Elevating the Australia-Japan Strategic Partnership to “a new level”: challenges and responses

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Introduction: Taking the strategic partnership to “a new level”

In November of 2020, Australian Prime Minister Scott Morrison was the first head of government to physically visit Japan to meet with his new counterpart Yoshihide Suga since the latter’s assumption of office for the annual summit meeting of their bilateral strategic partnership. Commentators were surprised that Mr Morrison would travel internationally in the midst of the COVID-19 pandemic, but his determination to do so, enduring quarantine measures upon his return, was indicative of the high value that Australia ascribes to its “Special Strategic Partnership” with Japan. At a time of simmering strategic rivalry in the Indo-Pacific region, Canberra places a premium on its close collaborative relationship with Tokyo, as both countries confront similar challenges in navigating the turbulent and unstable regional environment. It is in this context they affirmed their intent ‘to elevate bilateral security and defence cooperation under the Special Strategic Partnership to a new level.’

The effective “founding” of the Strategic Partnership in 2007, with the unprecedented Joint Declaration on Security Cooperation (JDSC), signalled the ‘emergence of a fully rounded and diverse partnership including important political and security objectives’ according to the Department of Foreign Affairs and Trade (DFAT). Since then the strategic partnership has been progressively institutionalized to include an Acquisition and Cross-Servicing Agreement (ACSA), Information Security Agreement (ISA), Defense Technology Cooperation Agreement, and Economic Partnership Agreement (EPA), to name the most salient accords. Annual Prime Ministerial summits and Foreign and Defense Minister’s (“2+2”) meetings are

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now a regularized feature of bilateral relations. As a new form of (non-alliance) security alignment, the strategic partnership represents a valuable mechanism through which these two major regional powers, and allies of the United States, can coordinate their policies and engage in practical cooperation aimed at ensuring their mutual security and economic interests. Indeed, bilateral cooperation through the “Special Strategic Partnership” mechanism has now become entrenched as a “fixture” of both Australian and Japanese foreign, economic, and security policy. Its full scope and remit can now be ascertained through the ‘Partnership Agenda Between Australia and Japan’ document. In light of its recent “upgrading” in 2020, it is therefore appropriate juncture to take stock of its progress to date, review and analyse current developments, and identify future directions for the partnership.

**Key issues and challenges for the Australia-Japan strategic partnership**

One of the most notable developments in recent years has been the joint adoption of the Indo-Pacific construct as a strategic framework through which Canberra and Tokyo view their region. According to Dobell ‘Japan and Australia were the first countries to place the Indo-Pacific atop their foreign policies in a new regional construct.’ Though the Indo-Pacific concept remains subject to variations in its interpretation and still attracts a degree of controversy, it has now become firmly entrenched in the regional discourse. This is reflected in Australian and Japanese official policy documents, such as the 2020 *Australian Strategic Defence Update*, which declares the ‘The Indo-Pacific is at the centre of greater strategic competition’ whilst Japan’s 2020 *Diplomatic Bluebook* states that ‘The Indo-Pacific region is one of the world’s growth centers, and realizing a peaceful and prosperous Indo-Pacific is one of the highest priorities of Japan’s diplomacy.’ Consequently, the strategic partners jointly declare their ‘shared strategic interests in the security, stability and prosperity of the Indo-Pacific region.’

The partners have embraced the Indo-Pacific concept for several reasons. First, it provides a “mental map” that better captures the locus of economic dynamism and strategic competition than the former “Asia-Pacific” label. Second, it emblematises the partner’s aspirations for a more balanced and multipolar region by according the rising power of India a more prominent role, and expressly engaging the small and middle powers, whilst ensuring the United States remains committed to the region. The adoption of this strategic framework allows for more seamless coordination with the respective Indo-Pacific strategies of India and the US as well. And third, it forms an integral part of joint aspirations to pursue combined and individual policies designed to shape regionalism. In this last respect it transmutes into a shared endeavour to manage the rise of China and forestall its potentially hegemonic influence.

