US Leadership in the Asia-Pacific

Since 1945, the American strategic presence in Asia has been central to the region's geopolitical evolution. For most of the post-war period, this has been based on military pre-eminence and unrivalled economic influence through major trade and investment ties with countries in Asia. The US strategic presence has been generally regarded as a stabilizing influence on the region's geopolitics and America's role in reassuring allies and deterring adversaries has provided a critical degree of stability in Asia. All of this has been underpinned by the historically unprecedented material power advantages enjoyed by the US over all other states. As one account has noted, 'the depth, scale and projected longevity of the US lead in each critical dimension of power are noteworthy. But what truly distinguishes the current distribution of capabilities is American dominance in all of them simultaneously'.[2]

The pre-eminence of the US in material power terms is a key reason explaining the long and enduring shadow of America's post-war strategic presence in Asia, but it is Washington's willingness to exercise leadership in the pursuit of commonly held interests in the region that has provided both the agency *and* the legitimate authority that has underpinned its sustained strategic presence. Perceptions of US leadership, as a consequence of its pivotal role in the region, are at the centre of the current tensions in East and South East Asia – China is challenging it, some in ASEAN are ambivalent about it, but Australia and Japan clearly want US leadership to remain.

But what does it mean to speak of US leadership in the current context, and what does its more contested role suggest about where Australia-Japan security relations are heading? Despite the change in presidential administration in Washington, and persistent doubts about President Trump's commitment to the status quo, senior US officials have been quick to reaffirm a willingness to use military force to defend the territorial interests of allies in Asia. Japanese and Australian governments, meanwhile, continue to highlight what they regard as the link between ongoing US military, economic, and political engagement and the region's stability and prosperity. Focusing on Australian and Japanese perceptions of America's leadership role, as distinct from their different perceptions of China *per se*, is, then, useful for two reasons.

Firstly, as the region's two most militarily capable *and* diplomatically proactive US allies in the region, how Australia and Japan perceive American leadership and its future trajectory are critical indicators of the prospects for change in the regional order. And while a collective drift away from the current US-led order towards China by the ASEAN states would certainly indicate the inevitability of fundamental, order-level change in the region, this is not likely for the foreseeable future given the diverse interests within ASEAN and the clear-cut divisions over China among ASEAN's member states.

Secondly, the very different balance of threat perceptions of China held by Australia and Japan has not impeded accelerated security cooperation between the two countries since the conclusion of the landmark Joint Declaration on Security Cooperation in 2007. Both sides have worked hard to build more intimate strategic ties in the domain of intelligence sharing, military cooperation, and increasingly regular interaction between senior national security officials. This suggests that threat perceptions of China are not the major driver of this sustained security engagement, or perhaps even a necessary condition for this cooperation to occur.

This is supported further by the fact that Australia and Japan's joint efforts to keep the US engaged in the Asia-Pacific began in the early 1990s, culminating in the first meeting of the Trilateral Security Dialogue in 2006. Significantly, enhanced Australia-Japanese security cooperation was first mooted at a time when China's rise still was widely believed to be benign and status quo orientated. Additionally, Australia's lower threat perception of China relative to that of Japan suggests that Australia's strategic thinking is influenced more by US engagement and its linkage with both ANZUS and the regional order more broadly. To quote Glosserman, this potentially makes Australia as "the canary in the regional security coal mine".[3]

The strong Australian and Japanese commitment to keeping the US engaged and the current order in place has made responding to China's rise in a way that threatens neither regional stability nor economic relationships with Beijing one of the most prominent policy challenges for Canberra and Tokyo. Much of the analysis and commentary so far on the efficacy of greater Australian and Japanese security engagement as a means to this end has focused on their respective threat perceptions of China to explain not only their shared strategic interests, but also the limits to bilateral security cooperation between them (i.e., the so-called "China Gap").
But rather than focusing primarily on the differences in the perceptions of threat in relation to China, the prospects for deeper Australia-Japan security cooperation can also be appreciated by examining what is *common* to both countries in terms of their perceptions of their evolving parallel alliances with the US and the need for further cross-bracing; the depth of their shared commitment to the US led regional order; and the degree to which Australia and Japan will share overlapping interests in their strategic outlooks over the coming years.

Concern over the possible decline of US power and the resilience of its commitment to underwriting security in Asia is not new. In the post-1945 period, doubts over Washington's commitment to maintaining a leadership role in the region have followed President Nixon's shift to the Guam Doctrine in 1969; eventual defeat in Vietnam in 1975; the end of the Cold War in the early 1990s; and the Bush administration's preoccupation with the Middle East post-9/11. With China's capacity to project economic and military power growing day-by-day, Beijing's challenge to US strategic pre-eminence and leadership in Asia, and mixed signals from President Trump on his administration's level and type of engagement over the coming years, these concerns have once more been raised. They have emerged as a feature of foreign policy debate in the US and throughout Asia, including in Canberra and Tokyo.

Indeed, what makes this latest round of concern different to that of prior decades is the sharply unconventional, unprecedented, and highly unpredictable thinking of Donald Trump. As Michael Fullilove has observed, "the leader of the free world has a narrow conception of leadership and may not even believe in the free world."[4] Indeed, Trump is the first post-1945 president not to clearly endorse the long standing US commitment to maintain the liberal international order it has relied on both for the pursuit of its own interests, as well as a wellspring of legitimacy for US leadership.

The persistent ambiguity over what the Trump administration is committed to in its foreign relations – other than putting "America first", whatever that might mean –has caused major conniptions in various capitals, but there are some signs that normal service may be resuming in the White House, at least in Trump's thinking on Asia, if not yet in Europe. His reaffirmation of the "one China" policy and soothing assurances for Japan and South Korea have been welcomed. But many will remain rightly suspicious of Trump and the ability of the US political system to constrain his maverick behaviour over the next four years. So far, inbuilt checks and balances seem to be mostly working, but for how long remains uncertain.