Closely related to this, is the essential codification of the Free and Open Indo-Pacific (FOIP) vision into their partnership remit. On the basis of mutual adoption of the Indo-Pacific frame just mentioned, the “mission statement”

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7 *Diplomatic Bluebook*, 2020, MOFA, Tokyo, p. 19.
of the strategic partnership has been recast accordingly to express their joint ‘determination to deepen cooperation to promote a free, open, inclusive and prosperous Indo-Pacific region’.9 While Canberra quirkily avoids the precisely spelling-out the “FOIP” in national documents in favour of the above statement, this is simply a question of rhetorical hair-splitting, as for all practical purposes it endorses the ‘core idea’ of the FOIP in its entirety. According to the 2020 Diplomatic Bluebook ‘The core idea of the Free and Open Indo-Pacific (FOIP) concept is to establish a rules-based international order and consolidate principles such as free trade, freedom of navigation, and the rule of law, which are essential for the stability and prosperity of the region.’10 The FOIP idea emerged mainly in response to challenges posed to this rules-based order by Chinese assertive behavior, including its provocative actions in the South China Sea (SCS) and East China Sea (ECS), and its use of economic statecraft to influence smaller countries (“debt trap diplomacy”), as well as coercive economic practices (see below). The FOIP is a bid to uphold international law and norms in regional interactions, rather than accede to unilateral or coercive measures to alter the status quo. Furthermore, the FOIP idea is designed to be inclusive and has already been officially adopted by Washington since 2017, with New Delhi offering more circumspect support. The participation of South East Asian countries is particularly encouraged, through synergies with the ASEAN Outlook on the Indo-Pacific.11

A particular focus of the FOIP and the partnership itself are maritime issues, given the oceanic nature of the Indo-Pacific construct. Beijing continues to assertively expand its maritime space and has ambitious plans for naval modernization (including a third aircraft carrier). Its militarization of artificial features in the disputed SCS and refusal to abide by the 2016 Arbitral Tribunal ruling in favour of the Philippines claims, has alerted the strategic partners to parallels in the ECS, where Beijing disputes Japanese sovereignty over the Senkaku Islands. Indeed, the partners have remained in ‘close communication’ as China has ramped up maritime and air incursions into areas surrounding the territory in the ECS, including the use of “maritime militia”. Chinese penetration of the Pacific Islands region has also been a cause for alarm, with plans to build a major fishing facility in Papua New Guinea (PNG) raising alarm bells in Canberra.12 All of these issues are highlighted as shared concerns in strategic partnership statements from Canberra and Tokyo and they continue to stress the need to resolve disputes peacefully and in accord with internal law and norms (i.e. UNCLOS). Increased bilateral cooperation and collaboration with other like-minded partners in South East Asia to improve capacity and Maritime Domain Awareness (MDA) to foreclose “gray zone” incursions have become a priority. Indeed, Japan’s newly appointed Ambassador to Australia, Shingo Yamagami, made calls for closer cooperation on ECS issues in a recent press interview for the Australian Financial Review.13

The stated shared values that unite the strategic partners have also taken on increasing salience as part of their efforts to uphold the

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10 Diplomatic Bluebook, 2020, MOFA, Tokyo, p. 8.
12 Aaron Smith, ‘China’s fishery deal with PNG: wolf-warrior diplomacy or just business?’, The Strategist, 22 December 2020, Australia Strategic Policy institute.
rules-based order. This can be traced back to former PM Abe’s notion of “values-based diplomacy” and has now assumed greater prominence due to the emerging ideological division of the region. According to the 2020 Joint Statement ‘the Special Strategic Partnership between the two countries is based on shared values, including a commitment to democracy, human rights, free trade and a rules-based order.’ There are many instances where such values appear under threat across the region. Both countries have exceedingly close economic and people-to-people ties with the Hong Kong SAR. Statements from the partners have expressed ‘grave concerns over the situation in Hong Kong’ as Beijing has moved to quash pro-democracy movements and implement the new National Security Law. Both partners have also gone on record together about the alleged human rights infringements occurring in the Xinjiang region of China, where the Uighur ethnic peoples are allegedly being subjected to maltreatment. Likewise, they have ‘called on North Korea to end human rights violations and abuses and to resolve the Japanese abductions issue immediately.’ A proactive effort to uphold the national and mutual values of the strategic partners is increasingly necessary in the face of authoritarian challenges such as these, and the recent military coup in Myanmar in February 2021.

Regional security concerns are by no means confined to China. The continued belligerency of nuclear-armed North Korea is likewise seen as a major destabilizing force in the Indo-Pacific. In 2020, the ‘Leaders reiterated their commitment to achieving the complete, verifiable and irreversible dismantlement of all nuclear weapons, other weapons of mass destruction, and ballistic missiles of all ranges of North Korea.’ The determination of North Korea to maintain and upgrade its nuclear arsenal was demonstrated during military parades in October 2020 when it unveiled a (supposed) Intercontinental Ballistic Missile (Hwasong-16) and in January of 2020, where a new Submarine Launched Ballistic Missile (Pukkuksong-5) went on display for the first time. This comes after the much-touted Trump-Kim summits of 2018 and 2019, which did nothing to arrest the determination of the rogue state to pursue a credible nuclear weapons capability. Nevertheless, the strategic partners continue to maintain their strong stance on non-proliferation. According to government sources ‘The Non-Proliferation and Disarmament Initiative (NPDI), which was launched under the leadership of Japan and Australia, has also proactively contributed to the NPT review process through realistic and practical proposals.’

**Strengthening and deepening co-operation**

To improve their capacity to confront traditional strategic challenges both countries are persistently aiming at improving military interoperability. As a result of the 2020 Leader’s Meeting, agreement in principle was announced on the Japan-Australia Reciprocal Access Agreement (Japan-Australia RAA). PM Morrison dubbed the agreement as a “pivotal moment in the history of Japan-Australia ties.”

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19 Diplomatic Bluebook, 2020, MOFA, Tokyo, p. 22.
This appears to be a major breakthrough that would further facilitate military ties such as joint exercises and disaster relief operations by establishing a legal framework for reciprocal visits by the Australian Defence Force (ADF) and Japan Self Defence Force (JSDF) to one another’s countries, somewhat similar to the US-Japan Status of Forces Agreement (SOFA). In addition to the upgraded-ACSA, this would further improve interoperability and allow their forces to do more together. Japan’s earlier Peace and Security Legislation of 2016 was fully supported by Australia, including the provision for “collective self defense” (in circumscribed situations). In future Japan may have the ability to provide ‘asset protection’ to Australian ships and aircraft. This reinforces the progress made through bilateral exercises such as Nichi-Gō Trident (between the RAN and MSDF) and Bushido-Guardian (between the RAAF and JASDF), as well as multilateral manoeuvres such as Cope North and Talisman Sabre. Such opportunities are deemed increasingly valuable as the possibility of high-intensity regional conflict increases in an unstable region.

This significant development builds upon the steady cooperation between the partners on more low-key Non-Traditional Security (NTS) challenges, such as Humanitarian Assistance/Disaster Relief (HA/DR). It will be remembered that Australian forces contributed in this area during the 3.11 “Triple Disaster” in Japan through Operation Pacific Assist. Japan was later able to reciprocate with HA/DR during the bush fires in Australia in 2019. According to the MOD, ‘This mission was very meaningful also in deepening the Japan-Australia relationship.’ Additionally, through a 2011 joint Memorandum of Understanding (MOU), the partners remain committed to supporting one another against the threat of international terrorism, though this danger appears to have receded for the present. Notwithstanding, additional NTS cooperation is potentially emerging in the realms of environmental, cyber and space security.

Yet, the most important NTS issue to face the partners has been in the health security sector. The COVID-19 pandemic has galvanised joint efforts to collaborate more deeply on such challenges. To this purpose, in 2020, ‘The Leaders decided to coordinate efforts to mitigate the health, social and economic impacts of COVID-19, particularly in the Indo-Pacific, and to accelerate the development and equitable access to diagnostics, therapeutics, and safe, effective and affordable vaccines for COVID-19.’ Not only is there scope for joint collaboration between leading national scientific institutes such as the CSIRO and RIKEN, facilitated through the Japan-Australia Joint Science and Technology Cooperation Committee, but the partners have expressed their intent to seek reform of the World Health Organization (WHO) to better improve its ability to respond to future outbreaks.

The COVID crisis has highlighted the importance of economic security issues more generally for the strategic partners. Thus, their 2020 Leaders’ Summit ‘confirmed that a key element of bilateral security cooperation is to promote coordination in the area of economic security.’ Australia and Japan enjoy ‘mutually complementary economic relationship’ and in 2014 signed the Japan-Australia Economic Partnership Agreement (JAEPA) to further boost their trade and investment ties. DFAT records that ‘JAEPA has supported the rise in