Trump's shock election only a few weeks before the December 2016 Dialogue threw an entirely different light on the original theme and questions that had been set out for discussion. But many of the same issues, while now carrying a different order of concern

and urgency, were already on the table even with the expectation that Hillary Clinton would be elected. Keeping the US engaged, growing irritation in Washington over perceptions of free riding allies, and managing a tougher line on China, are challenges the Abe and Turnbull governments would still be facing, regardless of who won last November's presidential election. The major difficulty posed by Trump's presidency is dealing with these issues in a context where the value and commitment Washington attaches to its regional alliances appears to be far more malleable than arguably ever before during the post-war period.

2. Policy Recommendations

A major policy takeout from the Dialogue for both Australia and Japan is that increased security cooperation between US allies with support from US security partners in the region (e.g., Vietnam, Singapore, Indonesia, India) may be very effective not only in satisfying the current, and most likely future, administration's demands for a bigger contribution from allies (and therefore encouraging ongoing US support), but also as a hedge against a possible drawdown of US strategic engagement in Asia. Increasing the tempo of strategic cooperation among like-minded states also is likely to provide a stronger platform for greater regional influence on policy thinking in Washington.

Indeed, how President Trump would react to a major black swan event, like 9/11, is a worrying proposition. One only has to recall the abrupt, and ultimately disastrous, policy shift under the Bush administration following the Al Qaeda attacks on New York and Washington to appreciate the risks associated with how a highly unpredictable, and unorthodox, administration like President Trump's might react. Thus, even long-standing and highly regarded US allies like Australia and Japan need a Plan B. This is not a plan involving any realignment or downgrading of support for US leadership, but instead a plan that allows Canberra, Tokyo, and other like-minded Asian states to prepare effectively for the many unknowns (both known and unknown) that surround America's future role in Asia, with or without Trump as commander-in-chief.

The Dialogue's assessment of the current regional environment in the context of the questions posed above provides the following observations and recommendations:

1. Managing the heightened level of uncertainty over US foreign policy and Washington's longer term commitment to Asia under the Trump administration is the immediate and most pressing challenge facing Australia, Japan, and other US allies in the broader region. The following questions and issues should all be regarded as common sources of major policy concern in *both* Canberra and Tokyo:

   i) How the Trump administration calibrates US strategic engagement, particularly with respect to reassuring allies through extended deterrence and managing burden-sharing expectations;

   ii) Whether Washington remains fully focused on the region when, rather than if, other theatres like the Middle East again become a priority;

   iii) And the possibility of Trump making deals with China, particularly in relation to North Korea's nuclear program, that are beneficial to the US but potentially detrimental to its allies' security interests (e.g., concessions on China's territorial claims in the South China Sea);

2. Uncertainty over the depth of, and possible limitations placed upon, US security commitments to allies. Indeed, uncertainty over the nature of Washington's future commitment to the region will most likely continue to be a major factor shaping Australian and Japanese strategic thinking. The level of convergence/divergence between Canberra and Tokyo on the future of the US commitment question, in particular, will directly influence the bi-lateral relationship. Trump's decision to abandon the US commitment to the TPP with minimal (if any) consultation with Asian allies, for example, was a very worrying sign, since similar indifference now also characterises his administration's approach to North Korea's WMD program. President Trump's still ambiguous "America First" foreign policy approach may also pose alliance

management challenges on other important issues, such China's posture on territorial disputes, and Washington's continuing support for the Asia-Pacific status quo more broadly.

3. Australia and Japan remain strongly committed to their alliances with the US and to supporting continued US leadership of the current order. But both countries must act proactively to meet alliance challenges as they continue to unfold in the region's fast evolving security environment. Although the post-war "hub and spokes" bilateral alliance system is becoming outdated (in terms of its capacity to substitute for the traditional absence of sustained security cooperation *between* US allies in the region), it will remain as the foundation for developing greater intra-regional security engagement. Australia and Japan's bilateral relationship – and trilateral relations with the US through the highly successful Trilateral Strategic Dialogue – in this context becomes more important than ever in promoting and developing the kinds of *shared* security and political interests needed to develop greater security cooperation and networking among the region's status quo states.

Notes and References

[1] The following participants presented papers at the 2016 Australia-Japan Dialogue in Tokyo:
Adjunct Associate Professor James Brown, University of Sydney, Australia
Dr Zack Cooper, Centre for Strategic and International studies, USA
Mr Ryosuke Hanada, Japan Institute of International Affairs, Japan
Dr Van Jackson, Asia Pacific Center for Security Studies, USA
Professor Rikki Kersten, Murdoch University, Australia
Ms Sheryn Lee, Macquarie University, Australia
Professor Satoru Mori, Hosei University, Japan
Dr Mira Rapp-Hooper, Center for a New American Security, USA
Associate Professor Ryo Sahashi, Kanagawa University, Japan

[2] Stephen Brooks and William Wohlforth, World Out of Balance: International Relations and the Challenge of American Primacy, Princeton University Press, Princeton and Oxford, 2008, pp. 34-35.

[3] Brad Glosserman, "The Australian Canary", The Diplomat, November 23, 2011. Available at: http://thediplomat.com/2011/11/the-australian-canary/

[4] Michael Fullilove, "Seeking Clarity in Australian Foreign Policy", The Interpreter, February 15, 2017. Available at: https://www.lowyinstitute.org/the-interpreter/seeking-clarity-australian-foreign-policy-0