22 The Defense of Japan, 2020, MOD, Tokyo, p. 401.
25 Diplomatic Bluebook, 2020, MOFA, Tokyo, p. 76.
our two-way trade of some 31 per cent since
the agreement started.' They is thus a strong
foundation upon which the recent Second
Ministerial Economic Dialogue in January
2020 sought to build. In the context of the
COVID-19 pandemic both countries have
become concerned about maintaining secure
supply-chains for critical goods and services.
This concern has been exacerbated by the
practice of coercive economic activities by
China in response to diplomatic disputes. In
2010 during a tense stand-off over the Senkaku
Islands China restricted the supply of rare
earth metals to Japan. Australia is currently
embroiled in a spiralling diplomatic dispute as
China has interrupted imports of Australian raw
materials and placed punitive tariffs on other
Australian goods, in response to Canberra’s
earlier call for an international inquiry into the
origins of COVID-19. They jointly affirm that
‘trade should never be used as a tool to apply
political pressure. To do so undermines trust
and prosperity.’

To this purpose, Ambassador
Yamagami signalled that ‘Tokyo was willing to
help Australia reduce its trade dependence on
China after Japan also endured rough treatment
at the hands of Beijing.’

This has impelled the strategic partners
to leverage the JAEPY to not only deepen
bilateral economic exchange, but to cooperate
on resource and energy security matters, such
as Australian supply of Liquid National Gas
(LNG) through the Japanese funded Ichthys
project in Darwin, as well as the development
of rare earths processing in Australia. In 2019
they signed a Memorandum of Cooperation
on Energy and Minerals and a joint statement
on Cooperation on Hydrogen and Fuel Cells
in 2020. In response to the Belt and Road
Initiative (BRd), Australia and Japan joined with
the US to found the Trilateral Partnership for
Infrastructure Investment in the Indo-Pacific
in order to promote sustainable infrastructure
development and regional connectivity.
Collaboration, alongside the US, on providing an
undersea telecommunications cable for Papua
New Guinea, is exemplary of these efforts. In
these ways both countries aim to ‘strengthen
coeperation on economic security in areas such
as telecommunications and critical minerals.’

Such economic security issues are also
reflected in the key role that sub-regional
development efforts play in their strategic
partnership. The Pacific Islands Countries
(PICS) and parts of South East Asia are
identified as crucial sub-regions where the
strategic partners can assist their neighbours
to preserve their sovereignty, improve their
governance practices, and provide for their
economic development and infrastructure
needs in a sustainable fashion. This is aimed
at jointly ‘promoting quality infrastructure
investments in line with the G20 Principles for
Quality Infrastructure Investment and through
support for the establishment of maritime
security functions.’ The strategic partners have
coordinated their Official Overseas Development
Assistance (ODA) and worked together through
the Trilateral Infrastructure Fund (mentioned
above). They further coordinate through the

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relationship
27 Thomas Wilkins, ‘Australia-China clashes in the COVID-19 era: Adjusting to a “new normal” in bilateral relations?’,
29 Andrew Tillett, ‘Japan urges Australia to boost East China Sea presence’, The Australian Financial Review, 29
page3e_001080.html
31 Diplomatic Bluebook, 2020, MOFA, Tokyo, p. 76.
2016 Strategy for Cooperation in the Pacific, which involves the promotion of ‘effective governance, economic growth and sustainable development, security and defence cooperation, and diplomatic initiatives.’ These issues are intimately linked as Chinese inroads into the PICS and certain South East Asian countries have undermined their governance, exposed them to “debt-trap diplomacy” and infringed their (maritime) sovereignty, through the use of illegal fishing fleets or disputes over territory in the SCS. In respect to the latter, provision of coast guard equipment and training assists vulnerable states in improving their maritime domain awareness (MDA) and protecting their sovereign rights.

The partners also maintain that economic governance can be supported by multilateral efforts. This supports their mutual objective of ‘expanding a free, fair, inclusive and rules-based trade and investment environment’ in the Indo-Pacific. Both partners have played leadership roles in multilateral initiatives such as the Regional Comprehensive Economic Partnership (RCEP) as well as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which build upon the Asia Pacific Economic Cooperation (APEC) forum. Their preference for multilateralism also transfers to the regional security architecture more broadly, where the partnership places strong emphasis on the East Asia Summit (EAS) as the ‘region’s premier forum for strategic dialogue.’ The ASEAN Regional Forum (ARF) is likewise seen an important contributor to conflict prevention and regional confidence building in order to ‘strengthen habits of dialogue, confidence-building and transparency which contribute to a sense of shared strategic and security interest among regional countries.’

Both of these connect with a mutual desire to respect ASEAN “centrality” and access areas of mutual interest between the FOIP and ASEAN’s Indo-Pacific Outlook. The strategic partners have shown little appetite for engagement with Chinese-led or dominated regional architectures such as the BRI or Shanghai Cooperation Organization (SCO), though Australia has joined the Asian Infrastructure Investment Bank (AIIB).

The partners also recognize that minilateral forums have taken on an important role alongside broader pan-regional institutions. Australia and Japan place a strong emphasis on their Trilateral Strategic Dialogue (TSD) with their US ally, and have likewise initiated Australia-Japan-India trilateral cooperation. Knitting together these trilateral fora is the Quadrilateral Strategic Dialogue (QSD) or “Quad”, which convenes all four of these powers. Strengthening minilateral cooperation among allies and partners under the umbrella of the Indo-Pacific concept is proving useful in sharing information and coordinating responses to shared concerns about the regional security order, the FOIP, and the maritime issues discussed above. The expansion of the Quad itself to a “Quad-plus” format allows the

admission of other like-minded powers including Britain, France and Germany, to also contribute to shared security concerns.

Despite the partners’ emphasis on their own bilateral efforts and the role that the partnership itself plays as a joint platform for expanded networks, both countries remain deeply committed to their support of their US ally. The 2020 Joint statement ‘stressed the importance of close cooperation with the United States to contribute to the peace and stability of the region.’ In fact their respective US alliances and the wider “hub-and-spoke” system remain critical to the partners in achieving their shared goals. Despite the damage to American credibility caused by the Trump Administration, both countries express their confidence that the new Biden Administration will work fast to restore America’s standing in the Indo-Pacific. Existing American documents such as the Indo-Pacific Strategy Report (IPSR), (American-) FOIP and the recently declassified ‘US Strategic Framework for the Indo-Pacific’ should imbue confidence that, despite its present troubles and its relative decline, the US remains able, and now willing, to uphold its primacy in the region and resist China as a “revisionist power.” There may also be expectations that in addition to security leadership in the region, which is clear in intent, that Washington will return to the CPTPP in order to restore its influence upon the region’s economic governance.

Conclusions: A partnership based on consensus and strategic logic

The 2020 Leadership Summit between PM Morrison and PM Suga appears to have dispelled any apprehension that the closeness of the partnership was intrinsically dependent on the leadership and personal role of former PM Shinzo Abe. Indeed, Morrison claimed his relationship with Suga “got off to a cracker of a start.” Thus, the mutual emphasis on the strategic partnership relationship has never been stronger as these two significant regional powers jointly confront an ever-deteriorating environment that endangers regional security and continued economic prosperity. In 2019, Defence Ministers Linda Reynolds and Taro Kono noted that ‘as Indo-Pacific security dynamics became more challenging, the strategic logic underpinning Japan-Australia cooperation was only getting stronger.’ The partnership has expanded from humble beginnings in the early 2000s as mutual confidence and trust increased and, like many institutions, each area of successful cooperation has “spilled over” into further areas of cooperation. It is now possible to identify a strong “partnership consensus” around an extensive range of issues. As the 2017 Australian Foreign Policy White Paper affirms ‘As close partners, each country is invested in the success of the other.”

While policy-makers in Washington have long supported and encouraged Australia-Japan ties as part of “networking” their hub-and-spoke alliance system, Beijing reacted

41 The Defense of Japan, 2020, MOD, Tokyo, p. 346.
42 Australian Department of Foreign Affairs 2017, Foreign Policy White Paper, DFAT, Canberra, p. 41.
vehemently to the recent strategic partnership upgrade, partly due to inaccurate portrayals of the recent RAA as a “defence pact” in some of the (Australian) press coverage. The Global Times stated that ‘the RAA would set a bad example for Asia-Pacific countries by hyping the so-called China threat’ and considered the ‘bilateral defense pact as a prelude to forming an “Indo-Pacific NATO” against China.’ Despite these shrill denunciations, and the occasional use of the term “quasi-alliance” to describe the partnership, such a prospect remains a long way off. Nevertheless, with advocates of a bona fide bilateral alliance in prominent positions both in Australia and Japan, this option may resurface again in future if the regional security environment deteriorates sufficiently to warrant it. In the meantime, bilateral relations within the strategic partnership model continue to go from strength to strength, with the Japanese MOD declaring that ‘Japan’s relationship with Australia is becoming more important than ever before.’

44 The Defense of Japan, 2020, MOD. Tokyo, p. 129.